# 435/2004 Coll.

# ACT

of 13 May 2004

# on employment

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Amended by: 202/2005 Coll.
Amended by: <u>168/2005 Coll.</u>
Amended by: 253/2005 Coll.
Amended by: <u>428/2005 Coll.</u>
Amended by: <u>350/2005 Coll.</u>
Amended by: 495/2005 Coll.
Amended by: 382/2005 Coll., 413/2005 Coll., 444/2005 Coll.
Amended by: 161/2006 Coll.
Amended by: <u>264/2006 Coll.</u> (part)
Amended by: <u>109/2006 Coll.</u>, <u>115/2006 Coll.</u>
Amended by: <u>105/2006 Coll.</u>, <u>115/2006 Coll.</u>

Amended by: <u>165/2006 Coll.</u>

Amended by: <u>109/2006 Coll.</u> (part), <u>112/2006 Coll.</u>, <u>264/2006 Coll.</u>
Amended by: 159/2007 Coll.
Amended by: 181/2007 Coll.
Amended by: 213/2007 Coll.
Amended by: 379/2007 Coll.
Amended by: <u>261/2007 Coll.</u>, <u>362/2007 Coll.</u>
Amended by: <u>57/2008 Coll.</u>
Amended by: 124/2008 Coll.
Amended by: 479/2008 Coll. (part)
Amended by: 129/2008 Coll., 382/2008 Coll., 479/2008 Coll. (part)
Amended by: 479/2008 Coll.
Amended by: 158/2009 Coll.
Amended by: 326/2009 Coll.
Amended by: 223/2009 Coll.
Amended by: 306/2008 Coll.
Amended by: <u>227/2009 Coll.</u>, <u>149/2010 Coll.</u>
Amended by: 281/2009 Coll., 347/2010 Coll., 427/2010 Coll. Amended by: 73/2011 Coll.
Amended by: 427/2010 Coll. (part)
Amended by: 364/2011 Coll., 365/2011 Coll., 367/2011 Coll., 420/2011 Coll., 470/2011 Coll.
Amended by: 1/2012 Coll.
Amended by: 375/2011 Coll.
Amended by: 437/2012 Coll.
Amended by: 505/2012 Coll.
Amended by: 401/2012 Coll.
Amended by: 306/2013 Coll.
Amended by: 303/2013 Coll.
Amended by: 64/2014 Coll.
Amended by: 101/2014 Coll.
Amended by: 219/2014 Coll.
Amended by: <u>136/2014 Coll.</u>, <u>250/2014 Coll.</u>
Amended by: <u>84/2015 Coll.</u>
Amended by: 203/2015 Coll. (part)
Amended by: 203/2015 Coll.
Amended by: 317/2015 Coll.
Amended by: 314/2015 Coll.
Amended by: 131/2015 Coll.
Amended by: 88/2016 Coll.
Amended by: <u>190/2016 Coll.</u>
Amended by: 137/2016 Coll.
Amended by: 24/2017 Coll.
Amended by: 93/2017 Coll.
Amended by: 183/2017 Coll.
Amended by: 206/2017 Coll.
Amended by: 190/2016 Coll. (part), 205/2017 Coll.
Amended by: 222/2017 Coll.
Amended by: 206/2017 Coll. (part)
Amended by: 327/2017 Coll.
Amended by: 176/2019 Coll.
Amended by: 210/2019 Coll.
Amended by: 365/2019 Coll.
Amended by: 161/2020 Coll.
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The Parliament has adopted the following Act of the Czech Republic:

# PART ONE

### INTRODUCTORY PROVISIONS

TITLE I

# SCOPE OF REGULATION

Section 1

This Act incorporates the relevant European Union regulations1) and regulates the provision of State employment policy aimed at achieving full employment and protection against unemployment.

TITLE II

# **BASIC PROVISIONS**

Section 2

# State employment policy

- (1) The state employment policy in the Czech Republic includes in particular:
- (a) securing the right to employment;
- (b) monitoring and evaluating the situation on the labour market, preparation of employment forecasts and concepts and development of human resources in the labour market, programmes and projects for the employment of natural persons;
- (c) coordination of employment and human resources development measures in the labour market in line with the European Employment Strategy and the conditions for using aid from the European Social Fund;
- (d) the creation and coordination of individual programmes and measures to implement priorities in employment and human resources development in the labour market;
- (e) the implementation of active employment policy;
- (f) the creation of and participation in international programmes related to the development of employment and human resources in the labour market;
- (g) management of funds for employment policy;
- (h) provision of information, advisory and agency services in the labour market;
- (i) the provision of unemployment and retraining benefits;
- (j) measures supporting and achieving equal treatment with men and women, people irrespective of their racial or ethnic origin, disabled people and other groups of people who have worsened position on the labour market as far as access to work is concerned, retraining, preparation for work and specialised retraining courses, and measures for the employment of such persons,
- (k) measures for the employment of person with a disability and other groups of natural persons who are in a difficult position on the labour market;
- (I) regulating the employment of labour from abroad in the territory of the Czech Republic and from the territory of the Czech Republic abroad.
- (2) State employment policy is created by the State and other labour market actors, especially employers and trade unions, are involved; in the implementation of the State employment policy, the State cooperates with other labour market actors, in particular with territorial self-governing units, professional organisations, associations of persons with disabilities and employers' organisations.
  - (3) The State administration in the field of State employment policy in the Czech Republic is performed by:
- (a) the Ministry of Labour and Social Affairs (hereinafter the "Ministry");
- (b) Labour Office of the Czech Republic (hereinafter the "Labour Office")<sup>75)</sup>

Section 3

# Parties to legal relationships

- (1) The parties to legal relationships under this Act include:
- (a) the Czech Republic, acting through the Ministry and the Labour Office;

- (b) natural persons who have the capacity to be an employee;2) natural persons are nationals of the Czech Republic and, under the same conditions, foreign nationals3) who meet the conditions for employment laid down by this Act;
- (c) employers<sup>4</sup>); an employer is considered to also include a branch of a foreign legal entity or a foreign natural person authorised to do business on the territory of the Czech Republic in accordance with special legislation<sup>5</sup>); for the purposes of Section 87(1) and (2), Section 93, Section 102(2) and Section 126, an employer is also considered to include:
- 1. a branch office located in the territory of the Czech Republic to which a foreign national who holds an intra-corporate transferee card or a card of an intra-corporate transferee from another EU Member State issued pursuant to the Act on the Residence of Foreign Nationals in the territory of the Czech Republic (hereinafter the "intra-corporate transferee card") or residence permit of an intra-corporate transferee issued by another EU Member State, is transferred from a business corporation with its registered office outside the territory of the European Union to which that branch belongs; or
- 2. a business corporation with its registered office in the territory of the Czech Republic in which a foreign national holding an intra-corporate transferee card or a residence permit of an intra-corporate transferee issued by another EU Member State is transferred from a business corporation with its registered office outside the territory of the European Union which controls or is controlled by a business corporation with its registered office in the Czech Republic101) or both of these business corporations are controlled by the same controlling person;
- (d) legal and natural persons and other entities in accordance with special legislation6) performing activities under this Act.
- (2) A national of another EU Member State (hereinafter the "EU citizen") and his family member?) have the same legal status in the legal relationships governed by this Act as a citizen of the Czech Republic, unless otherwise provided for in this Act.
- (3) Family members of a citizen of the Czech Republic who are not nationals of the Czech Republic or of any other Member State of the European Union shall have the same legal status in legal relationships governed by this Act as a citizen of the Czech Republic, unless otherwise provided for in this Act.

### Section 4

# Equal treatment and ban on discrimination in the exercise of the right to employment

- (1) The parties to legal relationships pursuant to Section 3(1)(a), (c) and (d) are obliged to ensure equal treatment of all natural persons exercising the right to employment.
- (2) Any discrimination in the exercise of the right to employment is prohibited80). A citizen must not be deprived of the right to employment on grounds of sex, sexual orientation, racial or ethnic origin, nationality, citizenship, social origin, tribe, language, health conditions, age, religion or belief, property, marital and family status and relation or liabilities to a family, political or other opinions, membership and activity in political parties or political movements, in trade union organisations or organisations of employees; discrimination on grounds of pregnancy, maternity, paternity or sexual identification shall be regarded as discrimination on grounds of sex.

# Section 5

# **Definitions**

For the purposes of this Act, the following definitions shall apply:

- (a) "identification data" means:
- 1. in the case of a natural person, the name(s) or surname or maiden name, if any, nationality, personal identification number, or date and place of birth, if personal identification number has not been assigned, place of residence;
- 2. in the case of a legal person, the business name or name, registered office, the company identification number;
- 3. in the case of a self-employed natural person8) the business name or name(s), surname, personal identification number, registered office, identification number, if assigned:
- 4. in the case of a foreign person, the data under points 2 or 3 and the location of the organisational unit in the Czech Republic;
- (b) "place of residence" means:
- 1. in the case of a citizen of the Czech Republic the address of permanent residence in the territory of the Czech Republic or the address of the place where he usually resides residence in the territory of the Czech Republic;
- 2. in the case of a foreign national3) who is a citizen of the European Union or his family member or a family member of a citizen of the Czech Republic, the address of permanent or temporary residence in the territory of the Czech Republic, and, if the foreign national has no such residence, the address of the place in the Czech Republic where he is habitually present;
- 3. in the case of a foreign national3) who is neither a citizen of the European Union nor his family member or a family member of a citizen of the Czech Republic, the address of the permanent residence in the territory of the Czech Republic;
- 4. in the case of a foreign national<sup>3)</sup> who is not a citizen of the European Union or his family member or a family member of a citizen of the Czech Republic and who is a holder of a long-term residence permit for the purpose of pursuing a high-skilled job (the "blue card") issued in accordance with other legislation<sup>72a)</sup>, the address specified as the place of residence in the information system of foreign nationals (Section 147c);
- (c) for serious reasons on the grounds of:
- 1. necessary personal care for a child aged up to 4 years;
- 2. necessary personal care for a natural person who, under a special legislation, is considered a person dependent on the assistance of another person of grade II (medium dependence), grade III (heavy dependence) or grade IV (full dependence)3a), if such a natural person lives permanently with the job seeker and they jointly pay the costs of their needs; this is not required in the case of a person who is considered a close person for the purposes of pension insurance;
- 3. the attendance of a child in a pre-school facility and compulsory schooling;
- 4. place of performance or the nature of the employment of the other spouse or registered partner; immediate termination of employment relationship by the employee pursuant to Section 56 of the Labour Code.

- 6. medical reasons, which, according to a medical opinion, prevent the performance of employment or of the obligation to cooperate with the Labour Office the Regional Branch of the Labour Office and the branch of the Labour Office for the City of Prague (hereinafter the "Regional Branch of the Labour Office") in employment intermediation;
- 7. other serious personal reasons, such as ethical, moral or religious, or reasons worthy of special consideration;
- (d) "continuous preparation for future profession" means the period of full-time study in secondary school, conservatory, tertiary vocational school and language school with accreditation for state language examinations, and the period of full-time study at a higher education institution9), including holidays that are part of the school or academic year;
- (e) "illegal work" means:
- 1. employment81) of a natural person outside the labour-law relationship82);
- 2. work carried out by a foreign national in breach of a work permit issued or without such a permit, if required by this Act, or contrary to the employee card, intra-corporate transferee card or blue card issued pursuant to the <u>Act on the Residence of Foreign Nationals in the territory of the Czech Republic</u> or without any of these cards; this does not apply to the performance of other work pursuant to <u>Section 41(1) c) the Labour Code</u>; or
- 3. work performed by a foreign national for a legal or natural person without a valid residence permit in the territory of the Czech Republic, if required by the Act on the Residence of Foreign Nationals in the territory of the Czech Republic;
- (f) "profession" means a standardised set of work activities according to their usual grouping in the labour market, the performance of which requires certain professional and other competence;
- (g) "undisclosed employment intermediation" means the activity of a legal person or a natural person consisting in the hiring of workforce to another legal person or natural person without meeting the conditions for employment intermediation pursuant to Section 14(1)(b);
- (h) "temporary incapacity of a job-seeker to fulfil the obligations of a job-seeker due to illness or injury", the obligation of a job seeker to:
- 1. stay at the place indicated on the certificate of temporary incapacity of the job seeker to fulfil the obligations of a job seeker due to illness or injury; and
- 2. observe the extent and time of permitted outings.
- (i) "intra-corporate transfer" means the performance of employment in the Czech Republic by a foreign national who holds an intra-corporate transferee card or a residence permit of an intra-corporate transferee issued by another Member State of the European Union as manager, specialist or employed trainee102):
- 1. in a branch with its registered office in the territory of the Czech Republic to which the foreign national is transferred from a business corporation with its registered office outside the territory of the European Union to which that branch belongs; or
- 2. in a business corporation with its registered office in the territory of the Czech Republic to which a foreign national is transferred from a business corporation with its registered office outside the territory of the European Union which controls or is controlled by a business corporation located in the territory in the Czech Republic101) or both of these business corporations are controlled by the same controlling person;

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# Section 5a

For the purposes of Section 87(1) and (2), Section 89(4) and Section 93, employment is considered to include intra-corporate transfer.

# TITLE III

# SCOPE OF COMPETENCE OF THE MINISTRY

- (1) The Ministry regulates and supervises the performance of state administration and the compliance with law in the implementation of the state employment policy. In doing so,
- (a) it prepares national strategies and programmes of the State employment policy and the solution of critical issues of the labour market, it provides opinions on the proposals affecting the State employment policy, which are prepared by other central State administration bodies.
- (b) it ensures the preparation of analyses and outlooks of the developments on the labour market, including international comparisons, adopts measures to align the resources and needs of workforce in the Czech Republic and adopts measures for directing workforce from abroad to the territory of the Czech Republic and workforce to other countries;
- (c) it provides for the administration and provision of funds for securing the State employment policy, ensures the national financing of the employment and human resources development measures in the labour market included in the programmes of the European Social Fund, and provides the project solutions and the programme and technical equipment of the information system in the field of employment;
- (d) it ensures the development of international relations and international cooperation in employment and human resources in the labour market, including cooperation with the European Union;
- (e) it cooperates with relevant public administration bodies of the European Union Member States in connection with sending

employees to work in another Member State;

- (f) it ensures the creation and, in accordance with the labour market developments, updates of the National Register of Professions, and publishes it electronically by a method enabling remote access. In its creation and updates, it cooperates with the administrative authorities and territorial self-governing units and takes into account the suggestions of persons working in the labour market. National Register of Professions contains:
- 1. the name and numerical designation of the profession expressed by a code;
- 2. a brief description of professions;
- 3. work activities of the professions;
- 4. prerequisites for the performance of the profession, especially in terms of qualification, expertise and health;
- 5. other data related to the profession;
- (g) by a method enabling remote access, it provides the bodies which decide on the granting of a public benefit, support, subsidy, contribution or the awarding of a public contract, with data from the register of natural and legal persons who have been finally fined for enabling illegal work pursuant to Section 5(e)(3);
- (h) by a method allowing remote access, it provides the managing authorities and the coordinating authority designated for operational programmes financed by the European Structural and Investment Funds98), at their request, with the data obtained in the provision for the State employment policy, including data on individual natural persons and on whether or not they are persons with disability in accordance with Section 67(2), provided that such data are necessary for the fulfilment of the obligations imposed upon them by European Union law<sup>99</sup>; the application must specify the legal provision of the European Union law on which the application is based, the extent of the requested data and the purpose for which the data are requested;
- (i) for the purposes of employment, it keeps a central register of persons interested in a job, job seekers, persons with disabilities in accordance with Section 68(1), foreign nationals, vacancies, vacancies that can be filled by employee card holders, vacancies that can be filled by blue card holders, employment agencies, as well as a register of licences for the performance of artistic, cultural, sports and advertising activities of children, and a register of legal and natural persons that have been finally fined for enabling illegal work in accordance with Section 5(e)(3);
- (j) it assesses the risks associated with the performance of illegal work in accordance with <u>Section 5(e)(3)</u>, and identifies the risk sectors of economic activities in which this illegal work is concentrated,
- (k) submits to the European Commission, by 1 July each year, a report on the number of controls carried out in the preceding calendar year in the various risk sectors, on the outcome of such controls and on their percentage of the total number of legal and natural persons doing business in the individual risk sectors.
- (2) The registers kept in accordance with <u>subsection (1)(i)</u> are based on the Labour Office's data and may be used by the Ministry and the Labour Office to comply with the obligations arising from this Act and may also be used for purposes in accordance with special legislation; for other purposes, the data is used anonymously.
- (3) The register of legal and natural persons that have been finally fined for allowing illegal work in accordance with Section 5(e)(3) contains:
- (a) the business name or name of legal person or name(s) and surname of natural person;
- (b) the identification number of the legal or natural person;
- (c) the amount of the fine imposed;
- (d) the date on which the decision imposing the fine became final.

The data in this register are kept for as long as the legal or natural persons cannot be granted public benefits, support, subsidies, contributions or public contracts.

# Section 6a

- (1) In order to fulfil the tasks in the field of employment, the Ministry may establish a publicly co-funded organisation. The Ministry shall issue the formation charter of this publicly co-funded organisation. The publicly co-funded organisation shall be created on the date specified in the charter. The formation charter must also include the following:
- (a) the name, registered office and identification number of the publicly co-funded organisation;
- (b) the purpose for which the publicly co-funded organisation is established;
- (c) the principal activity or other activities, if relevant;
- (d) the governing body and the basic organisational structure of the publicly co-funded organisation;
- (e) the assets of the Czech Republic which the Ministry entrusts to the publicly co-funded organisation upon its establishment.
- (2) The governing body of the publicly co-funded organisation established pursuant to <u>subsection (1)</u> is appointed and removed by the Minister of Labour and Social Affairs.
- (3) The Ministry may decide on the de-merger of the publicly co-funded organisation established pursuant to <u>subsection</u> (1), on its merger by acquisition (*sloučení*) or merger by the formation of a new person (*splynutí*) with another publicly co-funded organisation established pursuant to <u>subsection</u> (1) or on other changes to such a publicly co-funded organisation. At the same time, it shall issue the formation charter of the publicly co-funded organisation to be created, or a supplement thereto. A publicly

co-funded organisation shall terminate on the date laid down in the decision on its de-merger or merger by the formation of a new person or, as the case may be, on the date laid down in the decision on its merger by acquisition if its legal successor is another publicly co-funded organisation.

- (4) The Ministry may decide to dissolve a publicly co-funded organisation established pursuant to subsection (1). At the same time, it shall decide on the manner of settlement of the rights and obligations performed by the publicly co-funded organisation, including the competence to manage the property of the Czech Republic, and annul the formation charter. If it does not so decide, the competence to manage the property of the Czech Republic, including the rights which the organisation has so far managed, passes to the Ministry on the date of termination of the publicly co-funded organisation being dissolved. At the same time, the obligations, as well as the rights and obligations arising from labour-law relationships of the organisation, pass to the Czech Republic; the Ministry becomes competent to perform these obligations, as well as to exercise the rights and obligations arising from these labour-law relationships.
- (5) The Ministry shall publish a notification of the establishment, de-merger, merger by acquisition, merger by the formation of a new person or distribution of a publicly co-funded organisation the decision on which has been made in accordance with <u>subsections (1) to (3)</u> in the Official Gazette of the Czech Republic within 30 days from the above events. The notification shall include the name of the founder of the publicly co-funded organisation, the organisation's name, registered office, identification number and the day, month and year of creation, de-merger, merger by acquisition, merger by the formation of a new person or termination.

# TITLE IV

# LABOUR OFFICE AND ITS SCOPE OF COMPETENCE

#### Section 7

- (1) The organisational structure of the Labour Office is laid down by a special law76).
- (2) In order to ensure cooperation in the labour market, the Labour Office establishes advisory councils as needed, composed primarily of the representatives of trade unions, employers' organisations, cooperative bodies, organisations of persons with disabilities and self-governing territorial units. The purpose of each of these advisory councils is to coordinate the implementation of the State employment policy and human resources development in the respective administrative district. In particular, the advisory councils express their opinion with regard to the provision of contributions to employers within the context of active employment policy, retraining programmes, the organisation of consultancy services, measures to promote equal treatment of all persons exercising their right to employment, and the issue of mass lay-offs.
- (3) For the purpose of assessing the appropriate forms of work rehabilitation of persons with disabilities, the Labour Office creates expert working groups consisting mainly of representatives of organisations of persons with disabilities and representatives of employers employing more than 50% of persons with disabilities.

# Section 7a

- (1) The Labour Office may specify acts pursuant to this Act, which may be made with respect to it through a designated public administration contact point. The Labour Office may make acts pursuant to this Act through a designated public administration contact point. The Labour Office shall publish a list of acts under the first sentence by a method allowing remote access.
- (2) The designated public administration contact point means a public administration contact point<sup>77)</sup> with which the Labour Office concludes an agreement on the possibility to perform through it the acts under subsection (1). The list of designated public administration contact points shall be published by the Labour Office by a method allowing remote access.
- (3) The Labour Office determines the competence of the designated public administration contact point, or the competence of a workplace of the designated public administration contact point through which the act under <u>subsection</u> (1) is made. If it fails to do so, the act under <u>subsection</u> (1) cannot be made through the designated public administration contact point.
- (4) The designated public administration contact point and its workplace whose competence has been determined in accordance with <u>subsection (3)</u> must be located within the administrative district of the municipality with extended powers in which the person making the act under the first sentence of <u>subsection (1)</u> or the addressee of the act in respect of which the act under the second sentence of <u>subsection (1)</u> is being made has his place of residence or registered office or where he is actually present. The first sentence does not apply if the Labour Office determines the competence of a designated public administration contact point on the basis of an agreement with the person making the act under the first sentence of <u>subsection (1)</u> or with the addressee of the act under the second sentence of subsection (1).
- (5) The remuneration related to the acts under <u>subsection (1)</u> shall be paid by the Labour Office to the designated public administration contact point. The amount of remuneration and the method of its payment shall be determined by the agreement under subsection (2).

# Section 8

Labour Office - General Directorate of the Labour Office (hereinafter the "General Directorate of the Labour Office"):

- (a) provides for the Ministry the reference documents for the preparation of strategies and programmes of State employment policy and opinions on the measures influencing the State employment policy, continuously monitors and reviews the overall situation on the labour market and adopts measures to influence the labour demand and supply;
- (b) cooperates with administrative authorities, self-governing units, social security authorities, authorities providing assistance in

material need, State health administration authorities, employers and other entities in accordance with special legislation in the creation and implementation of measures related to the development of the labour market and employment:

- (c) assumes measures supporting and achieving equal treatment of men and women, persons irrespective of their nationality, racial or ethnic origin, persons with disabilities and other groups of people who are disadvantaged on the labour market in terms of access to work, retraining, job training and specialised retraining courses, and adopts measures for the employment of such persons:
- (d) cooperates with the Ministry with respect to the development of international relations and international cooperation in employment and human resources in the labour market, including cooperation with the European Union;
- (e) cooperates with foreign institutions in fulfilling the obligations regarding employment arising from the legislation of the European Union or international treaties and coordinates activities within the European employment services system.
- (f) is responsible for the provision of financial support in the creation of new jobs and a financial support for retraining or training of new employees within the investment incentives and is responsible for other related programmes approved by the Government;
- (g) grants and removes legal or natural persons' authorisations to mediate employment and keeps registers of employment agencies; provides data from these registers to the central register maintained by the Ministry;
- (h) performs inspection activities within the scope laid down by this Act and the Act on the free movement of services 9b), including the imposition of fines;
- (i) ensures publication, in the electronic form and by a method enabling remote access, of written documents related to the provision of funds from the State budget for the instruments and measures of active employment policy, except documents containing personal details of natural persons who are not direct beneficiaries of such funds;
- (j) establishes training and retraining centres and, for persons with disabilities, work rehabilitation centres;
- (k) fulfils other obligations arising from this Act and from special legislation;
- (I) provides the Ministry of the Interior with:
- 1. an overview of the changes in the data on the employment intermediation authorisations issued;
- 2. an overview of the fines imposed on legal or natural persons who have been granted an employment intermediation authorisation for failing to comply with the obligations arising from labour-law relationships pursuant to Section 126(2) or other legislation<sup>78</sup>.

### Section 8a

- (1) Regional Branch of the Labour Office:
- (a) prepares the strategy of the employment developments in its district, statistics, analyses and outlooks, continuously monitors and evaluates the situation on the labour market and adopts measures to influence the labour demand and supply; for this purpose, it may require employers to provide information on their plans in relation to employment developments;
- (b) cooperates with administrative authorities, self-governing units, social security authorities, authorities providing assistance in material need, State health administration authorities, employers and other entities in accordance with special legislation in the creation and implementation of measures related to the development of the labour market and employment;
- (c) cooperates in the development of international programmes and programmes with international participation regarding the development of human resources and financing from the European structural funds;
- (d) adopts measures in its district to support and achieve equal treatment of men and women, people irrespective of their nationality, racial or ethnic origin, persons with disabilities and other groups of people who are disadvantaged on the labour market in terms of access to work, retraining, job training and specialised retraining courses, and adopts measures for the employment of such persons;
- (e) ensures and supports projects and measures related to the human resources development in the area of the labour market, including the participation in international programmes and projects, programmes and projects with international participation and programmes financed from the European structural funds and within employment programmes and the European Union programmes, and tests new active employment policy instruments;
- (f) ensures the intermediation of employment for job seekers and persons interested in a job and provides other employment-related services under this Act;
- (g) provides consultancy, information and other services related to employment and labour-law relationships to natural persons and employers:
- (h) ensures the application of active employment policy instruments under this Act, provides contributions from the active employment policy funds and pays unemployment benefits and retraining benefits;
- (i) provides employers with more than 50% of employees from among persons with disabilities with a contribution to support the employment of persons with disabilities;
- (j) authorises the performance of artistic, cultural, sports or advertising activities of children;

- (k) for the purposes of employment, keeps a register of vacancies, register of persons interested in a job, register of job seekers, register of persons with disabilities in accordance with <u>Section 68(1)</u>, register of foreign nationals and also a register of authorisations to perform artistic, cultural, sports or advertising activities of children and a register of natural and legal persons that have been finally fined for enabling illegal work in accordance with <u>Section 5(e)(3)</u>; data from these registers are provided to the central register maintained by the Ministry;
- (I) at the request of an authority providing assistance in material need 12), provides details:
- 1. on the keeping of register of job seekers, including the reasons for the exclusion therefrom;
- 2. on whether job seekers are provided with unemployment benefits or retraining benefits and on the amount of such benefits;
- 3. on whether a person is a person in need of increased care in intermediating employment;
- 4. on whether the person has started a short-term job or refused to perform a short-term job intermediated by the Regional Branch of the Labour Office or participate in a targeted programme to address unemployment 4. on whether the person has started a short-term job or refused to perform a short-term job mediated by the Regional Branch of the Labour Office or participate in a targeted programme to address unemployment (Section 120);
- 5. on whether proceedings have started to exclude the job seeker from the register of job seekers;
- 6. on whether a job seeker performs an activity under Section 25(3), and the indication of the termination of such an activity;
- 7. on whether a job seeker's labour-law relationship was terminated due to a particularly serious violation33) of statutory obligations regarding the performed work, or another employment of the job seeker was terminated for a similar reason in the last 6 months before the inclusion into the register of job seekers;
- (m) confirms to the citizen of the European Union, to his family member ( Section 3(2)) and to a family member of a citizen of the Czech Republic under Section 3(3), for the purposes of issuing a certificate of temporary residence in the territory, a residence card of a family member of a citizen of the European Union or permanent residence for the period the person is registered in the register of job seekers, and to seasonal workers the existence of a fixed-term employment contract, fixed-term agreement to perform work or a preliminary contract where the parties agree to conclude, within the agreed time limit, a fixed-term employment contract or a fixed-term agreement to perform work;
- (n) performs inspection activities within the scope laid down by this Act and the <u>Act on the free movement of services</u>9b), including the imposition of fines;
- o) provides to the State Authority for Labour Inspection the details of employees posted for the performance of work on the territory of the Czech Republic and identification details of legal and natural persons to which they have been posted, necessary for the performance of an inspection of complying with the employment conditions of such employees laid down in other statutory provisions regulating employment terms and conditions,
- p) ensures the activities of the European Employment Services,
- (q) ensures cooperation in the matters of employment, workforce mobility, and human resources development with territorial self-governing units, the relevant trade unions and employers' organisations.
- (r) fulfils other obligations arising from this Act and from special legislation13).
- (2) The local competence of a Regional Branch of the Labour Office is determined by the place where employment is or is to be pursued, unless otherwise provided by this Act or other legislation.

TITLE V

ASSESSING THE HEALTH CONDITION OF NATURAL PERSONS AND THE COOPERATION OF HEALTH SERVICE PROVIDERS IN ASSESSING THE HEALTH CONDITION OF NATURAL PERSONS

# Section 9 [Commentary of WK] [EM]

- (1) At the request of a Regional Branch of the Labour Office, health service providers shall, within 15 days from the receipt of the request, carry out an examination of the health condition of a natural person (Section 21).
- (2) The amount of reimbursement for the procedure under <u>subsection</u> (1) shall be governed by the list of medical procedures with point values<sup>14)</sup> and other legislation<sup>14a)</sup>. The reimbursement will be provided by the Labour Office based on a bill submitted by the health service provider.

Section 9a

Repealed

Section 9b

Repealed

TITLE VI

THE RIGHT TO EMPLOYMENT

Section 10

The right to employment is the right of a natural person who wants and can work and seeks work, to employment in a

labour-law relationship15) (hereinafter the "employment"), to employment intermediation and to the provision of other services under the conditions laid down hereunder.

# Section 11

A natural person has the right to freely choose and secure his employment and to perform it throughout the territory of the Czech Republic, or to secure his/her employment abroad.

# Section 12

- (1) Parties to legal relationships arising under this Act are prohibited from making employment offers which:
- (a) have a discriminatory character;
- (b) are not in accordance with labour-law or civil service legislation; or
- (c) are contrary to good morals.
- (2) When selecting employees, an employer must not request information relating to their nationality, race or ethnic origin, political attitudes, trade union membership, religion, philosophical beliefs or sexual orientation, unless this is in accordance with special legislation80), as well as information contrary to good morals, and personal data that cannot be used for the performance of the employer's obligations under special legislation. At the request of a job seeker, the employer must prove the need for the personal data requested. Aspects of employee selection must guarantee equal opportunities for all natural persons seeking employment. Section 4 applies in this case.

Section 13

### Repealed

### **PART TWO**

### **EMPLOYMENT INTERMEDIATION**

# TITLE I

# **GENERAL PROVISIONS**

# Section 14

- (1) Employment intermediation means:
- (a) finding a job for a natural person seeking a job and finding employees for an employer looking for new workforce;
- (b) employing natural persons for the purpose of carrying out their work for a user, understood as another legal or natural person that assigns and supervises the work (hereinafter the "user");
- (c) counselling and information activities in the field of job opportunities.
- (2) Employment intermediation pursuant to <u>subsection (1)(b)</u> is also considered to include a case where a foreign national is posted by his foreign employer to work in the territory of the Czech Republic on the basis of a contract with a Czech legal or natural person, and the contract concerns the lease of workforce.
  - (3) Employment is mediated under the conditions laid down in this Act by:
- (a) Regional Branches of the Labour Office;
- (b) legal or natural persons if they are authorised for the appropriate form of employment intermediation (hereinafter the "employment agencies").
- (4) This is without prejudice to the right of natural persons or legal persons established <sup>17)</sup> for the purpose of employment intermediation in another Member State of the European Union in accordance with its legislation to provide employment intermediation services in the Czech Republic temporarily and occasionally <sup>19)</sup>; however, no later than upon the commencement of such activity in the territory of the Czech Republic, these persons are obliged to provide in writing the Labour Office with the data specified in Section 61(1) or (3) and the period for which such activity will be performed.
- (5) Regional Branches of the Labour Office may only carry out intermediation activities referred to in <u>subsection (1)(a)</u> and (c). Employment agencies may also perform the intermediation activities referred to in <u>subsection (1)(b)</u>.
- (6) Regional Branches of the Labour Office and the employment agencies cooperate in intermediation activities pursuant to subsection (1)(a) and (c) to address labour market situation. Employment agencies may perform intermediation activities under subsection (1)(a) and (c) also under an agreement with the Labour Office (Section 119a).

# Section 15

Consultancy for natural persons is focused on the assessment of personal qualities, abilities and skills and on the

recommendation of the job, job training, job selection and retraining. Consultancy for employers is focused on the selection of employees according to qualification and personal qualities. The information activity is based on informing about the possibilities of employment and vacant positions and available workforce.

### Section 16

Employment intermediation is considered to exclude the publication of job offers by the media or by electronic media in cases where there is no direct intermediation activity between employers and natural persons who seek employment.

### Section 17

- (1) Natural and legal persons' personal data and employers' data may be obtained, processed and communicated only for the purposes of employment intermediation, providing contributions for active employment policy instruments and measures, contribution for the support of employing persons with disabilities and statistical purposes. Unless otherwise provided for in this Act, special legislation applies to the processing of personal data.19)
- (2) Personal data about natural persons to which a Regional Branch of the Labour Office or an employment agency mediates employment or provides other services pursuant to this Act may be processed only with the consent of the persons to whom the data relate.
- (3) The processing of personal data on natural persons for whom the Regional Branch of the Labour Office mediates employment within the Member States of the European Union and the transmission of such data as well as data on periods of employment of natural persons in the Czech Republic to the Member States of the European Union and to the European Coordination Committee does not require the authorisation of the Office for Personal Data Protection pursuant to special legislation.19)
- (4) The processing of personal data about natural persons for whom a Regional Branch of the Labour Office mediates employment outside the territory of the Member States of the European Union, the processing of personal data on natural persons for whom the employment agencies mediate employment abroad, the transmission of such data and the periods of employment of natural persons in the Czech Republic to other countries require the authorisation of the Office for Personal Data Protection pursuant to special legislation.19)

### TITLE II

# EMPLOYMENT INTERMEDIATION BY THE REGIONAL BRANCHES OF THE LABOUR OFFICE

### Section 18

- (1) Regional Branches of the Labour Office mediate employment throughout the territory of the Czech Republic; in cases laid down by a promulgated international treaty whose ratification has been approved by the Parliament and by which the Czech Republic is bound, they may mediate employment from the territory of the Czech Republic abroad and from abroad to the territory of the Czech Republic. Employment abroad can only be mediated with the consent of the job seeker or person interested in a job.
- (2) The Regional Branches of the Labour Office mediate employment in accordance with the European Union legislation governing the free movement of persons within the European Union.20)
  - (3) Employment intermediation by the Regional Branches of the Labour Office is gratuitous.

# Section 19

- (1) A natural person may secure employment through the Regional Branch of the Labour Office either as a person interested in a job or as a job seeker. Information on employment opportunities and job vacancies can be requested by any natural person at any Regional Branch of the Labour Office.
- (2) The Regional Branch of the Labour Office is obliged to inform persons interested in a job and job seekers about the rights and obligations, especially the obligation to provide the Regional Branch of the Labour Office with the necessary cooperation in employment intermediation and the obligation to follow the instructions of this branch.

- (1) Each natural person has the right to the intermediation of suitable employment. Unless otherwise provided for in this Act, a suitable employment is employment:
- (a) which imposes the obligation to pay pension insurance premiums and contributions to the State employment policy;21)
- (b) the working time of which is at least 80% of the prescribed weekly working hours;22)
- (c) which has been agreed for an indefinite period or for a fixed term of more than 3 months; and
- (d) which corresponds to the health of the natural person, and, if possible, his qualifications, skills, length of previous employment, accommodation possibilities and the transport accessibility of the employment.
- (2) For job seekers who are registered in the register of job seekers for more than 1 year, suitable employment also includes employment which:

- (a) meets the conditions set out in subsection 1(a), (b) and (d), or
- (b) meets the conditions set out in <u>subsection 1(a)</u>, (c) and (d) and his working time is at least 50% of the prescribed weekly working time22).
- (3) For job seekers to be assigned to perform publicly beneficial work, suitable employment also includes employment whose working time is no more than half of the prescribed weekly working time pursuant to <a href="Section 79">Section 79</a> of the Labour Code and which corresponds to his health.

# Section 21

- (1) The natural person to whom the Regional Branch of the Labour Office provides services under this Act is obliged to communicate to the Regional Branch of the Labour Office the data about its health restrictions to the extent necessary for finding a suitable employment, retraining and for determining the appropriate form of work rehabilitation, and also indicate whether he is a person with disabilities (Section 67). If a natural person claims to have work restriction for health reasons, he is required to prove it by a medical assessment23) of the registering health service provider in the field of general medical practice or medical practice for children and adolescents or if the person does not have a registering health service provider, by an assessment of another health service provider24) in the field of general medical practice or medical practice for children and adolescents (hereinafter the "registering provider").
- (2) At the request of the Regional Branch of the Labour Office, the natural person under <u>subsection (1)</u> shall, for the purpose of assessing his health and issuing a medical assessment, undergo an examination:
- (a) with a contracting health service provider determined by the Regional Branch of the Labour Office23) if:
- 1. it asks for the provision of work rehabilitation or a contribution for the creation of a job for a person with a disability (Section 75); or
- 2. states health reasons which prevent the person from fulfilling the obligations of a job seeker or starting retraining;
- 3. the medical assessment is required for the inclusion of the job seeker in the relevant retraining course;
- (b) with the relevant physician of the provider of occupational medical services23) as regards the assessment of the suitability of the recommended employment in terms of medical fitness; in the event that the employer has no contractual relationship for the provision of occupational health services, then with the registering provider24).
- (3) For the assessment of the professional qualification to practice a profession to which the natural person under <u>subsection (1)</u> is to be re-qualified, the person must also be subjected to a psychological examination if such an examination is required by special legislation.
- (4) A job seeker who is temporarily incapable of fulfilling the obligations of a jobs seeker due to illness or accident, if warranted, shall, at his request, be issued by the registering provider or another healthcare service provider that provides the jobseeker with healthcare in the event of such illness or accident with a certificate of temporary incapacity of the job seeker to fulfil the obligations of a job seeker due to illness or accident.
- 5. The certificate of temporary incapacity of the job seeker to fulfil the obligations of a job seeker due to illness or injury must state:
- (a) the place of residence of the job seeker at the time of temporary incapacity to perform the obligations of a job seeker;
- (b) the extent and time of the permitted outings; and
- (c) other required data.
- (6) In order to determine the extent and time of permitted outings pursuant to <u>subsection (5)(b)</u>, <u>Section 56(6) of the Sickness Insurance Act</u> shall apply by analogy.
- (7) A job seeker who has been issued a certificate of temporary incapacity of a job seeker to fulfil the obligations of a job seeker due to illness or injury is obliged to observe the regime of temporary incapacity of the job seeker to fulfil the obligations of a job seeker due to illness or injury [Section 5(g)].
- (8) A job seeker who is temporarily incapable of fulfilling the obligations of a job seeker due to treatment or examination in a healthcare facility, the registering provider or another healthcare provider who has carried out the treatment or examination shall, where justified, issue the job seeker, at his request, a certificate of the treatment or examination in the healthcare facility.
- (9) A binding model certificate of the temporary incapacity of a job seeker to fulfil the obligations of a job seeker due to illness or accident and a binding model certificate of treatment or examination of a job seeker in a healthcare facility shall be determined by the Ministry in a decree.
- (10) Costs associated with the assessment of health under <u>subsection (2)</u>, psychological examination under <u>subsection</u> (3), issue of a certificate of temporary incapacity of the job seeker to fulfil the obligations of a job seeker due to illness or accident under <u>subsection (4)</u> and the issue of a certificate of treatment or examination of a job seeker in a healthcare facility under <u>subsection (8)</u> shall be paid by the Labour Office.

# Section 22

# Persons interested in a job

(1) A person interested in a job is a natural person who is interested in employment intermediation and for this purpose

he applies with any Regional Branch of the Labour Office in the Czech Republic to be included in the register of persons interested in a job. The Regional Branch of the Labour Office shall mediate suitable employment for the person interested in a job and can provide him/her with retraining.

- (2) The person interested in a job is registered in the register of persons interested in a job upon written request.
- (3) The Regional Branch of the Labour Office terminates the registration in the register of persons interested in a job at the request of the person interested in a job or if the person interested in a job does not provide the Regional Branch of the Labour Office with the necessary cooperation in the employment intermediation or frustrates it. The Regional Branch of the Labour Office is obliged, after the termination of registration in the register of persons interested in a job, to block data about the person until there are new reasons for their further processing.

### Section 23

# Register of persons interested in a job

The register of persons interested in a job includes, in particular, the identification data of such persons, their job qualification, work experience, interest in certain jobs, and data on his health restrictions related to employment intermediation. The data from the register of persons interested in a job are intended solely for the purpose of employment intermediation and for statistical purposes.

#### Job seekers

### Section 24

A job seeker is a natural person who applies for employment intermediation with the Regional Branch of the Labour Office in whose territorial district the natural person has residence and when statutory requirements are met, the person is included in the register of job seekers by the Regional Branch of the Labour Office.

- (1) Unless otherwise provided for in this Act, a job seeker may only be a natural person residing in the Czech Republic who is not:
- (a) in an labour-law relationship or in a civil service relationship, with the exceptions set out in subsection (3) and (6);
- (b) a self-employed person; a self-employed person is considered to mean a natural person who, for the purposes of pension insurance pursuant to special legislation27), is considered a self-employed person;
- (c) a partner or executive of a limited liability company or a limited partner in a limited partnership or the director of a publicly beneficial company or the head of an organisational unit of a foreign legal person who performs, outside the labour-law relationship with the company, work for the company for which he is remunerated and his monthly or average monthly remuneration together with the possible earnings (remuneration) under <u>subsection (3)</u> exceeds half the minimum wage;
- (d) a member of the board of directors or a governing director of a joint-stock company who performs, outside the labour-law relationship with the company, work for the company for which he is remunerated and his monthly or average monthly remuneration together with the possible earnings (remuneration) under <u>subsection (3)</u> exceeds half the minimum wage;
- (e) a member of the supervisory board of a company who performs, outside the labour-law relationship with the company, work for the company for which he is remunerated and his monthly or average monthly remuneration together with the possible earnings (remuneration) under subsection (3) exceeds half the minimum wage;
- (f) a member of a cooperative who performs, outside the labour-law relationship with the cooperative, work for the cooperative for which he is remunerated by the cooperative and his monthly or average monthly remuneration together with the possible earnings (remuneration) under <u>subsection (3)</u> exceeds half the minimum wage;
- (g) a judge;
- (h) a Member of the Chamber of Deputies or a Senator of the Parliament or a Member of the European Parliament;
- (i) a member of the assembly of a territorial self-governing unit if he is remunerated as members of assemblies of territorial self-governing units who perform these functions as full-time members;
- (j) the President of the Czech Republic;
- (k) a Member of the Government;
- (I) the President, the Vice-President or a member of the Supreme Audit Office;
- (m) the Public Defender of Rights or a representative of the Public Defender of Rights;
- (n) a member of the Council for Radio and Television Broadcasting, a member of the Council of the Institute for the Study of Totalitarian Regimes, a member of the Council of the Energy Regulatory Office, a member of the Council of the Czech Telecommunication Office, a member of the National Budget Council, the Financial Arbitrator or a representative of the Financial Arbitrator:

- (o) an official receiver or a receiver pursuant to special legislation28), a corporate agent or a liquidator pursuant to special legislation29) at the time when he performs this activity:
- a person taking care of a child or a person registered as a person eligible to provide foster care for a temporary period of time, if these persons receive a foster parent remuneration pursuant to Section 47j (1) (c) and (d) of the Act on Social and Legal Protection of Children.
- (q) performs gainful activity abroad;
- (r) a natural person undergoing continuous preparation for a future profession, with the exception of subsection (4); or
- (s) a natural person entrusted with business management who performs this activity for remuneration outside a labour-law relationship and his monthly or average monthly remuneration, together with any earnings (remuneration) under <u>subsection (3)</u> exceeds half the minimum wage:
- (t) the Chairman or Vice-Chairman of the Council of the National Accreditation Bureau for Higher Education.
  - (2) A natural person cannot become a job seeker at a time when the person:
- (a) is recognised as being temporarily incapable of work;
- b) is incarcerated, in a protective detention or is in detention;
- (c) receives financial maternity assistance in the period before and 6 weeks after giving birth; or
- (d) has grade 3 disability32a) with the exception of a natural person who has grade 3 disability and is capable of performing gainful activity under very exceptional conditions32b).
  - (3) The registration in the register of job seekers is not precluded by:
- (a) the pursuit of an activity as an employee or civil servant, provided that the monthly earnings do not exceed half the minimum wage; or
- (b) the pursuit of an activity under an agreement to perform work if the monthly remuneration or remuneration equivalent to one month for the relevant period does not exceed half the minimum wage.

The job seeker is obliged to notify the Regional Branch of the Labour Office of this activity irrespective of the amount of the monthly earnings or notify the remuneration when submitting the application for employment intermediation or no later than on the date of commencement of this activity, and demonstrate the amount of the monthly earnings or remuneration within a time limit specified by the Regional Branch of the Labour Office. In the case of multiple activities, the monthly earnings (remunerations) are added up for the purpose of meeting the monthly earnings condition.

- (4) A natural person undergoing continuous preparation for future profession may be registered in the register of job seekers if the person has reached during the decisive period (Section 41) pension insurance period pursuant to other legislation of at least 12 months by employment or another gainful activity. The person must notify the Regional Branch of the Labour Office of the fact that he is undergoing continuous preparation for future profession when submitting the application for employment intermediation; he must do so either personally or in writing within 8 days from the beginning of the continuous preparation for future profession.
- (5) The registration in the register of job seekers requires that the performance of the activities under <u>subsection (3)</u> does not preclude the provision of cooperation to the Regional Branch of the Labour Office in the intermediation of suitable employment and the acceptance of an offer of suitable employment.
- (6) The registration in the register is also not precluded by employment which is not suitable for the job seeker (Section 20) and is mediated by the Regional Branch of the Labour Office for a maximum of 3 months if it corresponds to his health (hereinafter the "short-term employment").
- (7) The registration in the register of job seekers is precluded by the non-provision of identification data and the non-provision or withdrawal of consent to the processing of personal data (Section 17(2)).
  - (8) A person may not be registered in the register of job seekers if:
- (a) a natural person terminates, without any serious reason, on his own or following an agreement with the employer a suitable employment (Section 20) mediated by the Regional Branch of the Labour Office; or
- (b) the employer terminates with a natural person the suitable employment (Section 20) mediated by the Regional Branch of the Labour Office for a particularly serious breach of obligations arising from the legislation relating to the work performed<sup>33</sup>).

In the cases under (a) or (b), a natural person may be re-registered in the register of job seekers on the basis of a new written application after 6 months from the date agreed as the date of commencement of employment mediated by the Regional Branch of the Labour Office.

# Section 26

# Registration in the register of job seekers

(1) A natural person shall be registered in the register of job seekers on the day of filing a written application for employment intermediation. If a natural person applies for employment intermediation no later than 3 working days after the

termination of employment or other activities under <u>Section 25 (1)</u> or activities which are considered as substitute periods of employment pursuant to <u>Section 41(3)</u>, the person shall become registered in the register of job seekers from the day following the end of his employment or these activities.

- (2) The application for employment intermediation includes, in particular, the identification data of the job seeker and his consent to the processing thereof, his job qualification, work experience, interest in certain jobs, health restrictions and data restricting the job seeker in relation to employment intermediation.
- (3) If the natural person does not meet the conditions for inclusion in the register of job seekers, the Regional Branch of the Labour Office shall issue a decision thereon.

# Register of job seekers

### Section 27

- (1) The register of job seekers includes the data provided in the application for employment intermediation, as well as data on the course of employment intermediation, the job seeker's cooperation with the Regional Branch of the Labour Office and the provision of services under active employment policy and work rehabilitation. The data for the register of job seekers is intended for the purpose of employment intermediation, for statistical purposes and for purposes specified by special legislation.
- (2) The facts decisive for the registration in the register of job seekers are presented by the job seeker to the Regional Branch of the Labour Office; the job seeker must notify any changes to these facts in person or in writing within 8 calendar days. Within the same time limit, the job seeker must notify in person or in writing the reasons why he did not appear at the Regional Branch of the Labour Office or the public administration contact point specified by the Regional Branch of the Labour Office at the specified date.
- (3) A job-seeker who is temporarily incapable of fulfilling the obligations of a job seeker due to illness or accident or is incapable of fulfilling the obligations of a jobseeker due to an examination or treatment in a healthcare facility must notify the Regional Branch of the Labour Office of these reasons no later than on the day when he was issued with a certificate of temporary incapacity of a job seeker to fulfil the obligations of a job seeker due to sickness or accident or on the day of the examination or treatment, and demonstrate these reasons by the appropriate confirmation to the Regional Branch of the Labour Office no later than 8 calendar days from the date when the certificate of temporary incapacity of a job seeker to fulfil the obligations of a job seeker due to illness or injury or the certificate of treatment or examination of a job seeker in a healthcare facility was issued.
- (4) If the facts decisive for the registration in the register of job seekers and their changes cannot be demonstrated otherwise, the Regional Branch of the Labour Office may admit their demonstration by a statutory declaration.
- (5) The Regional Branch of the Labour Office shall transfer the records of a job seeker who has changed during his registration in the register of job seekers his residence and fulfilled the notification obligation pursuant to <u>subsection (2)</u> to the competent Regional Branch of the Labour Office based on his new residence as of the date of the change of his residence.

# Section 28

- (1) A job seeker may apply to the competent Regional Branch of the Labour Office (Section 24) for employment intermediation by the Regional Branch of the Labour Office in whose territorial district he is actually present for serious reasons. If Regional Branches of the Labour Office agree within 10 calendar days from the date of the application, employment intermediation and the exercise of other rights and obligations under this Act are carried out by the Regional Branch of the Labour Office in whose territorial district the job seeker is actually present. If the Regional Branches of the Labour Office do not agree, the General Directorate of the Labour Office shall determine which Regional Branch of the Labour Office will mediate employment and exercise other rights and obligations under this Act.
- (2) A job seeker is obliged to fulfil the obligations of a job seeker at the contact office of the Regional Branch of the Labour Office where he has applied for employment intermediation; the obligations under this sentence may also be fulfilled at the public administration contact point77) determined by the Regional Branch of the Labour Office. A job seeker may apply for a change of the contact office in the territorial district of the Regional Branch of the Labour Office. The Regional Branch of the Labour Office will determine the contact office where he will fulfil the obligations of a job seeker under this Act.

# Section 29

# Termination of registration in the register of job seekers

The Regional Branch of the Labour Office shall terminate the registration of a job seeker in the register of job seekers on the date:

- (a) of the occurrence of any of the facts precluding the registration in the records of job seekers referred to in Section 25, except for the facts set out in Section 25(2)(a) and (c), on the basis of a personal or written notice of the job seeker;
- (b) of the delivery of the job seeker's written application for the termination of registration in the register of job seekers, unless any of the reasons for the exclusion from the register of job seekers pursuant to Section 30 applies;
- (c) of the commencement of imprisonment, the commencement of the security detention protective measure;
- (d) following the date of death of the job seeker or the date following the declaration of death of the job seeker;
- (e) following the end of a period of 6 months from the date when the job seeker was detained;

- (f) of the registration in the register of job seekers if the Regional Branch of the Labour Office subsequently finds that the job seeker did not have the capacity to be a party to legal relationships pursuant to Section 3(1)(b);
- (g) of the loss of the job seeker's capacity to be a party to legal relationships pursuant to Section 3(1)(b); or
- (h) of cancellation or expiration of a Blue Card.

### Section 30

# Exclusion from the register of job seekers

- (1) The Regional Branch of the Labour Office shall decide to exclude a job seeker from the register of job seekers declare if:
- (a) any of the facts precluding the registration in the records of job seekers referred to in <u>Section 25</u> occurs, except for the facts set out in <u>Section 25(2(a) to (c)</u>, and the job seeker fails to fulfil the notification obligation pursuant to Section 27(2);
- (b) without serious reasons, the job seeker:
- 1. fails to fulfil the obligation under Section 25(3);
- 2. within the time limit under Section 27(2), fails to notify personally or in writing the Regional Branch of the Labour Office of other facts which affect the registration in the register of job seekers or of the reasons for which he did not appear at the Regional Branch of the Labour Office on the designated date; or
- 3. fails to fulfil the obligation under Section 27(3);
- (c) according to a medical assessment, the job seeker is incapable of fulfilling the obligation to cooperate with the Regional Branch of the Labour Office in the mediation of employment;
- (d) the job seeker has withdrawn his consent to the processing of personal data; or
- (e) the job seeker is performing illegal work.
- (2) The Regional Branch of the Labour Office shall decide to exclude a job seeker from the register of job seekers if, without a serious reason:
- (a) he refuses to commence suitable employment (Section 20);
- (b) he refuses to commence the agreed retraining (Section 109), does not take part in a retraining course within the prescribed scope of theoretical and practical training, fails to fulfil the study and training obligations prescribed by the education facility that is providing the retraining, or fails to take the final test of acquired knowledge and skills, or the job seeker who is registered in the register of job seekers for more than 5 consecutive months refuses the offer of the Regional Branch of the Labour Office for retraining:
- (c) fails to cooperate in the preparation of the individual action plan, its update or evaluation, or fails to fulfil the conditions specified in it (Section 33(2));
- (d) repealed;
- (e) refuses to undergo an examination of his health (Section 21(2)) or a psychological examination (Section 21(3)); or
- (f) frustrates the cooperation with the Regional Branch of the Labour Office (Section 31).
- (3) The exclusion from the register of job seekers shall be effected on the day on which one of the facts under Subsection (1) and (2) occurred. The decision to exclude a job seeker may not be issued after 3 years from the occurrence of the fact precluding the registration in the register of job seekers pursuant to subsection (1)(a) or after a job seeker has failed to fulfil the obligation under subsection (1)(b).
  - (4) A job seeker who has been excluded from the register of job seekers for any of the reasons under:
- (a) subsection (1)(a), (b) and (d) may, following a new written application, be re-registered in the register of job seekers no earlier than 3 months after the date of exclusion from the register of job seekers, unless otherwise provided for in this Act;
- (b) <u>subsection (1)(e)</u> and <u>subsection (2)</u>, may be re-registered in the register of job seekers following a new written application not earlier than 6 months after the date of exclusion from the register of job seekers.

# Section 31

A job seeker frustrates cooperation with the Regional Branch of the Labour Office if:

- (a) a medical assessment finds him capable of fulfilling the obligations towards the Regional Branch of the Labour Office and he fails to do so:
- (b) does not discuss the recommended employment within the time limit specified by the Regional Branch of the Labour Office;
- (c) fails to appear at the Regional Branch of the Labour Office on the specified date without a serious reason [Section 5(c)];
- (d) fails to fulfil the obligations under Section 21; or

(e) performs other acts that frustrate employment intermediation or commencement of employment.

#### Section 32

- (1) Upon termination of registration in the register of job seekers, the Regional Branch of the Labour Office shall issue to the job seeker a certificate of the time of registration in the register of job seekers and of the provision of unemployment benefits and retraining benefits.
- (2) The Regional Branch of the Labour Office shall, after the termination of registration in the register of job seekers (Section 29) and exclusion from the register of job seekers (Section 30) block the data on the job seeker until such time as there are new reasons for their further processing.

#### Section 33

# Increased care in employment intermediation

- (1) When mediating employment, increased care is taken of job seekers who need it due to their health, age, care for a child or other serious reasons.
- (2) An individual action plan is used to increase the employability of a job seeker on the labour market. The individual action plan is a document drawn up by the Regional Branch of the Labour Office in cooperation with the job seeker. The individual action plan especially includes the procedure and timetable for the implementation of individual measures to increase the job seeker's employability. The content of the individual action plan is determined based on the job seeker's qualification, health, capacities and abilities. The job seeker may apply for an individual action plan at any time during his registration in the register of job seekers. The individual action plan is drawn up by the Regional Branch of the Labour Office whenever a job seeker is registered in the register of job seekers for more than 5 consecutive months. The job seeker shall cooperate with the Regional Branch of the Labour Office in drawing up, updating and evaluating the individual action plan by the deadlines specified by the Regional Branch of the Labour Office, and fulfils the conditions set out therein.

### Job vacancies

### Section 34

Employer hires the required number and structure of staff by itself or with the help of the Regional Branch of the Labour Office, from which it may require information about the situation on the labour market, or counselling activity when selecting suitable employees from among job seekers and person interested in a job or via an employment agency.

# Section 35

- (1) An employer may notify the relevant Regional Branch of the Labour Office of vacancies and their characteristics (Section 37). Job vacancies means newly created jobs or vacancies where the employer intends to recruit employees or hire temporary agency workers.
- (2) Where so required by special legislation<sup>32c)</sup>, the employer may also make the notification under <u>subsection (1)</u> with the local Licensed Trades Office. The Licensed Trades Office shall forward the notification to the competent Regional Branch of the Labour Office within the specified time limit32d).

# Section 36

# Repealed

# Section 37

The Regional Branch of the Labour Office keeps a register of vacancies, which contains the employer's identification data, the basic characteristics of the job, namely the type and place of work, the prerequisites and requirements to perform the job, basic information on working and wage conditions and information on whether it is a reserved job or a job suitable for a person with a disability. Furthermore, the register contains information about whether it is a job for an indefinite or fixed period and its expected length. The register may also include information on accommodation, commuting and other information required to be disclosed by the employer.

# Section 37a

- (1) The central register of vacancies which can be filled by employee card holders and the central register of vacancies which can be filled by blue card holders kept by the Ministry shall contain the information under Section 37.
- (2) A job vacancy which can be filled by an employee card holder means a job which has not been filled within 30 days of its notification to the Regional Branch of the Labour Office, except for posts of officials of territorial self-governing units93) and civil service posts of public servants.
- (3) A job vacancy which can be filled by a blue card holder means a job which has not been filled within 30 days of its notification to the Regional Branch of the Labour Office, except for the posts of the officials of territorial self-governing units<sup>93)</sup> and civil service posts of civil servants, and simultaneously a job which requires a high qualification under the <u>Act on the Residence of Foreign Nationals in the territory of the Czech Republic.</u>

- (4) The condition for the inclusion of a job vacancy in the central register of vacancies which can be filled by employee card holders or central register of vacancies which can be filled by blue card holders is the employer's consent and at the same time that this job vacancy is offered and published by the Regional Branch of the Labour Office for at least 30 days following its notification to the Regional Branch of the Labour Office pursuant to subsection (2) or (3). With regard to the situation on the labour market the regional branch of the Labour Office may shorten the period under the first sentence up to 10 days.
- (5) The embassies of the Czech Republic shall indicate in the central register of vacancies which can be filled by employee card holders the filing of application for the issuance of an employee card and the possible withdrawal of this application, and in the central register of vacancies which can be filled by blue card holders the filing of application for the issuance of a blue card and possible withdrawal of this application. The Ministry of the Interior shall indicate in the central register the filing of application for the issuance of an employee card or blue card, or the withdrawal of this application if it was filed in the territory of the Czech Republic, the date on which the decision on the application was made, the date when the certificate of compliance with the conditions for the issuance of the employee card or blue card was received and the date of the issuance of the employee card or blue card, or the date on which the proceedings on the application for the issuance of an employee card or blue card was terminated. In the event of a change of employer or employment with the prior approval of the Ministry of the Interior, the Ministry of the Interior shall indicate in the central register of vacancies which can be filled by employee card holders or in the central register of vacancies which can be filled by blue card holders the filing of the application for approval to the change of employer, the position for which the approval is applied for and the date of approval.
- (6) Immediately after the certificate of compliance with the conditions for the issue of an employee card or blue card is issued, the Ministry of the Interior shall electronically communicate to the Ministry the identification data of the foreign national who will receive the employee card or a blue card, and the job for which it will be issued; it will also inform the Ministry about its extension, revocation or expiration.
- (7) The Ministry shall exclude or not enter into the central register of vacancies which can be filled by employee card holders or central register of vacancies which can be filled by blue card holders a job vacancy of an employer if:
- (a) the employer has been finally fined within the last 4 months for allowing illegal work;
- (b) the job vacancy can be filled differently given the required qualifications or sufficient labour;
- (c) the assets of that employer have been declared bankrupt by a final judgment of a court and the bankruptcy has not yet been revoked; or
- (d) the employer has been finally ordered in the last 3 months to pay a fine exceeding CZK 50,000 for violating an obligation arising from labour-law regulations or for violating an obligation under other legislation the observance of which is supervised by the State Labour Inspection Office or the Regional Labour Inspectorate.

Section 37b

# Repealed

Section 38

The Regional Branch of the Labour Office offers vacancies to job seekers and persons interested in a job and publishes them with the consent of the employer, including the publication in electronic media. The Regional Branch of the Labour Office does not offer or publish job offers which are of discriminatory nature or contrary to labour-law (Section 126 (2)) and other legal regulations or are contrary to good morals. The Regional Branch of the Labour Office also does not offer and publish job vacancies of an employer who has been fined for breach of obligation arising from labour-law regulations (Section 126 (2)) or a breach of obligation under special legislation supervised by the State Labour Inspection Office or the Regional Labour Inspectorate; the job vacancies will not be published or offered for a period of 3 months from the date when the decision to impose the fine became final.

# TITLE III

# UNEMPLOYMENT BENEFITS AND RETRAINING BENEFITS

- (1) A job seeker is entitled to unemployment benefits if:
- (a) the job seeker reached, in the decisive period (Section 41), pension insurance period pursuant to other legislation <sup>32g)</sup> of at least 12 months by employment or another gainful activity (hereinafter the "previous employment"); overlapping pension insurance periods are counted only once
- (b) the job seeker applied with the Regional Branch of the Labour Office which registers the job seeker in the register of job seekers for unemployment benefits; and
- (c) as of the date on which unemployment benefits are to be granted, the job seeker is not a beneficiary of old-age pension.
  - (2) A job seeker is not entitled to unemployment benefits if:
- (a) a labour-law relationship has been terminated with the job seeker in the last 6 months prior to the inclusion of the job seeker in the register of job seekers by an employer due to a particularly serious violation of statutory obligations relating to the work he performed33); this also applies in the case of termination of another employment relationship for a similar reason;

- (b) with whom an labour-law relationship has been terminated in the last 6 months prior to the inclusion in the register of job seekers by an employer due to a particularly serious violation of another obligation of the employee under Section 301a of the Labour Code<sup>79</sup>):
- (c) who has become entitled to a service pension contribution pursuant to special legislation34), and this contribution is higher than the unemployment benefit that the job seeker would have been entitled to if he was not entitled to the service pension contribution;
- (d) at the date on which the unemployment benefit is to be granted, the job seeker is in a legal relationship arising in relation to the performance of one of the activities under Section 25(3); or
- (e) which, at the date on which the unemployment benefit is to be granted, is in the position of one of the persons under Section 25(1)(c) to (f) and (s); the amount of income or remuneration is not taken into account; this does not apply to a member of a housing cooperative who carries out work or activity for the housing cooperative outside an employment relationship or is entrusted with the business management of the housing cooperative.
  - (3) The Regional Branch of the Labour Office decides on unemployment benefits.

### Section 40

- (1) A job seeker is entitled to retraining benefit if he attends retraining provided by the Regional Branch of the Labour Office (Section 109) and is not a beneficiary of the old-age pension on the date on which retraining benefit is to be granted.
  - (2) The Regional Branch of the Labour Office decides on retraining benefits.
- (3) Retraining benefits are provided for the whole period of retraining, with the exception of the periods specified in Section 44(1).

# Section 41

- (1) The decisive period for the assessment of entitlement to unemployment benefits and retraining benefits is the last 2 years prior to inclusion in the register of job seekers.
- (2) If the condition under Section 39(1)(a) is not met by previous employment, this condition may also be met by including the substitute period of employment. The previous employment does not include the pension insurance period reached by employment or other gainful activity at the time of registration in the register of job seekers (Section 25(1) and (3)) and by short-term employment. If the pension insurance period reached by employment or other gainful activity and substitute period of employment overlap, the pension insurance period reached by employment or other gainful activity is included as a matter of priority.
  - (3) Substitute period of employment is considered to be the period:
- (a) of preparation of persons with disabilities for work (Section 72);
- (b) of receiving third grade disability pension;
- (c) of personal care for a child aged up to 4 years;
- (d) of personal care for a natural person who, under a special legislation, is considered a person dependent on the assistance of another person of grade II (medium dependence), grade III (heavy dependence) or grade IV (full dependence)3a), if such a natural person lives permanently with the job seeker and they jointly pay the costs of their needs; this is not required in the case of a person who is considered a close person for the purposes of pension insurance;
- (e) of the performance of long-term voluntary service on the basis of a contract of the volunteer with the sending organisation which has been accredited by the Ministry of the Interior<sup>35a)</sup> or the performance of a public service on the basis of a public service contract<sup>35b)</sup> if the service provided exceeds an average of at least 20 hours per calendar week;
- (f) of personal care for a natural person under the 10 years of age, who is considered a person dependent on the assistance of another person of grade I (slight dependence) pursuant to special legislation;
- (g) of the duration of temporary work incapacity or ordered quarantine<sup>96)</sup> of a person after the end of gainful activity which established his participation in the health insurance under special legislation<sup>97)</sup>, unless the person has caused his temporary work incapacity intentionally and if the temporary work incapacity or ordered quarantine occurred at the time of this gainful activity or in the protection period under special legislation97).
  - (4) Substitute periods of employment under subsection (3) which overlap are counted only once.

- (1) A job seeker is entitled to receive unemployment benefits if certain conditions are met from the date of submission of a written application for unemployment benefits.
- (2) The job seeker must prove the facts decisive for granting and providing unemployment benefits to the Regional Branch of the Labour Office, for example by a record sheet of pension insurance, a certificate of employment, a certificate of the average earnings, a certificate of another gainful activity, for self-employed persons a certificate of the period of participation in pension insurance and the assessment basis for social security premiums and a contribution to the State employment policy; the

job seeker must notify any changes in these facts in writing to the Regional Branch of the Labour Office within 8 calendar days. When submitting an application for unemployment benefits, the job seeker is obliged to notify the Regional Branch of the Labour Office in writing whether he has a legal relationship arising in relation to the performance of one of the activities under Section 25(3) or whether he is in the position of one of the persons under Section 25(1)(c) to (f) and (s), without taking account of the amount of earnings or remuneration; this does not apply to a member of a housing cooperative who carries out work or activity for the housing cooperative outside a labour-law relationship or is entrusted with the business management of the housing cooperative. If the labour-law relationship or the position under the second sentence occurs during the provision of unemployment benefit, the job seeker must notify these facts to the Regional Branch of the Labour Office in writing no later than on the date when they occur.

(3) If a job seeker applies for unemployment benefits no later than 3 working days after the termination of employment or other activities under <u>Section 25(1)</u> or activities which, pursuant to <u>Section 41(3)</u>, are considered substitute employment periods, the unemployment benefits shall be granted from the date following the termination of employment or the specified activities.

### Section 43

- (1) Unemployment benefit shall be paid to the job seeker subject to the conditions set for the support period. The support period of a job seeker is:
- (a) 5 months if up to 50 years of age;
- (b) 8 months if above 50 to 55 years of age;
- (c) 11 months if above 55 years of age.
- (2) The age of the job seeker on the day of application for unemployment benefit is decisive for the duration of the support period.

# Section 44

- (1) Unemployment benefit and retraining benefit are not provided to a job seeker for the period of:
- (a) the provision of old-age pension;
- (b) the provision of sickness insurance benefits, except sickness insurance benefits which the job seeker receives under sickness insurance for performing activities under <u>Section 25(3)</u> or employment under Section 25(6);
- (c) detention.
- (2) For the period under <u>subsection (1)</u> the Regional Branch of the Labour Office shall decide to suspend the provision of the unemployment benefit or retraining benefit.
- (3) A job seeker does not receive unemployment benefit for the duration of the legal relationship arising in relation to the performance of one of the activities under <u>Section 25(3)</u>, for the period when he is in the position of one of the persons under Section 25(1)(c) to (f) and (s), without taking account of the amount of earnings or remuneration; this does not apply to a member of a housing cooperative who carries out work or activity for the housing cooperative outside a labour-law relationship or is entrusted with the business management of the housing cooperative.

# Section 44a

A job seeker to whom severance pay73), manager's severance pay74) or soldier's severance pay was paid in the last employment pursuant to other legislation shall receive unemployment benefits only after a period determined by the number of multiples of average monthly earnings or of monthly service earnings which formed the basis for the calculation of the minimum amount of severance pay, manager's severance pay or soldier's severance pay pursuant to other legislation. The previous sentence is without prejudice to the granting of unemployment benefit for the total period provided by this Act.

# Section 44b

- (1) The Regional Branch of the Labour Office shall provide a job seeker who has become entitled to unemployment benefit but who has not been paid severance pay, manager's severance pay or soldier's severance pay after the termination of his employment or service on the earliest pay date designated by the employer for the payment of wage or salary or on the date of termination of the employment or service with a compensation for the period from the registration in the register of job seekers until the expiration of the period specified in Section 44a. Unemployment benefits will be provided to a job seeker only after the expiration of the period for which compensation under first sentence was granted.
- (2) The amount of compensation is determined as a multiple of the period for which the severance pay, manager's severance pay or soldier's severance pay is to be granted, and 65% of the job seeker's average monthly net earnings15) which was ascertained and was last used for labour-law purposes at the time of his last employment terminated pursuant to labour-law regulations15); if these labour-law regulations did not apply to him due to special legislation applying to the legal relationship in which he performed his last completed employment, his average monthly net earnings shall be determined, for the purposes of unemployment and retraining benefits, by analogy in accordance with labour-law regulations15).
- (3) If the job seeker cannot prove the average monthly net earnings, the compensation to be provided is calculated as a multiple of the period for which severance pay, manager's severance pay or soldier's severance pay is to be paid and 0.15 times the average wage in the national economy for first to third quarters of the calendar year preceding the calendar year in which the job seeker became registered in the register of job seekers.

- (4) If compensation is to be paid for only part of a calendar month, the amount thereof shall be determined in proportion to the number of calendar days for which it is to be paid. The resulting amount is rounded up to whole Czech koruna.
  - (5) The Regional Branch of the Labour Office shall issue a decision on the granting of compensation.
- (6) The amount of compensation paid shall be notified by the Regional Branch of the Labour Office to the employer within 3 working days after the decision becomes final. The employer is required to pay the said amount to the Labour Office within 10 working days after the receipt of this information, even if the employer has already paid the severance pay due. Failure to comply with this obligation shall be communicated by the Regional Branch of the Labour Office to the customs office competent based on the registered office of the employer which is a legal person or place of residence of the employer who is a natural person; the unpaid amount of the compensation paid is enforced against the employer by that customs office.

Section 45

The entitlement to unemployment benefits ceases to exist:

- (a) upon the end of the support period;
- (b) upon the termination of registration in the register of job seekers (Section 29); or
- (c) by exclusion from the register of job seekers (Section 30).

Section 46

The support period excludes the period:

- (a) for which the job seeker receives sickness insurance benefits and for this reason he was not paid the unemployment benefit [Section 44(1)(b)],
- (b) of the duration of the job seeker's legal relationship arising in relation to the performance of one of the activities under <u>Section</u> 25(3), and he was not paid unemployment benefits as a result;
- (c) for which the job seeker is in the position of one of the persons under Section 25(1)(c) to (f) and (s), not taking into account the amount of income or remuneration; this does not apply to a member of a housing cooperative who carries out work or activity for the housing cooperative outside an employment relationship or is entrusted with the business management of the housing cooperative and he was not paid unemployment benefits as a result.
- (d) of receiving retraining benefits (Section 40, Section 72(5) and Section 74(2));
- (e) of detention.

Section 47

# Repealed

Section 48

A job seeker whose entire support period has not expired in the last 2 years prior to registration in the register of job seekers and, after expiration of a part of the support period, he reached pension insurance period of at least 3 months by an employment or other gainful activity, he is entitled to receive unemployment benefits for the entire support period. If a job applicant has reached the pension insurance period of less than 3 months by employment or other gainful activity, he is entitled to receive unemployment benefits for the remaining support period. At the same time, the condition of the total period of previous employment must be met (Section 39(1)(a)).

# Section 49

- (1) A job seeker whose entire support period has expired in the last 2 years before registration in the register of job seekers is entitled to unemployment benefit if, after the expiration of this support period, he has reached the pension insurance period of at least 6 years by employment or other gainful activity; this period is not required if the job seeker has terminated employment or gainful activity on medical grounds or terminated employment for reasons specified in special legislation36) or because the employer has breached a substantial obligation arising from legislation, collective agreement or the agreed working conditions. At the same time, the condition of the total period of previous employment must be met (Section 39(1)(a)).
- (2) The period of 6 moths under <u>subsection (1)</u> does not include the pension insurance period reached by employment or other gainful activity (<u>Section 25(1) and (3)</u>) and short term employment.

# Amount of unemployment and retraining benefits

Section 50

(1) The amount of unemployment and retraining benefits is set as a percentage of the job seeker's average net monthly earnings37) which were established and last used for labour-law purposes in his last terminated employment during the decisive period pursuant to labour-law regulations38); if these labour-law regulations did not apply to him as a result of special legislation applying to the legal relationship under which he performed his last terminated work, his average net monthly earnings

are established, for the purposes of unemployment and retraining benefits, in accordance with labour-law regulations38) by analogy.

- (2) The amount of unemployment and retraining benefits of a job seeker who was self-employed before registration in the register of job seekers is set as a percentage of the last assessment basis21) in the decisive period per 1 calendar month.
- (3) The percentage of the unemployment benefit is 65% for the first 2 months of the support period, 50% for the next 2 months of the support period, and 45% of the average monthly net earnings or assessment basis for the remainder of the support period. If the job seeker has terminated an employment without a serious reason before registration in the register of job seekers of his own will or by an agreement with the employer, he is entitled to unemployment benefits for the entire support period of 45% of the average net monthly earnings or assessment basis. If a job seeker has terminated, of his own will or by agreement, multiple employments on the same day of which at least one employment has been terminated for serious reasons, he is entitled to unemployment benefits at the percentage under the first sentence. If the last activity of a job seeker before registering in the register of job seekers was self-employment, the second sentence shall not apply. The percentage rate of retraining benefit is 60% of the average net monthly earnings or of assessment base.
- (4) If a job seeker has terminated in the decisive period several employments or employment and self-employment on the same day, the amount of unemployment and retraining benefits shall be determined from an amount equal to the sum of average monthly net earnings or the sum of average net monthly earnings and the assessment basis.
  - (5) The calculated amount of unemployment and retraining benefits is rounded up to whole korunas.
- (6) The maximum amount of unemployment benefits is 0.58 times the average wage in the national economy for the first to third quarters of the calendar year preceding the calendar year in which the application for unemployment benefits was submitted. The maximum amount of the retraining benefits is 0.65 times the average national salary for the first to third quarters of the calendar year preceding the calendar year in which the job applicant started retraining.
- (7) In the case of a job seeker who is entitled to service pension contribution<sup>34)</sup> and at the same time he becomes entitled to unemployment benefit (<u>Section 39</u>), the amount of unemployment benefit is determined as the difference between the unemployment benefit determined pursuant to <u>subsection (3)</u> first sentence and the service pension contribution.

# Section 51

- (1) A job seeker's unemployment benefit is determined as follows: for the first 2 months 0.15 times, for the next 2 months 0.12 times and for the remainder of the support period 0.11 times of an average wage in the national economy for the first to third quarters of the calendar year preceding the calendar year in which the application for this support was submitted if:
- (a) the job seeker has fulfilled the condition of previous employment [Section 39(1)(a)] by counting the substitute period and this period is considered as the last employment;
- (b) the job seeker cannot prove the average monthly net earnings or assessment base, not being at fault; or
- (c) it is not possible to determine the job seeker's average monthly net earnings or the assessment basis.
- (2) In the cases under <u>subsection (1)</u>, a job seeker shall be granted retraining benefit calculated as 0.14 times the average wage in the national economy for the first to third quarters of the calendar year preceding the calendar year in which the job seeker started retraining.
- (3) Subsections (1) and (2) do not apply in cases under Section 50(4) if at least the average monthly net earnings or the assessment basis are known.

# Section 52

The unemployment benefit of a job seeker whose last gainful activity prior to the application for unemployment benefit did not constitute a pension insurance period, but who fulfilled the condition of the total period of previous employment laid down in Section 39(1)(a), is determined from the average monthly net earnings or the assessment basis from the last employment or other gainful activity which constituted pension insurance period. The same applies where a job seeker performed a gainful activity which does not constitute pension insurance period before starting retraining.

# Section 53

- (1) Unemployment benefit, retraining benefit and compensation under <u>Section 44b</u> are paid in the Czech currency by transfer to a payment account specified by the beneficiary or by a postal voucher, at the beneficiary's discretion.
- (2) Unemployment benefit and retraining benefit are payable after the final decision on their granting for the previous month not later than in the following calendar month. In justified cases, they may be paid in advance and settled with the following payment.
- (3) If the conditions for granting unemployment benefit or retraining benefit are met for only a part of a calendar month, the unemployment benefit or retraining benefit shall be proportional to the number of calendar days in which those conditions were met. The resulting amount is rounded up to whole Czech koruna.

# Section 54

(1) If it is subsequently established that a job seeker has been wrongfully denied unemployment benefit or retraining benefit, or that such benefit was granted or paid to a job seeker in an amount lower than that to which he was entitled, or if the

benefit was granted from a later date that the date from which he was entitled to it, it shall be subsequently granted, or increased and paid. Analogous procedure is applied if a competent authority has decided that the termination of a labour-law or other employment relationship in the case under <u>Section 39(2)(a) and (b)</u> is invalid.

- (2) If a job seeker has been wrongfully denied registration in the register of job seekers, the unemployment benefit shall be granted to him subject to the respective conditions from the day of his registration, unless he requests the unemployment benefit to be granted as of a later date.
- (3) The Regional Branch of the Labour Office issues a decision on the subsequent granting or increasing of the unemployment benefit or retraining benefit.
- (4) The entitlement to unemployment benefit or retraining benefit or their individual payments ceases to exist 5 years after the date on which it was due or on which the payments were to be provided.

### Section 55

- (1) If it is subsequently established that the amount of unemployment benefit or retraining benefit granted or paid to a job seeker was higher than that to which he was entitled, or such a benefit was granted or paid unlawfully, the Regional Branch of the Labour Office decides to reduce it or to terminate its payment from the day following the end of the period for which it has already been paid.
- (2) If a job seeker is at fault for having been granted and paid unemployment benefit or retraining benefit unlawfully or in a higher amount than that he was entitled to, in particular because the job seeker has concealed or misinterpreted a decisive fact or failed to fulfil his obligation to notify, the job seeker is obliged to return the amounts wrongfully received.
- (3) The Regional Branch of the Labour Office issues a decision on the obligation to return the unemployment benefit or retraining benefit.
- (4) The entitlement to the return of unemployment benefit or retraining benefit or their payments provided unlawfully or in the incorrect amount ceases to exist 5 years after the date from which the job seeker was not entitled to it at all or in the amount provided.

### Section 56

- (1) A job seeker is obliged to return the provided unemployment benefit and retraining benefit or part thereof, if:
- (a) the competent authority decides that the termination of his labour-law relationship is invalid and continues to exist;
- (b) the competent authority decides that the pursuit of other gainful activities under Section 25(1) has not ended;
- (c) the Regional Branch of the Labour Office subsequently finds out that he has been granted old-age pension or third degree disability pension, except for disability pensions granted to a natural person who has grade 3 disability and is capable of performing gainful activity under extraordinary conditions 32b); or
- (d) the Regional Branch of the Labour Office subsequently finds out that he has been paid sickness insurance benefits, except sickness insurance benefits which the job seeker receives under sickness insurance for performing activities under <a href="Section 25(3)">Section 25(3)</a> or employment under <a href="Section 25(6)">Section 25(6)</a>;
- (2) A job seeker must return unemployment benefit and retraining benefit to the Labour Office for the period for which their provision overlaps with the period of:
- (a) the labour-law relationship or the pursuit of other gainful activities, with the exception of the activities under Section 25(6);
- (b) receipt of old-age pension;
- (c) the receipt of grade 3 disability pension, except for disability pensions granted to a natural person who has third degree disability and is capable of performing gainful activity under extraordinary conditions 32b); or
- (d) the receipt of sickness insurance benefits, except sickness insurance benefits which the job seeker receives under sickness insurance for performing activities under <u>Section 25(3)</u> or employment under <u>Section 25(6)</u>.
- (3) The Regional Branch of the Labour Office issues a decision on the obligation to return the unemployment benefit or retraining benefit.
- (4) The entitlement to the return of unemployment benefit and retraining benefit or parts thereof ceases to exist 5 years after the date on which they were granted.

- (1) Unemployment benefit and retraining benefit are not granted abroad, unless otherwise provided by an international treaty approved by the Parliament and binding on the Czech Republic.
- (2) The Ministry shall publish the amount of the average wage for the first to third quarters of the preceding calendar year on the basis of the data of the Czech Statistical Office by a notice published in the Collection of Laws.

# EMPLOYMENT INTERMEDIATION BY EMPLOYMENT AGENCIES

#### Section 58

- (1) Employment agencies may carry out employment intermediation in the territory of the Czech Republic or from the territory of the Czech Republic abroad and from abroad to the territory of the Czech Republic.
- (2) Employment agencies may carry out employment intermediation free of charge or for remuneration, including for profit. In the case of employment intermediation for remuneration, a natural person for whom employment is mediated may not be requested to provide the remuneration.
- (3) Any deductions from wage or other bonuses provided to the employee for the work performed in favour of the employment agency or the user are also not allowed as part of employment intermediation.

#### Section 58a

- (1) An employment agency which has been granted employment intermediation authorisation pursuant to Section 14(1)(b) is obliged to take out bankruptcy guarantee insurance<sup>84)</sup> (hereinafter the "insurance") under which a temporary employee is entitled to insurance payment if the employment agency has not paid him the salary due to its bankruptcy.
- (2) The employment agency under <u>subsection (1)</u> is obliged to take out insurance at an amount ensuring the payment of wages of at least three times the average monthly net earnings<sup>85)</sup> of all its employees which it temporarily allocates or will temporarily allocate to perform work for a user. The insurance agency must prove that it has taken out the insurance to the General Directorate of the Labour Office within 2 months from the date on which the decision on the employment intermediation authorisation becomes final.
- (3) The insurance may be taken out only with an insurance company which is entitled, under the Insurance Act 84), to provide guarantee insurance.
  - (4) The mandatory guarantee insurance is governed by the Insurance Act86), unless otherwise provided for in this Act.
- (5) The bankruptcy of the employment agency must be proved or established by evidence in accordance with the Insolvency Act87).
- (6) Before the insurance contract is concluded, the employment agency must, at the request of the insurance company and at any time during the term of the insurance, allow the insurance company to access all documents relating to the insurance under subsection (1) and provide an explanation in relation thereto.
- (7) Claims of a temporary employee towards the employment agency under subsection (1) or (2) pass to the insurance company up to three times the average monthly net earnings.
- (8) The employment agency shall immediately inform the General Directorate of the Labour Office of the insurance payment provided and of the termination of the insurance.

# Section 59

- (1) Employment agencies are obliged to keep records of:
- (a) the number of vacancies for which employment intermediation is required under Section 14(1)(a);
- (b) the natural persons placed by them;
- (c) their employees whom they mediate employment pursuant to Section 14(1)(b).
- (2) For statistical purposes, employment agencies shall, by 31 January of the current year, communicate to the General Directorate of the Labour Office in particular the following data for the previous calendar year:
- (a) the number of vacancies for which employment intermediation was required pursuant to Section 14(1)(a);
- (b) the number of natural persons placed by them, of which the number of job seekers placed under an agreement with the Labour Office pursuant to Section 119a;
- (c) the number of their employees who were temporarily placed to perform work for the user, specifying separately the number of Czech Republic nationals, the number of EU nationals, the number of other EEC and Swiss nationals and the number of other foreign nationals by nationality.

- (1) The employment intermediation authorisation is issued by the General Directorate of the Labour Office at the application of a legal or natural person.
- (2) The employment intermediation authorisation may be granted only if the natural person is at least 18 years old, has full legal capacity, integrity, professional competence, residence in the territory of the Czech Republic and if, in the last 3 years, the natural person has not acted as the authorised representative of a legal person, governing body or body of a legal person whose employment intermediation authorisation has been revoked for reasons under Section 63(2)(a) to (f) or Section 63(3) at a time

when the facts which led to the revocation of that authorisation occurred or existed.

- (3) The employment intermediation authorisation may be granted to a natural person as defined in the <u>Free Movement of Services Act</u>9b) if the person is at least 18 years old, has full legal capacity, integrity, professional competence, residence in the territory of the Czech Republic; if he does not have such residence, he must specify mailing address in the territory of the Czech Republic.
- (4) A natural person and a legal person are considered to have integrity if they have not been finally convicted of an intentional criminal offence or of a criminal offence against property.
- (5) Integrity is proven by an extract from the Register of Criminal Records, which must not be older than three months. In order to prove integrity, the General Directorate of the Labour Office shall request, pursuant to special legislation, an extract from the Register of Criminal Records. An application for an extract from the Register of Criminal Records is submitted in electronic form in a manner enabling remote access.
- (6) A foreign natural person shall also prove his integrity by the corresponding documents issued by the State of his nationality, as well as the States in which he has been continuously residing for more than 6 months in the last 3 years or, in the event that the State does not issue such a document, by a statutory declaration before a competent administrative or judicial authority of that State. The documents must not be older than 3 months.
- (7) A legal person with its registered office outside the territory of the Czech Republic shall prove its integrity also by the corresponding documents issued by the State in which it has its registered office as well as the States in which it has operated for at least 6 months in the last 3 years. The documents must not be older than 3 months.
- (8) A professionally qualified person means a person who has a degree from a higher education institution and has at least two years' professional experience in the field of employment intermediation or in a field for which the employment intermediation is to be authorised, or who has a secondary education with a graduation exam (maturita), higher vocational education or higher professional education at a conservatory and at least five years' professional experience in the field of employment intermediation or in a field for which employment intermediation is to be authorised.
- (9) The recognition of professional qualifications and experience obtained outside the territory of the Czech Republic is governed by special legislation.
- (10) The granting of authorisation to a legal person is conditional on its integrity in accordance with <u>subsection (4)</u>, as well as meeting the conditions of subsections (2), (4) to (6) and (8) by the natural person who acts as the authorised representative for the purpose of employment intermediation (hereinafter the "authorised representative"). In the case of a legal person defined in the <u>Free Movement of Services Act</u>9b), the employment intermediation authorisation may be granted only subject to the conditions set out in subsections (3) to (6) and (8) by the authorised representative. A natural person may be appointed as an authorised representative only in respect of one legal person. The obligations of the authorised representative may be performed only under an employment relationship with an agreed working time of at least 20 hours a week; this condition is not required for a natural person who is at the same time a governing body or a member of the governing body of that legal person. The natural person under the third sentence must not be at the same time a holder of an employment intermediation authorisation as a natural person.
- (11) In the case of legal or natural persons under Section 14(4), the Labour Office is entitled to review their eligibility to provide employment intermediation if there is a reasonable suspicion that there is a serious threat to protected interests or the unauthorised provision of employment intermediation. In the review, the Labour Office acts in accordance with special legal regulations.
- (12) An application for employment intermediation authorisation shall be submitted to the General Directorate of the Labour Office or through single points of contact9b).
- (13) In order to assess applications for employment intermediation authorisation, including their annexes, the General Director of the Labour Office shall establish a commission for the granting of employment intermediation authorisations as an advisory body (hereinafter the "commission"). The commission has at least 5 members and is composed of civil servants of the Labour Office, Ministry and other natural persons who must be impartial in relation to the application being assessed. The chairman and individual members of the Commission are appointed by the General Director of the Labour Office in a way that most members are not civil servants of the Labour Office. The commission submits to the General Director of the Labour Office a draft decision on the application for employment intermediation authorisation. The Labour Office is responsible for the material, organisational and financial needs of the commission.

# Section 60a

- (1) A further condition for the granting of authorisation for employment intermediation to legal or natural persons is the approval of the Ministry of the Interior issued at the request of the General Directorate of the Labour Office. In the application, the General Directorate of the Labour Office shall provide the identification data of the legal person and its authorised representative(s) or the natural person applying for employment intermediation authorisation. When drafting its binding opinion, the Ministry of the Interior assesses the granting of the employment intermediation authorisation in terms of public order, security and respecting the rights of third parties.
- (2) When determining the information required for issuing a binding opinion pursuant to <u>subsection (1)</u>, the Ministry of the Interior shall have the right to request a copy of the Register of Criminal Records<sup>39a)</sup> of the applying natural person or person authorised to act on behalf of the applying legal person or its authorised representative(s), and request the Police of the Czech Republic, intelligence services or other public administration bodies to provide information about those persons. When drafting its binding opinion, for the purposes of assessing the granting of employment intermediation authorisation in terms of public order, security and respecting the rights of third parties, the Ministry of the Interior is entitled to require documents proving the legal reason for the use of the premises which are the registered office of a legal person, the registered office of a natural person, unless

the premises are his place of residence, and workplace pursuant to Section 61(2)(c) and Section 61(4)(c).

(3) The Ministry of Interior is obliged to deliver its binding opinion on the granting of the employment intermediation authorisation to the General Directorate of the Labour Office within 15 working days from the date of receipt of the request for a binding opinion. If it does not do so by the end of this time limit, the Ministry is presumed to agree with the granting of the employment intermediation authorisation.

### Section 60b

- (1) A legal or natural person applying for an employment intermediation authorisation pursuant to Section 14(1)(b) is obliged to provide a deposit of CZK 500,000.
- (2) The deposit shall be provided at the request of the General Directorate of the Labour Office by depositing the amount to a special account of the General Directorate of the Labour Office, after complying with all the conditions stipulated for the granting of an employment intermediation authorisation by the applying legal or natural person.
- (3) If the employment intermediation authorisation expires, the compound amount becomes an overpayment of the legal or natural person whose authorisation has expired. If the overpayment is repayable, the General Directorate of the Labour Office will return it within 60 days from the date of the expiry of this authorisation.
- (4) The provisions of the  $\underline{\text{Tax Code}}$  shall apply with the necessary modifications to the administration of the payment of the deposit.

- (1) In the application for an employment intermediation authorisation, a legal person shall be obliged to state the following:
- (a) the identification data of the legal person;
- (b) objects of business;
- (c) the form of intermediation (Section 14(1)) for which authorisation is sought;
- (d) the types of work for which employment intermediation authorisation is sought;
- (e) identification details of the authorised representative.
  - (2) A legal person is obliged to accompany the application with:
- (a) a certificate of the integrity of the authorised representative if he is a foreign natural person, and proof of professional competence of the authorised representative;
- (b) a statement by the authorised representative that he agrees with the appointment;
- (c) the address of its offices that will carry out the intermediation.
- (3) In the application for an employment intermediation authorisation, a natural person shall be obliged to state the following:
- (a) the identification data of the natural person;
- (b) the place and objects of business;
- (c) the form of intermediation (Section 14(1)) for which authorisation is sought;
- (d) the types of work for which employment intermediation authorisation is sought.
  - (4) A natural person is obliged to accompany the application with:
- (a) a certificate of the integrity of a foreign natural person;
- (b) proof of professional qualifications;
- (c) the address of its offices that will carry out the intermediation.
- (5) Proof of fulfilment of the conditions specified in Section 60(2) to (5) must be submitted as a certified copy<sup>40)</sup> unless otherwise provided in the Free Movement of Services Act9b). In the case of foreign language documents, it is also required to provide their certified translation into the Czech language, unless otherwise provided in the Free Movement of Services Act9b) or a promulgated international treaty which has been approved by the Parliament and which is binding on the Czech Republic.
- (6) A natural or legal person applying for an employment intermediation authorisation is obliged to prove the facts under <u>subsections (1) to (5)</u> when submitting an application for an employment intermediation authorisation. Any changes that occur later must be notified by a legal or natural person to the Labour Office within one month. In the case of a change of the authorised representative of a legal person, it is necessary to present the documents proving the fulfilment of the conditions under <u>Section 60</u>. In the case of changes to the data provided in the employment intermediation authorisation pursuant to <u>Section 62(1)(a) and (b)</u>

and pursuant to Section 62(2)(a), the General Directorate of the Labour Office shall issue a new authorisation.

- (7) In the case of a legal or natural person, as defined in the <u>Free Movement of Services Act</u>9b), a separate application for an employment intermediation authorisation is filed in the form specified in <u>Section 14(1)(b)</u>.
- (8) The issue of an employment intermediation authorisation is subject to an administrative fee pursuant to a special legal regulation.41)

# Section 61a

An employment intermediation authorisation in the form under <u>Section 14(1)(a) and (c)</u> for a legal or natural person defined in <u>Free Movement of Services Act</u>9b) is also granted upon the expiry of the period during which no decision is made and in a manner in accordance with <u>Sections 28</u> to <u>30</u> of the Free Movement of Services Act.

### Section 62

- (1) The employment intermediation authorisation issued to a legal person shall include:
- (a) the identification data of the legal person;
- (b) the identification data of the authorised representative, with the exception of the personal identification number and place of birth:
- (c) the form of intermediation and the types of work for which employment intermediation is authorised;
- (d) the period for which the authorisation is issued.
  - (2) The employment intermediation authorisation issued to a natural person shall include:
- (a) the identification data of the natural person, with the exception of the personal identification number and place of birth;
- (b) the form of intermediation and the types of work for which employment intermediation is authorised;
- (c) the period for which the authorisation is issued.
- (3) The employment intermediation authorisation pursuant to  $\underline{\text{Section 14(1)(b)}}$  is issued for a period of 3 years. If another application for the employment intermediation authorisation pursuant to  $\underline{\text{Section 14(1)(b)}}$  is submitted not later than 3 months before the expiration of the previous authorisation for employment intermediation in this form, the authorisation is issued for an indefinite period of time, on the condition that the previous employment intermediation authorisation has not lapsed for reasons under  $\underline{\text{Section 63(1)(a)}}$ ,  $\underline{\text{(b)}}$  or  $\underline{\text{(d)}}$  prior to the issue of the new authorisation. The authorisation for employment intermediation in the form specified in  $\underline{\text{Section 14(1)(a)}}$  and  $\underline{\text{(c)}}$  is issued for an indefinite period.

- (1) An employment intermediation authorisation lapses:
- (a) upon the death of a natural person or the termination of a legal person;
- (b) upon the deletion of a foreign person's undertaking or its organisational unit from the Commercial Register;
- (c) upon the expiry of the period for which it was issued; or
- $\mbox{(d) by the decision of the General Directorate of the Labour Office to revoke the authorisation.} \\$ 
  - (2) The General Directorate of the Labour Office shall decide to revoke an employment intermediation authorisation if:
- (a) the legal person or natural person ceases to meet the conditions laid down in <u>Section 60</u> for the granting of an employment intermediation authorisation;
- (b) the legal person is sanctioned by prohibition to carry out employment intermediation activity92);
- (c) the legal person or natural person mediates employment contrary to the employment intermediation authorisation or good morals, or otherwise violates the obligations arising from this Act;
- (d) the legal or natural person mediates employment without the insurance under Section 58a;
- (e) a legal person or a natural person repeatedly fails to comply with the notification obligation imposed under Section 59;
- (f) the legal person mediates employment when its activities are suspended pursuant to a special law92);
- (g) the legal person or natural person so requests; or
- (h) the legal person or natural person does not temporarily place any of its employees to perform work for a user for a period of at least 2 years.
  - (3) The General Directorate of the Labour Office may decide to revoke an employment intermediation authorisation if a

legal or natural person violates an obligation imposed on employment agencies by <u>Sections 307b,308</u> or <u>309(2)</u>, <u>(3)</u>, <u>(5)</u> and <u>(6) of the Labour Code</u>

- (4) At the initiative of the Ministry of the Interior, the General Directorate of the Labour Office shall initiate proceedings for the revocation of an employment intermediation authorisation of a legal person or a natural person. In these proceedings, the Ministry of the Interior issues a new opinion pursuant to <a href="Section 60a">Section 60a</a>. If the opinion of the Ministry of the Interior is unfavourable, the General Directorate of the Labour Office shall revoke the employment intermediation authorisation of a legal person or a natural person.
- (5) If an employment intermediation authorisation has been revoked for reasons set out in <u>subsection (2)(a) to (f)</u>, <u>subsection (3)</u> or (4), the legal or natural person may apply for an employment intermediation authorisation no earlier than 3 years after the date when the decision to revoke the employment intermediation authorisation became final.
- (6) In its decision to revoke an employment intermediation authorisation for reasons set out in <u>subsections (2) to (4)</u>, the General Directorate of the Labour Office shall determine the date on which the legal or natural person is obliged to terminate the intermediation activity. From the date of delivery of the decision to revoke an employment intermediation authorisation, the legal or natural person whose employment intermediation authorisation has been revoked may only engage in activities that are not inconsistent with the purpose of the decision.

### Section 64

The Government may issue a decree determining the kind of jobs that an employment agency may not mediate in the form of a temporary placement to perform work for a user.

### Section 65

The Labour Office keeps a register of employment agencies which have been granted an employment intermediation authorisation. The register contains data specified in Section 62, the address of the employment agency, a list of its offices and an indication of whether the employment intermediation activities of the employment agency which is a legal person have been suspended pursuant to a special law<sup>92)</sup>. The publicly accessible part of the register contains the information specified in Section 61(1)(a) to (e) and in Section 61(3)(a) to (d) except for personal identification number, date and place of birth, residence and information on the suspension of employment intermediation activity.

### Section 66

# Employment intermediation by temporary placement of an employee to work for another legal or natural person

Employment intermediation by an employment agency pursuant to Section 14(1)(b) means the conclusion of an employment relationship or an agreement to perform work between a natural person and an employment agency for the purpose of carrying out work for a user. An employment agency may temporarily place its employee to work for a user only on the basis of a written agreement on the temporary placement of an employee concluded with a user in accordance with a special legal regulation.42)

# **PART THREE**

# **EMPLOYMENT OF PERSONS WITH DISABILITIES**

- (1) Natural persons with disabilities (hereinafter the "persons with disabilities") enjoy increased protection on the labour market.
  - (2) Persons with disabilities are natural persons who have been recognised by a social security authority to have:
- (a) a grade 3 disability32a) (hereinafter the "person with a serious disability");
- (b) grade 1 or grade 2 disability88); or
- (c) physical disadvantage (hereinafter the "physically disadvantaged person").
- (3) A physically disadvantaged person is a natural person who has retained the ability to consistently perform work or another gainful activity, but its ability to be or remain in employment, to pursue the current profession or to make use of the current qualification or obtain qualification is substantially limited due to its long-term unfavourable health; however, a person with a disability pursuant to subsection (2)(a) or (b) cannot be a physically disadvantaged person.
- (4) For the purposes of this Act, a long-term unfavourable health means a condition which, according to current medical knowledge, is to last for more than one year and which significantly reduces physical, sensory or mental abilities and hence employability.
  - (5) The fact that a person is a person with a disability is demonstrated:
- (a) by an assessment or certificate of the social security authority in cases under subsection (2)(a) or (b);
- (b) certificate or decision of the social security authority in the case under subsection (2)(c).
  - (6) Persons with disabilities pursuant to subsection (2)(b) are considered to also include natural persons who have been

assessed by the social security authority to no longer be disabled, but only for a period of 12 months from the date of that assessment.

# Section 68

- (1) The Regional Branch of the Labour Office keeps a register of persons with disabilities, to whom it provides services under this Act. The record contain identification data on the person with a disability, details of the limitations in his employability on health grounds, details of the legal ground on the basis of which the person was granted the status of a person with a disability, and data on the provision of work rehabilitation.
- (2) The data from the register of persons with disabilities are intended solely for the purpose of employing and maintaining the employment of these persons and for statistical purposes.
- (3) The Regional Branch of the Labour Office must, upon termination of the provision of services under this Act or after a natural person ceases to be a person with disabilities, make the data concerning the natural person inaccessible until new reasons for their further processing arise.

### Vocational rehabilitation

### Section 69

- (1) Persons with disabilities have the right to work rehabilitation. Work rehabilitation is arranged by the Regional Branch of the Labour Office locally competent according to the residence of the person with disabilities in cooperation with work rehabilitation centres, or may, based on a written agreement, entrust the arrangement of work rehabilitation to another legal or natural person.
- (2) Work rehabilitation is a continuous activity aimed at finding and maintaining suitable employment of a person with a disability, which, at the person's application, is arranged by Regional Branches of the Labour Office, which also cover the costs associated with it. The application of a person with a disability includes its identification data; the application also includes a document certifying that he is a person with a disability.
- (3) Work rehabilitation includes, in particular, guidance on career choice, choosing a job or another gainful activity, theoretical and practical on training for the job or other gainful activity, mediation, retention and change of employment, change of profession and the creation of suitable conditions for the performance of employment or another gainful activity.
- (4) The Regional Branch of the Labour Office, in cooperation with a person with a disability, shall draw up an individual plan of work rehabilitation with regard to his health fitness, the ability to perform regular employment or another gainful activity, and qualification, taking into account the situation on the labour market; in doing so, it relies on the opinion of the expert working group (Section 7(3)).
- (5) On the basis of the recommendation of the treating physician, issued on behalf of the health service provider, natural persons who are recognised as temporarily incapable of work and, on the recommendation of the District Social Security Administration issued as part of a medical check-up, also natural persons who have ceased be disabled, may also be assigned to work rehabilitation. The assignment of these natural persons to work rehabilitation must not be contrary to their health fitness; the Regional Branch of the Labour Office is obliged to notify in writing the relevant District Social Security Administration of the assignment, stating the date of commencement, the place of performance, the daily scope and the total length of the work rehabilitation, and to notify the termination thereof in writing within 5 calendar days.
- (6) The persons with disabilities taking part in work rehabilitation outside employment are governed by <u>Sections 101</u>, <u>245</u> and <u>246 of the Labour Code</u>; <u>Sections 103</u> to <u>106 of the Labour Code</u> and <u>Sections 2 to 8</u> of the Act on providing for other conditions of occupational safety and health<sup>42a)</sup> shall apply with the necessary modifications.
- (7) The Ministry shall lay down the contents of the individual work rehabilitation plan, the types of costs connected with the implementation of the work rehabilitation and the method of their payment in an implementing legal regulation.

# Section 70

The agreement on the provision of work rehabilitation under <u>Section 69(1)</u> between the Labour Office and a legal or natural person includes:

- (a) the identification data of the parties to the agreement;
- (b) the identification data of the person with a disability for whom the work rehabilitation is intended;
- (c) the content and duration of the work rehabilitation;
- (d) the place and method of work rehabilitation;
- (e) the method, amount and conditions of the payment of the costs of rehabilitation;
- (f) the method of checking the fulfilment of agreed conditions;
- (g) the method of verifying the acquired knowledge and skills;
- (h) conditions and date when the reimbursement of cost of the work rehabilitation is settled;

- (i) the obligation of the legal or natural person to return the reimbursement of the costs or the proportion thereof if the person fails to meet the agreed conditions or if the reimbursement, due to the person's fault, has been provided unlawfully or in a higher amount than the person was entitled to, and the time limit for return;
- (j) arrangement on the termination of the agreement.

#### Section 71

Theoretical and practical preparation for employment or another gainful activity of persons with disabilities includes:

- (a) preparation for future profession under special legislation,43)
- (b) preparation for work;
- (c) specialised retraining courses.

#### Section 72

- (1) Preparation for work is a targeted activity aimed at providing a person with disability with initial training for a suitable job and at acquiring the knowledge, skills and habits necessary for the performance of the chosen employment or another gainful activity. This preparation takes up to 24 months.
  - (2) Preparation for the work of a person with a disability is carried out:
- (a) at workplaces of his employer individually adapted to the health of that person; preparation for work can be carried out with the support of an assistant;
- (b) at workplaces for persons with disabilities (Section 75 and 78a); or
- (c) in educational facilities of the State, territorial self-governing units, churches and religious societies, civic associations and other legal and natural persons.
- (3) The Labour Office and the person with a disability conclude a written agreement on the preparation for work; this agreement includes:
- (a) the identification data of the parties to the agreement;
- (b) the content of the preparation for work;
- (c) the time and place of preparation for work;
- (d) the method of its arrangement and how the knowledge and skills acquired will be tested;
- (e) arrangement on the termination of the agreement.
- (4) A certificate issued by a legal or natural person with whom the preparation for work took place serves as a proof of completion of the preparation for work.
- (5) A person with a disability who does not receive sickness insurance benefit, old-age pension or salary or substitute salary is entitled to retraining benefit for the duration of participation in the preparation for work based on a decision of the Regional Branch of the Labour Office. The retraining benefit is granted even if the person is not registered in the register of job seekers.

- (1) Employers who provide preparation for work for persons with disabilities may be reimbursed by the Labour Office for the costs of the preparation for work. The Labour Office and the employer conclude a written agreement on the preparation for work at the employer's workplace (Section 72(2)(a)]; the agreement includes:
- (a) the identification data of the parties to the agreement;
- (b) the identification data of the person with a disability for whom the preparation for work is intended;
- (c) the content and duration of preparation for work;
- (d) the method, amount and conditions of reimbursement of the costs of preparation for work;
- (e) the period of time for which the preparation for work will be carried out with the support of an assistant;
- (f) the method of checking the fulfilment of agreed conditions;
- (g) the conditions and date when the reimbursement of cost of preparation for work is settled;
- (h) the method of verifying the acquired knowledge and skills;
- (i) the obligation of the employer to return the reimbursement of the costs or the proportion thereof if the person fails to meet the agreed conditions or if the reimbursement, due to the person's fault, has been provided unlawfully or in a higher amount than the

person was entitled to, and the time limit for the return;

- (j) arrangement on the termination of the agreement.
- (2) The Labour Office and a legal or natural person conclude a written agreement on the preparation for work performed with the person [Section 72(2)(b) and (c)]; in addition to the information referred to in subsection (1);
- (a) identification of the work activity for which the preparation for work is carried out;
- (b) basic qualifications and health requirements for the preparation for work;
- (c) place and method of preparation for work;
- (d) the extent of theoretical and practical preparation.
- (3) Compensation for damage in connection with the preparation for work which is carried out pursuant to Section 72(2)(b) and (c) is governed by the Civil Code.

### Section 74

- (1) Specialised retraining courses may be organised for persons with disabilities. These courses are carried out under the same conditions as retraining (Section 109).
- (2) A person with a disability who does not receive sickness insurance benefit, old-age pension or salary or substitute salary is entitled to retraining benefit for the duration of these courses based on a decision of the Regional Branch of the Labour Office. The retraining benefit is granted even if the person is not registered in the register of job seekers.

# **Heading deleted**

### Section 75

# Contribution for the creation of a job for a person with a disability

- (1) A job created for a person with a disability is defined as a job created by an employer for a person with a disability based on a written agreement concluded with the Labour Office. The Labour Office provides the employer with a contribution for the creation of a job for a person with a disability. A job created for a person with a disability must be filled by such a person for three years.
- (2) The contribution for the creation of a job for a person with a disability may not exceed 8 times, and for a person with a serious disability 12 times, the average national wage in the first to third quarters of the previous calendar year. If an employer creates 10 or more jobs for persons with disabilities on the basis of a single agreement with the Labour Office, the contribution for the creation of one job for a person with a disability may be up to 10 times, and for a person with a serious disability up to 14 times, the average wage under the first sentence.
- (3) The contribution for the creation of a job for a person with a disability shall be provided on the condition that the employer does not have any tax arrears registered by the Tax Office or Customs Office in the tax records, has no arrears on the premiums and penalties for the public health insurance, or on the premiums and penalties for social security and State employment policy contribution, except where repayment in instalments has been allowed and the employer is not in delay with the repayment, or where tax deferment has been permitted. The contribution for the creation of a job for a person with a disability shall not be granted to an employer for a period of 3 years from the date on which the decision to impose a fine for enabling illegal work pursuant to Section 5(e)(3) became final.
  - (4) The application for the creation of a job for a person with a disability contains:
- (a) the identification data of the employer;
- (b) the place and objects of business or the place and objects of activities of the employer; and
- (c) the nature of the job for a person with a disability and the number of such jobs.
- (5) The application for the creation of a job for a person with a disability must be accompanied by a document on the employer's account with a financial institution. A certificate of fulfilment of the condition under subsection (3) is provided, in accordance with Section 147b, by the Labour Office itself, provided that the employer has given its written consent and, to that effect, relieves the relevant Tax Office or Customs Office, the competent District Social Security Administration or the competent health insurance company of confidentiality in respect of the Labour Office. If an employer proves the fulfilment of the condition under subsection (3) by submitting the certificate itself, such a certificate must not be older than 30 days prior to the submission of the application under subsection (4) and the data in it must correspond to the actual state of affairs as of the date indicated in the certificate. The Labour Office may also require the submission of other documents, if they are necessary in connection with the assessment of the application for the creation of a job for a person with a disability.
  - (6) The agreement on the creation of a job for a person with a disability contains at least:
- (a) the identification data of the parties to the agreement;
- (b) the characteristics of the job for a person with a disability;

- (c) an employer's commitment to fill the job for a person with a disability only by persons with disabilities;
- (d) the date from which the job for a person with a disability will be filled by a person with a disability;
- (e) the period for which the job for a person with a disability will be filled by a person with a disability including the date by which the job must be filled;
- (f) the amount of the contribution, its specification and the method of payment;
- (g) the conditions under which the contribution will be granted;
- (h) the method of demonstrating how the agreed conditions are met;
- (i) the conditions and the date of settling the contribution;
- (j) the obligation of the employer to return the contribution or the proportion thereof if the contribution, due to the employer's fault, has been provided unlawfully or in a higher amount than the employer was entitled to, and the time limit for the return of the contribution:
- (k) the employer's obligation to return the contribution if it has been provided within 12 months prior to the date on which the decision imposing a fine for enabling illegal work under Section 5(e)(3) became final, and the time limit for the return of the contribution; and
- (I) the conditions under which the agreement may be terminated.
- (7) In the agreement, the Labour Office must distinguish the conditions for granting the contribution whose non-fulfilment does not constitute a violation of budgetary discipline, and the conditions whose non-fulfilment will be sanctioned by a deduction pursuant to another legal regulation46).
- (8) Non-repayment of the contribution for the creation of a job for a person with a disability by a specified date is a breach of budgetary discipline46).
- (9) The Labour Office may also conclude an agreement for the creation of a job for a person with a disability with a person with a disability who decides to pursue self-employment. The granting of this contribution is governed by <u>subsections (1) to (7)</u> by analogy; the return of the contribution may not be claimed if that person ceases to be self-employed for health reasons or in the event of his death.

# Section 76

# Contribution to cover operating costs incurred in connection with the employment of a person with a disability

- (1) The Labour Office may provide a contribution to cover operating costs incurred in connection with the employment of a person with a disability on the basis of a written agreement concluded with an employer that employs a person with a disability in an employment relationship.
- (2) The contribution to cover operating costs incurred in connection with the employment of a person with a disability shall be provided on the condition that the employer does not have any tax arrears registered by the Tax Office or Customs Office in the tax records, has no arrears on the premiums and penalties for the public health insurance, or on the premiums and penalties for social security and State employment policy contribution, except where repayment in instalments has been allowed and the employer is not in delay with the repayment, or where tax deferment has been permitted. The annual amount of the contribution may reach up to CZK 48,000 per one person with a disability. The contribution shall not be granted to an employer for a period of 3 years from the date on which the decision to impose a fine for enabling illegal work pursuant to Section 5(e)(3) became final.
- (3) The contribution to cover operating costs incurred in connection with the employment of a person with a disability shall not be provided to an employer:
- (a) for a person with a disability who works outside the employer's premises;
- (b) for employees who are physically disadvantaged persons;
- (c) for a person with a disability who is temporarily placed to work for a user if he is an employer who is an employment agency.
- (4) An application for a contribution to cover operating costs incurred in connection with the employment of a person with a disability includes:
- (a) the identification data of the employer;
- (b) the place and objects of business or the place and objects of activities of the employer;
- (c) a list of the names of persons with a disability for whom the contribution is applied for, specifying the personal identification number and the date when the employment started; and
- d) a proof of the fact that the employee for whom the contribution to cover operating costs is claimed is a person with a disability (Section 67).
  - (5) An application for a contribution to cover operating costs incurred in connection with the employment of a person with

a disability must be accompanied by a proof of account of the employer with a financial institution. A certificate of fulfilment of the condition under subsection (2) is provided, in accordance with Section 147b, by the Labour Office itself, provided that the employer has given its written consent and, to that effect, relieves the relevant Tax Office or Customs Office, the competent District Social Security Administration or the competent health insurance company of confidentiality in respect of the Labour Office. If an employer proves the fulfilment of the condition under subsection (2) by submitting the certificate itself, such a certificate must not be older than 30 days prior to the submission of the application under subsection (4) and the data in it must correspond to the actual state of affairs as of the date indicated in the certificate. The Labour Office may also require the submission of other documents, if they are necessary in connection with the assessment of the application for a contribution to cover operating costs incurred in connection with the employment of a person with a disability.

- (6) The agreement for a contribution to cover operating costs incurred in connection with the employment of a person with a disability includes at least:
- (a) the identification data of the parties to the agreement;
- (b) the amount of the contribution, its specification and the method of payment;
- (c) the conditions under which the contribution will be granted;
- (d) the method of demonstrating how the agreed conditions are met;
- (e) the conditions and the date of settling the contribution;
- (f) the obligation of the employer to return the contribution or the proportion thereof if the contribution, due to the employer's fault, has been provided unlawfully or in a higher amount than the employer was entitled to, and the time limit for the return of the contribution:
- (k) the employer's obligation to return the contribution if it has been provided within 12 months prior to the date on which the decision imposing a fine for enabling illegal work under <u>Section 5(e)(3)</u> became final, and the time limit for the return of the contribution; and
- (h) the conditions under which the agreement may be terminated.
- (7) In the agreement, the Labour Office must distinguish the conditions for granting the contribution whose non-fulfilment does not constitute a violation of budgetary discipline, and the conditions whose non-fulfilment will be sanctioned by a deduction pursuant to another legal regulation46).
- (8) Non-repayment of the contribution to cover operating costs incurred in connection with the employment of a person with a disability by a specified date is a breach of budgetary discipline46).
- (9) The Labour Office may also conclude an agreement for the provision of a contribution to cover operating costs incurred in connection with the employment of a person with a disability with a self-employed person who is a person with a disability. The granting of this contribution is governed by <u>subsections (1)</u>, (2), (4) to (7) by analogy; the return of the contribution may not be claimed if that person ceases to be self-employed for health reasons or in the event of his death.

# Section 77

- (1) The Ministry shall lay down in an implementing regulation the following:
- (a) the characteristics of the job for a person with a disability, in particular the type of work and place of work, the conditions and requirements for performing the job, basic information on working conditions and salary and information about whether the job is reserved or suitable for a person with a disability, or whether it is employment for indefinite or fixed period and its expected term; and
- (b) the types of operating costs incurred in connection with the employment of a person with a disability for which a contribution under Section 76 may be provided and the method of providing such contribution.
- (2) The Ministry shall publish the amount of the average wage for the first to third quarters of the preceding calendar year on the basis of the data of the Czech Statistical Office by a notice published in the Collection of Laws.

# Section 78

# Sheltered labour market and agreement to recognise an employer as a sheltered labour market employer

- (1) The sheltered labour market is made up of employers who employ more than 50% of persons with disabilities out of the total number of their employees and with whom the Labour Office has concluded a written agreement on their recognition as a sheltered labour market employer (hereinafter the "employer recognition agreement"). The employer recognition agreement is concluded within the local competence of the Regional Branch of the Labour Office in whose district an employer has its registered office in the case of legal persons, or in whose district the employer has his residence in the case of natural persons.
  - (2) The employer recognition agreement may be concluded with the employer provided that:
- (a) more than 50% of the total number of its employees are persons with disabilities, calculated as quarterly FTEs for the calendar quarter preceding the submission of the application for the conclusion of this agreement;
- (b) on the submission of the application for the conclusion of the employer recognition agreement, the employer has not been

finally convicted of the criminal offence of fraud under another legal regulation in connection with the provision of a contribution to support the employment of persons with disabilities under this Act:

- (c) as of the submission of the application for the conclusion of the employer recognition agreement, the employer is not in liquidation, or in the last 5 years there has been no decision to reject an insolvency petition due to insufficient assets to cover the costs of the insolvency proceedings, to discontinue insolvency proceedings on the grounds that the employer's property is wholly insufficient, or to cancel bankruptcy for the same reason; and
- (d) in the period of 12 months before the date of the application for the conclusion of the employer recognition agreement:
- 1. the employer paid at least 80% of employees who are persons with a disability wages or salaries by wire transfer to an account held with a financial institution or by a postal order;
- 2. the employer employed more than half of employees who are persons with a disability in workplaces other than their places of residence:
- 3. the employer and the employees have not entered into contracts that would entail an obligation of these employees to provide the employer with funds, or agreements on wage or salary deductions which are contrary to good manners;
- 4. the employer has not been finally punished with a fine for an administrative delict or an administrative offence concerning employment or labour inspection.
- (3) In cases deserving special consideration, the Ministry may waive the employer's obligation to meet the condition under subsection (2)(d)(4), provided that the fine imposed does not exceed CZK 50,000 and the employer has filed the application under subsection (5).
- (4) The employer recognition agreement is concluded for a period of 3 years. If, within three months after the expiry of this period, the employer again applies with the Labour Office for the conclusion of the employer recognition agreement, this agreement is concluded for an indefinite period.
  - (5) The application for the conclusion of the employer recognition agreement shall include at least:
- (a) the identification data of the employer;
- (b) the place and objects of business or the place and objects of activities of the employer;
- (c) the information on revenues broken down by individual activities within the scope of the objects of business, or information on profit/loss:
- (d) the number of persons with disabilities who contribute to the in the revenues by the objects of business or objects of activities;
- (e) information on the compliance with the requirement to employ more than 50% of persons with disabilities of the total number of the employer's employees for the calendar quarter preceding the submission of the application for the conclusion of the employer recognition agreement, indicating the total number of employees, of which the number of employees who are persons with disabilities in accordance with Section 67, including proof of this fact.
  - (6) The employer recognition agreement shall include at least:
- (a) the identification data of the parties to the agreement;
- (b) the period for which it is concluded;
- (c) the obligation of the employer to comply, during the term of the employer recognition agreement, with the statutory conditions for the conclusion of this agreement;
- (d) the obligation of the employer to submit to the Labour Office an annual activity report by 15 July of the following calendar year at the latest; the annual activity report of the employer contains:
- 1. information on the fulfilment of the requirement to employ more than 50% of persons with disabilities out of the total number of the employer's employees in average quarterly FTEs broken down in accordance with Section 67, their number, including the proof of fact that the employees are persons with disabilities, if there is a change compared to the facts proved in accordance with subsection (5)(e) or Section 78a(5)(b);
  2. information about the objects of business of the employer and the revenues broken down by individual activities within the
- 2. information about the objects of business of the employer and the revenues broken down by individual activities within the objects of business, or the objects of activities of the employer and his profit/loss, including the number of persons with disabilities which contribute to the revenue by the objects of business or objects of activities;
- 3. a description of the work activities in which persons with disabilities participated;
- 4. the number of persons with disabilities working mainly at the customer's premises, in or outside the premises of the employer;
- 5. the number of persons with disabilities working at home;
- 6. information on the compliance with the statutory conditions for the conclusion of an employer recognition agreement and the obligations stipulated in the employer recognition agreement;
- (e) the obligation of the employer to notify the Labour Office that the employer has failed to meet any of the obligations stipulated in the employer recognition agreement or ceased to meet any of the statutory conditions for the conclusion of this agreement;
- (f) the conditions under which the agreement may be terminated.
  - (7) The Labour Office may terminate the employer recognition agreement if the employer:
- (a) ceases to meet the condition for the conclusion of the employer recognition agreement under <u>subsection (2)(d)(4)</u> if the amount of the fine imposed exceeds CZK 50,000; or

- (b) has failed to meet the obligation to submit an annual activity report of the employer, even at the request of the Labour Office.
  - (8) The Labour Office shall terminate the employer recognition agreement if the employer:
- (a) ceases to meet any of the conditions for the conclusion of the employer recognition agreement under <u>subsection (2)(b)</u> or <u>(c)</u> or under <u>subsection (2)(d)(3);</u>
- (b) fails to meet any of the conditions for the conclusion of the employer recognition agreement under <u>subsection (2)(a)</u> or in <u>subsection (2)(d)(1)</u> or (2) for two consecutive calendar quarters; or
- (c) has repeatedly stated untrue data in the annual activity report of the employer.
- (9) The notice period is 2 months and starts on the first day of the calendar month following the delivery of the notice to the employer. The Employer may provide products and services or to perform the assigned contracts for the purpose of meeting the obligation under <u>Section 81(1)</u> until the end of the notice period.
- (10) To determine compliance with the requirement to employ more than 50% of persons with disabilities out of the total number of employees under <u>subsection</u> (1), the average number of FTEs per calendar quarter is decisive.
- (11) The method of calculating the average number of FTEs and employees who are persons with a disability per calendar quarter shall be determined by the Ministry in an implementing regulation.

# Section 78a

# Contribution to support the employment of persons with disabilities in sheltered labour market

- (1) The employer with whom the Labour Office has concluded the employer recognition agreement shall be granted a contribution to support the employment of persons with disabilities in the form of partial reimbursement of wages or salaries and other costs. The contribution is to be provided by the competent Regional Branch of the Labour Office in whose district an employer has its registered office in the case of legal persons, or in whose district the employer has his residence in the case of natural persons.
- (2) The contribution compensates actual expenditure on wages or salaries in the monthly amount of 75% of the funds actually spent on wages or salaries paid to employees who are persons with disabilities, including social security premiums and contributions to the State employment policy and public health insurance premiums which the employer has paid from the employee's assessment basis, but not more than CZK 12,000 in the case of a person with a disability under Section 67(2)(a) or (b) and not more than CZK 5,000 in the case of a physically disadvantaged person. For the purposes of determining the amount of the contribution, the actual expenditure on wages and salaries are reduced by an amount of:
- a) the wage in kind,
- (b) wage or salary deductions intended to satisfy the employer's performance under the <u>Civil Code</u>, with the exception of deductions made to cover damage for which the employee is liable, or the meal contribution of the employee under Section 236 of the Labour Code; or
- (c) wage compensation provided to employees in the case of obstacles to work attributable to the employer.
- (3) In addition to the contribution under <u>subsection (2)</u>, the employer is entitled to a lump sum of CZK 1,000 per month per person with a disability under <u>Section 67(2)</u> for the costs incurred by the employer on the employment of persons with disabilities in the calendar quarter for whom the contribution is applied for. In the application for contribution, an employer may claim an increase in the contribution for other costs incurred by the employer for the employment of persons with disabilities in the calendar quarter for which the contribution is applied for, but not more than the amount representing the difference between the amount of CZK 12,000 and the contribution provided under <u>subsection (2)</u> per month per employee who is a person with a disability under <u>Section 67(2)(a)</u> or (b). An increase in the contribution under the second sentence may not be applied to a person with a disability working outside the employer's premises or to an employee of an employment agency who is a person with a disability and is temporarily placed to work at the user's premises.
- (4) The contribution is provided quarterly for the previous quarter on the basis of a written application by the employer which must be delivered to the Regional Branch of the Labour Office no later than at the end of the calendar month following the end of the respective calendar quarter. The contribution is provided on the condition that, on the last day of the respective calendar quarter, the employer does not have tax arrears kept by the competent Tax Office or Customs Office, the employer has no arrears in the premiums and penalties for social security and contributions to the State employment policy and the premiums and penalties for public health insurance, except where:
- (a) repayment in instalments has been allowed and the employer is not in delay with the repayment of instalments, or where tax deferment has been permitted; or
- (b) the sum of the employer's arrears, excluding arrears under (a), did not exceed CZK 10,000 on the last day of the relevant calendar quarter, and the employer paid these arrears by the 15th day of the calendar month following the calendar quarter for which the employer is applying for the contribution, or paid them within 5 working days after being informed of these arrears by the Regional Branch of the Labour Office if the Labour Office itself has found out the data on arrears under Section 147b, provided that the employer has given its consent thereto and has for that purpose relieved the relevant Tax Office or Customs Office of the confidentiality obligation in respect of the Labour Office; the employer is obliged to prove the payment of the arrears to the Regional Branch of the Labour Office.

The contribution shall not be granted to an employer for a period of 3 years from the date on which the decision to impose a fine for enabling illegal work pursuant to Section 5(e)(3) became final. In addition, the employer will not receive the

contribution for a period of 12 months from the date when the decision to impose a fine for an administrative delict or an administrative offence concerning employment or labour inspection became final if the amount of the fine exceeds CZK 50,000; this applies to a contribution for a higher number of employees who are persons with a disability than that which the employer employed on the date when the decision imposing the fine became final.

- (5) An application for the contribution includes:
- (a) a list of the names of employees who are persons with disabilities and employees who are persons with serious disabilities, including their personal identification number, start and termination of employment, health insurance code, wage or salary funds incurred, including social security premiums and contribution to the State employment policy and public health insurance premiums which were paid; and
- (b) a proof that the employee for whom the contribution is applied for is a person with disabilities if there has been a change in the facts proved under Section 78(5)(e).
- (6) If several employers apply for a contribution for the same employee who is a person with a disability, the contribution shall be paid to the employer with whom the employment of the person with a disability started first. If this employment is terminated during the calendar quarter, the proportional part of the contribution shall be granted to the next employer who has applied for the contribution; if several employers have applied for the contribution, the first sentence shall apply. If an employee who is a person with a disability becomes employed on the same day with several employers applying for the contribution, it shall not be granted to any of them. If an employee who is a person with a disability has more than one employment relationship with the same employer, the employer is entitled to the monthly contribution in the amount under subsection (2) and (3). For the purposes of determining the amount of the contribution, the actual expenditure on wages or salaries, including social security premiums, contributions to the State employment policy and public health insurance premiums which the employer has paid from that employee's assessment basis are added up for all the employment relationships of that employee.
  - (7) The contribution may not be granted for an employee who is a person with a disability:
- (a) for the calendar quarter in which the Labour Office provides for that employee a different contribution, the amount of which is determined on the basis of actual expenditure on wages or salaries per employee, including social security premiums and contributions to the State employment policy and public health insurance premiums which the employer has paid from the employee's assessment basis, or the contribution for the transition to a new entrepreneurial programme (Section 117);
- (b) for the calendar quarter in which that employee was the recipient of old-age pension;
- (c) for the calendar quarter in which the employer received for that employee the contribution to cover operating costs incurred in connection with the employment of a person with a disability (Section 76);
- (d) for the calendar quarter in which an employee whose employment contract does not stipulate the employer's premises as the place of work disagreed with an inspection at the place of his work (Section 126(3)); or
- (e) for the calendar quarter in which an employee of an employment agency who is a person with a disability is temporarily placed to work at user's premises.
  - (8) The Regional Branch of the Labour Office shall issue a decision to:
- (a) grant the contribution if the employer satisfies the conditions for the granting of the contribution under subsections (1) and (4);
- (b) not to provide the contribution if the conditions under (a) are not met;
- (c) not to provide part of the contribution corresponding to the amount paid as wages or salaries, including social security premiums and contributions to the State employment policy and public health insurance premiums for those employees for whom the employer does not prove that they are persons with a disability or for whom, under subsection (6) or (7) the contribution cannot be provided; the conditions under (a) must be fulfilled at the same time;
- (d) not to provide a contribution or its part corresponding to the amount of unpaid wages or salary or unpaid social security premiums and contribution to the State employment policy or public health insurance premiums at the date of the application;
- (e) not to grant an increase in the contribution under <u>subsection (3)</u> or its part if additional costs are not demonstrably linked to the employment of persons with disabilities; or
- (f) not to provide a contribution if a fine has been imposed on the employer for enabling illegal work under <u>Section 5(e)(3)</u> and less than 3 years have passed since the date on which the decision imposing the fine became final.
- (9) The contribution is payable no later than 14 calendar days from the date when the decision to grant the contribution became final.
- (10) The employer must return the contribution or its proportion if it was paid to the employer wrongfully or in the wrong amount based on incorrect data; the employer must also return the contribution or its proportion if it was provided within 12 months prior to the date on which the decision to impose a fine for enabling illegal work under Section 5(e)(3) became final or if the Labour Office has found that the employer no longer meets any of the conditions for the conclusion of the employer recognition agreement under this Act. The Regional Branch of the Labour Office shall issue a decision on the obligation to return the contribution or its proportion.
- (11) The right to the return of a contribution or its proportion under <u>subsection (10)</u> ceases to exist 5 years after the date on which it was granted to the employer.

- (12) Other costs by which the contribution under subsection (3) may be increased include:
- (a) increased administrative costs in the amount of 4% of the average monthly wage in the national economy for the first to third quarters of the previous calendar year;
- (b) the costs of operation employees and work assistants; these costs are:
- 1. wage costs of operation employees and work assistants in a basic labour-law relationship with the employer, within the scope corresponding to the number of hours worked by operation employees or work assistants in assisting employees who are persons with disabilities; or
- 2. the cost of providing for work assistants in the absence of employees of the same employer;
- (c) transport costs associated with the employment of persons with disabilities; these costs are:
- (1) the costs of transport of employees who are persons with disabilities to and from the workplace; or
- 2. the costs of transport of materials and finished goods;
- (d) the costs of adaptation of the establishment; these costs are:
- 1. the costs of purchase and verification of computer software for the employment of persons with disabilities;
- 2. the adaptation and purchase of ancillary technological equipment used by employees who are persons with disabilities;
- 3. the purchase of communication and orientation aids:
- 4. the adaptation of hygienic, thermal, light or noise conditions to persons with disabilities; or
- 5. the construction or extension of operations necessary for the employment of persons with disabilities, including the costs of computer equipment.
- (13) For the purposes of <u>subsection 12(b)</u> an operation employee is considered to exclude an employee for whose employment a contribution under <u>subsection (1)</u> is provided, or an employee whose salary costs are paid in accordance with Section 3(1)(a) of Decree 518/2004.
- (14) Where value added tax is included in the costs under <u>subsection (12)</u> and the employer is not liable to this tax, value added tax is considered as the operating cost of the job.
- (15) The Minister of Labour and Social Affairs may, in exceptional cases deserving special consideration, waive the fulfilment of the condition under <u>subsection (4)(b)</u> on the basis of the employer's written and reasoned application to remove the strictness of the Act as regards the failure to observe the time limits for the payment of the employer's arrears.
- (16) The Ministry may, in exceptional cases deserving special consideration, waive the fulfilment of the condition under subsection (4)(b), on the basis of the employer's written and reasoned request to remove the strictness of the Act. as regards the sum of the employer's arrears, which, on the last day of the respective calendar quarter, exceeded CZK 10,000. The application must be delivered to the Ministry no later than at the end of the second calendar month following the end of the calendar quarter for which the contribution is applied for if the fulfilment of the condition under subsection (4)(b) is proved by the employer itself. If the fulfilment of the condition under subsection (4)(b) was ascertained pursuant to Section 147b by the Labour Office, provided that the employer has given its consent thereto and, for this purpose, has released the competent Tax Office or Customs Office of the confidentiality obligation in respect of the Labour Office, the application must be delivered to the Ministry no later than one month after the date when the employer learned of its arrears under subsection (4)(b) from the Regional Branch of the Labour Office.

# Rights and obligations of employers and cooperation with the Labour Office

Section 79

Employers are entitled to request from Regional Branches of the Labour Office:

- (a) information and advice on issues related to the employment of persons with disabilities;
- (b) cooperation in reserving jobs particularly suited to persons with disabilities;
- (c) cooperation in creating suitable jobs for persons with disabilities;
- (d) cooperation in addressing the individual adaptation of jobs and working conditions for persons with disabilities.

Section 80

Employers are obliged to:

- (a) extend, in accordance with their situation and in cooperation with the physician of a healthcare provider, the possibility of employing persons with disabilities through individual adaptation of jobs and working conditions and reserving jobs for persons with disabilities;
- (b) cooperate with the Regional Branch of the Labour Office in providing work rehabilitation;
- (c) keep a register of employed persons with disabilities; the register includes the grounds on which he was recognised as a person with disabilities (Section 67(2));
- (d) keep a register of jobs reserved for persons with disabilities.

- (1) Employers with more than 25 employees in an employment relationship are obliged to employ the mandatory proportion of persons with disabilities out of the total number of the employer's employees. The mandatory proportion is 4%. For employers who are an employment agency pursuant to Section 14(3)(b), the employees who are temporarily placed to work at a user's premises shall not be included in the total number of employees in the employment relationship.
  - (2) Employers fulfil the obligation under subsection (1) by:
- (a) employing employees in an employment relationship;
- (b) buying products or services from employers with whom the Labour Office has concluded an employer recognition agreement (Section 78) or by awarding contracts to such employers or by buying products or services from persons with disabilities who are self-employed and do not employ any employees, or by awarding contracts to such persons; or
- (c) by a payment to the State budget;
  - or by a combination of the methods under (a) to (c).
- (3) Employers and self-employed persons under <u>subsection (2)(b)</u> may, for the purposes of fulfilling the obligation under <u>subsection (1)</u>, provide their products and services or fulfil the contracts awarded in the calendar year only up to 28 times the average national wage for the first to third quarters of the previous calendar year for each FTE employee with a disability employed in the previous calendar year (hereinafter the "limit") and if they enter the data on the performance provided in a register kept by the Ministry pursuant to Section 84 no later than 30 calendar days after the payment of the performance provided.
- (4) If a self-employed person with a disability does not employ any employees, he shall be considered for the purpose of calculating the limit under <u>subsection</u> (3) as a single employee.
- (5) The average annual FTE is decisive for determining the total number of employees, the total number of employees with disabilities and the mandatory proportion.
- (6) The method of calculating the FTE, the method of achieving the total amount of products and services or contracts awarded and the method of calculating the performance of the mandatory proportion shall be determined by the Ministry by an implementing regulation.

- (1) The amount of the payment to the State budget pursuant to Section 81(2)(c) for each person with disabilities to be employed by the employer is 2.5 times the average monthly national wage for the first to third quarters of the calendar year in which the obligation to fulfil the mandatory share of persons with disabilities arose. The Ministry shall publish the amount of the average wage for the first to third quarters on the basis of the data of the Czech Statistical Office by a notice published in the Collection of Laws.
- (2) The payment to the State budget under <u>subsection (1)</u> is made by the employer by 15 February of the following year through the Labour Office.
- (3) If the employer fails to fulfil the obligation under <u>Section 81(1)</u>, the Regional Branch of the Labour Office shall order the employer to make the payment to the State budget pursuant to <u>subsection (1)</u> by a decision in accordance with the <u>Tax</u> <u>Code</u>.50)
- (4) The payment to the State budget shall be enforced by the Customs Office with territorial competence according to the employer's registered office.

# Section 83

The employer is obliged to report the fulfilment of the mandatory share of the employment of persons with disabilities, including the means of fulfilment, in writing by 15 February of the following year to the Regional Branch of the Labour Office in whose territorial district the employer has its registered office if it is a legal person or his residence if he is a natural person.

- (1) The Ministry shall keep an electronic register on the fulfilment of the mandatory share of employing persons with disabilities in the manner specified in <u>Section 81(2)(b)</u> (hereinafter the "register"). This register is administered by the Ministry.
  - (2) The register shall contain the following information:
- (a) identification data [Section 5(a)] of the employer and self-employed persons under Section 81(2)(b) (hereinafter the "supplier") and the employer under Section 81(1) (hereinafter the "customer");
- (b) the price of products, services or realised contracts excl. VAT which can be included in the fulfilment of the mandatory share in the manner specified in Section 81(2)(b);
- (c) the date of delivery of the goods, services or realisation of contracts;
- (d) the number of the document by which the delivery of the goods, realised contract was accounted;
- (e) the date of payment of purchased products, services or realised contracts which can be included in the fulfilment of the mandatory share in the manner specified in Section 81(2)(b);

- (f) the quarterly FTE of persons with disabilities.
- (3) The data referred to in <u>subsection (2)</u> is entered in the register and the supplier of products, services or contracts is responsible for their accuracy.
- (4) The amount of the limit and the current progress towards its fulfilment is publicly available. The data pursuant to subsection (2) including personal data shall be retained in the register by the Ministry for a period of 6 years from their entry.

## **PART FOUR**

## **EMPLOYMENT OF EMPLOYEES FROM ABROAD**

### TITLE I

## EMPLOYER'S INFORMATION OBLIGATION WHEN EMPLOYING EMPLOYEES FROM ABROAD

#### Section 85

For the purposes of employment of employees from abroad under this Act, a citizen of the European Union and his family member (Section 3(2)) and a family member of a citizen of the Czech Republic under Section 3 (3) shall not be considered foreign nationals.

## Section 86

An employer who intends to fill a job vacancy with a foreign national on the basis of a work permit, an employee card or a blue card is obliged to report such a job vacancy to the Regional Branch of the Labour Office in whose territorial district the employment is to be performed, including the basic characteristics of this job (Section 37).

# Information obligation of employers

### Section 87

- (1) If a citizen of the European Union, his/her family member (Section 3 (2)), family member of a citizen of the Czech Republic referred to in Section 3 (3), a foreign national referred to in Section 98 (a) to (e) and (j) to (s) and in Section 98 takes on employment or the performance of work in the territory of the Czech Republic, who does not require a work permit, or a foreign national, for whom a work permit, employee card, internally transferred employee card or blue card is required, his/her employer is obliged to inform the relevant regional branch of the Labour Office of this fact in writing at the latest on the day of these persons commencing work. A similar obligation applies to cases where, during the period of employment or performance of work in the territory of the Czech Republic, a situation arises, on the basis of which a foreign national no longer requires a work permit, employee card, internally transferred employee card or blue card, whereas such an information duty shall be fulfilled at the latest within 10 calendar days from the date, on which the fact occurred, on the basis of which the work permit, employee card, internally transferred employee card or blue card is not required.
- (2) The written information contains data kept in the records, which the employer is obliged to keep pursuant to Section 102 (2) or (3). The employer is obliged to report any change of this data at the latest within 10 calendar days from the day the change occurred or the employer learned thereof.
- (3) The employer is obliged to inform the relevant regional branch of the Labour Office within 10 calendar days at the latest of the termination of employment or performance of work in the territory of the Czech Republic of the persons referred to in paragraph 1.

## Section 88

- (1) The employer must inform in writing the competent Regional Branch of the Labour Office if the foreign national who has been granted a work permit, an employment card or a blue card:
- (a) has not started work; or
- (b) terminated his employment before the expiry of the period for which the work permit, employee card or blue card was issued, and if the employment was terminated by notice for any of the reasons under Section 52(a) to (e) of the Labour Code or by agreement for the same reasons or immediate annulment pursuant to Section 56 of the Labour Code, and the reason for the termination of employment.
- (2) The employer must comply with the information obligation pursuant to <u>subsection (1)(a)</u> in the case of a foreign national who has been issued with an employee card or a blue card, but no later than 45 calendar days from the date on which the conditions for the issue of the employee card or blue card were met, and in the case of a foreign national who has been granted a work permit under <u>Section 92</u> within 10 calendar days of the date on which the foreign national was to commence the job. The employer must comply with the information obligation under <u>subsection (1)(b)</u> within 10 calendar days from the date on which the foreign national terminated his employment.

## TITLE II

- (1) A foreign national may be recruited and employed if he holds a valid employee card, intra-corporate transferee card or blue card, unless otherwise provided for in this Act.
- (2) A foreign national may be recruited and employed if he has a valid work permit issued by the Regional Branch of the Labour Office and a valid residence permit in the territory of the Czech Republic.
- (3) For the purposes of <u>subsection (2)</u>, employment is considered to also include the fulfilment of the tasks arising from the objects of activities of the legal person arranged by a partner, a governing body or a member of the governing body or another body of a business corporation for the business corporation.
- (4) A foreign national who has been issued with a certificate of compliance with the conditions for the issuance of an employee card, intra-corporate transferee card or blue card may be recruited and employed from the date of issuance of this certificate until the end of the proceedings on his application for the issuance of the employee card, intra-corporate transferee card or blue card. If a foreign national applies for an extension of the work permit in accordance with Section 94, he may continue to be employed from the expiry of his work permit to the final decision on the extension of the work permit.
- (5) A work permit may not be issued or extended if the foreign national holds an employee card, blue card or a long-term residence permit for purposes other than employment issued pursuant to the <u>Act on the residence of foreign nationals in the territory of the Czech Republic</u>; this does not apply in the case of a holder of a long-term residence permit for the purposes of pursuing business or a long-term residence permit for the purposes of investment issued pursuant to the <u>Act on the residence of foreign nationals in the territory of the Czech Republic</u>, a foreign national who can be recruited and employed in accordance with <u>subsection (2)</u> or a foreign national under <u>Sections 95 to 97</u>.

A foreign national shall generally apply for a work permit in writing with the Regional Branch of the Labour Office before entering the Czech Republic, either himself or through the employer with which he is to be employed or through a legal or natural person that has concluded a contract with a foreign employer under which persons under <a href="Section 87(1)">Section 87(1)</a> are to be posted to the territory of the Czech Republic to perform tasks arising from this contract.

#### Section 91

- (1) The application for a work permit shall include:
- (a) the identification data of the foreign national;
- (b) the address in the country of permanent residence and the mailing address;
- (c) passport number and the name of the authority that has issued it;
- (d) the identification data of the future employer;
- (e) the type of work, place of work and the period of time for which employment should be carried out;
- (f) other data necessary for the performance of employment.
  - (2) An application for a permit must be accompanied by:
- (a) employment contract, agreement to perform wok or a preliminary contract, in which parties agree to enter into an employment contract or an agreement to perform work within the agreed period of time.
- (b) documents certifying professional competence for the performance of the required employment; in the case of a regulated profession, documents proving the fulfilment of the condition under another legal regulation 104);
- (c) other documents if required by the nature of the employment or if it is stipulated by a promulgated international treaty, the ratification of which has been approved by the Parliament and by which the Czech Republic is bound.
- (3) The documents under <u>subsection (2)</u> are submitted in the original version and in an officially certified translation into the Czech language.
- (4) An employment contract, an agreement to perform work or a preliminary contract under <u>subsection (2)(a)</u> must contain, in addition to the statutory requirements laid down by the <u>Labour Code</u>, the duration of the basic labour-law relationship, the amount of wage, salary or remuneration, the length of the weekly working hours agreed and the annual leave in accordance with the legislation.

- (1) The Regional Branch of the Labour Office shall issue a work permit if it concerns:
- (a) a notified job vacancy (Section 86); and
- (b) a job vacancy that cannot be filled otherwise with regard to the required qualifications or the lack of available labour; the fulfilment of this condition is not required when issuing work permit under <u>Sections 95</u> and <u>97</u>.
- (2) The Regional Branch of the Labour Office shall issue a decision on a work permit. A work permit is issued for a period of 2 years.

- (3) A work permit shall include:
- (a) the identification data of the foreign national;
- (b) the place of work;
- (c) the type of work;
- (d) the identification data of the employer with which the foreign national will be employed;
- (e) the period for which it is issued;
- (f) other data necessary for the performance of employment.

## Heading deleted

A foreign national who holds a blue card, employee card, intra-corporate transferee card or a work permit may be sent by the employer on a work trip pursuant to <u>Section 42 of the Labour Code</u> if it corresponds to the nature of his work for which the blue card, employee card, intra-corporate transferee card or a work permit has been issued.

### Section 94

- (1) The Regional Branch of the Labour Office may extend the validity of a foreign national's work permit at his request, even repeatedly, but each time for not more than 2 years. The validity of the work permit pursuant to Section 96 issued for a period of less than 6 months may be extended, but so as to ensure that the total validity of the work permit is no more than 6 months in any period of 12 consecutive months. A foreign national is entitled to apply for extension of the work permit with the relevant Regional Branch of the Labour Office no earlier than 3 months and no later than 30 days before the expiry of the work permit issued. When extending a work permit, the Regional Branch of the Labour Office takes into account the situation on the labour market; this does not apply in case of the extension of the work permit pursuant to Sections 95 and 97.
- (2) The application for the extension of a work permit shall contain the same elements as the application for a work permit (Section 91(1)). The application for the extension of a work permit issued pursuant to Section 96 contains the same elements as the application for a work permit pursuant to Section 96(3). The application must be accompanied by an employer's statement that it will continue to employ the foreign national.
  - (3) The Regional Branch of the Labour Office shall issue a decision on the extension of a work permit.
- (4) The issue of an employee card under Section 42g(6) of the Act on the residence of foreign nationals in the territory of the Czech Republic to a foreign national who holds a long-stay visa issued in accordance with the Act on the residence of foreign nationals in the territory of the Czech Republic or the extension of an employee card requires an affirmative binding opinion of the Regional Branch of the Labour Office issued at the request of the Ministry of the Interior. When issuing a binding opinion, the Regional Branch of the Labour Office takes into account the situation on the labour market.

## Section 95

- (1) A work permit is also required if a foreign national whose employer is a foreign entity is to be posted by his employer, on the basis of a contract with a Czech legal entity or natural person, to perform work in the territory of the Czech Republic in order to carry out the tasks arising from this contract.
- (2) Prior to concluding a contract on the basis of which foreign nationals are posted to perform work in the territory of the Czech Republic in order to carry out the tasks arising from this contract, a national legal or natural person is obliged to discuss with the competent Regional Branch of the Labour Office especially the numbers and professions of the employees to be sent and the period of their stay.
- (3) An application for a work permit for posted foreign nationals shall be submitted by a legal or natural person that has concluded a contract with a foreign employer on the basis of which foreign nationals will be posted to the territory of the Czech Republic to fulfil the tasks arising from this contract. This person is responsible for the foreign nationals having valid work permits and residence permits in the Czech Republic throughout the period of their posting by a foreign employer.
- (4) If the contract pursuant to <u>subsection (1)</u> concerns temporary assignment of a foreign national to work at a user's premises, the Regional Branch of the Labour Office may issue a work permit only if the foreign employer has been granted an employment intermediation authorisation and at the same time it is a notified job vacancy which cannot be otherwise filled with regard to the required qualification or the lack of available labour (<u>Section 92(1)</u>).
- (5) Compliance with the requirements under <u>Section 91(4)</u> is not required in the case of the posting of a foreign national under <u>subsection (1)</u>.

## Section 96

(1) A work permit is required even if a foreign national is a seasonal employee performing a seasonal activity. A seasonal activity is an activity which is linked to a specific season depending on the recurring event or type of event based on seasonal conditions during which the labour needs are substantially greater than in the case of common types of activities.

- (2) The work permit under <u>subsection (1)</u> shall be issued for a maximum of six months in any period of 12 consecutive months.
- (3) The work permit under subsection (1) may be issued only after submitting a fixed-term employment contract, a fixed-term agreement to perform work or a preliminary contract in which the parties undertake to conclude, within the agreed period, a fixed-term employment contract or a fixed-term agreement to perform work containing provisions clearly indicating that the monthly salary or remuneration of the foreign national is not lower than the basic monthly minimum wage; the weekly working time must be at least 15 hours in each of the two basic labour-law relationships. In the case of employment at another post, the requirement of the weekly working time of at least 15 hours, while maintaining the basic labour-law relationship under the first sentence, is not required.
- (4) If a Regional Branch of the Labour Office issues a work permit pursuant to <u>subsection (1)</u>, it shall also provide the foreign national with written information on the rights and obligations of the seasonal employee, including information on the procedure for filing a complaint for violation of labour-law regulations.
- (5) The list of sectors of employment which include seasonal activities under <u>subsection (1)</u> shall be determined by the Ministry in a decree.

A work permit is also required for a foreign national:

- (a) who will be employed for a fixed period in order to improve his skills and qualifications in the chosen employment (traineeship) but for a maximum period of 6 months. This period may be extended, but for no more than the period required to obtain professional qualification in accordance with the regulations applicable in the Czech Republic;
- (b) up to 26 years of age employed in occasional and time-limited work in the context of exchanges between schools or youth programmes in which the Czech Republic is taking part;
- (c) who is required to have the work permit based on a promulgated international treaty, the ratification of which has been approved by the Parliament and by which the Czech Republic is bound;
- (d) who has been granted a visa for non-voluntary stay or who has been issued a long-term residence permit for the same purpose;<sup>3)</sup>
- (e) who is an applicant for international protection or who has been issued with a certificate of non-voluntary stay in the territory of the Czech Republic51) but no earlier than 6 months after the submission of the data on the submitted application for international protection.

## Section 98

A work permit, employee card, intra-corporate transferee card or a blue card is not required by this Act for the employment of a foreign national:

- (a) with the permanent residence permit;
- (b) who is a family member of a diplomatic mission, embassy or a family member of an employee of an international government organisation established in the territory of the Czech Republic;
- (c) who has been granted asylum or supplementary protection;<sup>51)</sup>
- (d) whose performance of work in the territory of the Czech Republic does not exceed 7 consecutive calendar days or a total of 30 days in a calendar year and, in the case of a performing artist, a pedagogical worker, an academic worker of a higher education institution, a scientific, research or development worker who is a participant at a scientific meeting, a pupil or student under the age of 26, an athlete or a person who arranges the supplies of goods or services in the Czech Republic or supplies such goods or performs assembly on the basis of a commercial contract, or performs warranty and repair work;
- (e) who is not required to have a work permit, employee card, intra-corporate transferee card or a blue card based on a promulgated international treaty, the ratification of which has been approved by the Parliament and by which the Czech Republic is bound:
- (f) who is a member of a rescue unit and provides assistance on the basis of an international treaty on mutual assistance in dealing with the consequences of accidents and natural disasters, and in cases of humanitarian aid;
- (g) employed in international transport if he is posted to work in the Czech Republic by his foreign employer;
- (h) accredited in the field of media:
- (i) who is military or civilian personnel of the posting State's armed forces under a special law;52)
- (j) who is undergoing continuous preparation for future profession in the Czech Republic (Section 5);
- (k) who was posted to the territory of the Czech Republic within the provision of services by an employer established in another Member State of the European Union;18)
- (I) who resides in the territory of the Czech Republic on the basis of a long-term residence permit for the purpose of family

cohabitation in the case of family cohabitation with a foreign national under (a), (c) or (n) or with a foreign national residing in the territory of the Czech Republic on the basis of a valid long-term residence permit;

- (m) who resides in the Czech Republic on the basis of a long-term residence permit of a resident of another Member State of the European Union52b);
- (n) who performs continuous educational or scientific activity in the Czech Republic as a pedagogical worker or academic worker of a higher education institution or scientific, research or development worker in a public research institution or another research organisation pursuant to a special legal regulation52c);
- (o) who has received secondary or higher vocational education or higher vocational education at a conservatory pursuant to the <u>Education Act</u> or higher education pursuant to the <u>Higher Education Act</u>9);
- (p) who resides in the territory of the Czech Republic on the basis of a long-term residence permit for the purpose of protection in the territory pursuant to the Act on the residence of foreign nationals in the territory of the Czech Republic;
- (r) who is a cleric of a church registered in the Czech Republic or a religious society registered in the Czech Republic;
- (s) who holds a residence permit of an intra-corporate transferee issued by another Member State of the European Union and has been subject to intra-corporate transfer to the territory of the Czech Republic for a period not exceeding 90 days in any period of 180 days; or
- (t) whose work in the territory of the Czech Republic is in the interest of the Czech Republic.

#### Section 98a

A work permit, employee card, intra-corporate transferee card or blue card are also not required by this Act if a foreign national is posted to the territory of the Czech Republic by his foreign employer on the basis of a contract with a Czech legal or natural person exclusively for the purpose of increasing the skills and qualification of the foreign national necessary for the performance of his work for this foreign employer outside the territory of the Czech Republic. The information on the posting of the foreign national under the first sentence will be provided by the Czech legal or natural person to the competent Regional Branch of the Labour Office95).

## Section 99

A work permit may not be issued to a foreign national:

- (a) who has applied for international protection in the Czech Republic; the work permit may not be granted for a period of 6 months from the date of filing the application for international protection;
- (b) who does not meet any of the conditions laid down by this Act for the issue of a work permit;
- (c) whose documents submitted pursuant to <u>Section 91</u> have been fraudulently obtained, falsified or tampered with or which contain false data;
- (d) whose employer has been finally fined for enabling illegal work within 4 months preceding the submission of the application for the work permit;
- (e) whose employer has been finally ordered, within 3 months preceding the submission of the application for the work permit, to pay a fine exceeding CZK 50,000 for violating an obligation arising from labour-law regulations or for violating an obligation under other legislation the observance of which is supervised by the State Labour Inspection Office or the Regional Labour Inspectorate; or
- (f) whose employer has had bankruptcy declared over its assets by a final judgment of a court and the bankruptcy has not yet been revoked.

- (1) A work permit shall expire:
- (c) upon the lapse of the period for which it was issued;
- (b) upon the termination of employment before the lapse of the period for which it was issued;
- (c) upon the lapse of the period for which the foreign national's residence has been permitted; or
- (d) upon not granting, not issuing, revocation or expiry of a permit to reside in the territory of the Czech Republic for any other reason.
- (2) A work permit shall be revoked by the Regional Branch of the Labour Office if the employment is carried out in contravention of the work permit issued, except for the performance of other work as a result of transfer pursuant to <a href="Section 41(1)(c)">Section 41(1)(c)</a> of the Labour Code, posting for a work trip pursuant to <a href="Section 93">Section 93</a> or if the work permit has been issued on the basis of false information.
- (3) The competent body of the Police of the Czech Republic or the Ministry of the Interior shall inform the competent Regional Branch of the Labour Office about the fact under subsection (1)(d).

The submission of an application for a work permit and application for the extension of a work permit are subject to an administrative fee in accordance with special legal regulations.41)

### TITLE III

## REGISTRATION OF CITIZENS OF THE EUROPEAN UNION AND FOREIGN NATIONALS

## Section 102

- (1) The Regional Branch of the Labour Office keeps a register of the citizens of the European Union, their family members (Section 3(2)) and family members of Czech Republic nationals under Section 3(3)) who have started employment, a register of foreign nationals who have been issued a work permit, a register of foreign nationals who hold an employee card, intra-corporate transferee card or blue card, and a register of foreign nationals who are not required to have a work permit pursuant to Section 98(a) to (e) and (j) to (s) and Section 98a. The register contains information specified in Section 92(3), the sex of these natural persons, the classification according to the sectoral (business) classification of economic activities, education attainment and the education required for the performance of the profession.
- (2) The employer is obliged to keep records of citizens of the European Union, their family members (Section 3 (2)) and family members of a citizen of the Czech Republic referred to in Section 3 (3), and records of foreign nationals he/she employs. The records shall contain data specified in Section 91 (1) (a), (b), (c) and (e) and further gender of these natural persons, inclusion according to sectoral (field) classification of economic activities, highest educational attainment, education required for the performance of occupation, period for which they were issued work permit, employee card, internally transferred employee card or blue card and for which they were permitted to reside, the date of commencement and the date of termination of employment or despatching by a foreign employer.
- (3) A foreign employer who has entered into a contract with a legal entity or natural person, on the basis of which the persons referred to in Section 87 (1) were sent to the territory of the Czech Republic to carry out the tasks arising from this contract, he/she is obliged to maintain records of these persons containing data as included in Section 91 (a), (b), (c) and (e), further gender of these natural persons, the date of commencement and termination of the performance of work or despatch to the territory of the Czech Republic.
- (4) The employer is obliged to keep copies of documents proving the foreign national is authorized3) to reside in the territory of the Czech Republic for the period of employment or performance of work in the territory of the Czech Republic and for the period of 3 years from the termination of employment or performance of work in the territory of the Czech Republic.

## TITLE IV

# AUTHORISATION FOR THE ADOPTION OF NATIONAL MEASURES IN THE FIELD OF EMPLOYMENT

## Section 103

If a promulgated international treaty the ratification of which has been approved by the Parliament of the Czech Republic and by which the Czech Republic is bound, or the law of the European Union permits the Czech Republic to completely or partially suspend the application of the European Union regulations on access to the labour market, the government may, under the conditions laid down in this international treaty or by the relevant European Union regulation, lay down in a regulation against what the State and to what extent the Czech Republic will exercise this right. The Government may, under the same conditions, lay down in a regulation the conditions for access to the labour market for the nationals of that State.

# PART FIVE

## **ACTIVE EMPLOYMENT POLICY**

# TITLE I

## MEASURES AND INSTRUMENTS

- (1) Active employment policy is a sum of measures aimed at ensuring the maximum possible level of employment. Active employment policy is provided by the Ministry and the Labour Office; depending on the situation on the labour market they cooperate with other entities in its implementation.
  - (2) The instruments for implementing active employment policy include in particular:
- (a) retraining;
- (b) investment incentives;
- (c) community service;
- (d) socially useful jobs;
- (e) bridging contribution;

- (f) contribution during partial unemployment;
- (g) contribution for initial training;
- (h) contribution for the transition to a new entrepreneurial programme.

- (1) Active employment policy measures also include:
- (a) counselling carried out or provided by Regional Branches of the Labour Office for the purpose of determining the personality and professional qualities of natural persons for the choice of a profession, the intermediation of suitable employment, the choice of preparation for work of persons with disabilities and the choice of appropriate active employment policy instruments;
- (b) the support for the employment of persons with disabilities under Part Three, with the exception of the contribution under Subsection 78a;
- (c) shared employment intermediation (Section 119a);
- (d) targeted employment programmes (Section 120).
- (2) The Regional Branch of the Labour Office may, on the basis of an agreement, provide for counselling through specialised facilities, such as pedagogical-psychological counselling centres and balance-diagnostic centres, and cover the costs associated with this activity.
- (3) The agreement between the Labour Office and the specialised facility on the performance of counselling activity must be concluded in writing and must include:
- (a) the identification data of the parties to the agreement;
- (b) the content and scope of the counselling activity;
- (c) the place and method of counselling activity;
- (d) the date of the counselling activity;
- (e) the costs of counselling activity, the date and method of their payment;
- (f) an obligation of the specialised facility to return the funds or part thereof if it fails to comply with the agreed conditions or if they have been provided wrongfully or in excess of what the centre was entitled to due to the centre's fault, and the time limit and conditions for their return;
- (g) arrangement on the termination of the agreement.
- (4) The description of the individual counselling activities and forms of counselling and the types of associated costs covered by the Labour Office shall be determined by the Ministry in an implementing regulation.

## Section 106

In line with labour market needs, the Labour Office may test new active employment policy instruments and measures. The conditions for the testing and the cost of new active employment policy instruments and measures are approved by the Ministry.

# Section 107

- (1) Active employment policy is financed from the State budget and the management of these funds is governed by a special legal regulation. 46) These funds can also be used to contribute to programmes or measures of a regional and national nature, and to projects of foreign entities contributing to increased employment and to the testing of new active employment policy instruments and measures.
- (2) The contributions to active employment policy provided under Part Three and Part Five may not be provided to the employer for the same purpose. The contributions may not be provided to State organisational units and to publicly co-funded organisations of the State.
  - (3) Contributions to active employment policy are not considered subsidies under a special legal regulation46).

## TITLE II

## RETRAINING

## Section 108

(1) Retraining means acquiring a new qualification and increasing, extending or deepening of the existing qualification, including its maintenance or renewal. Retraining also means the obtaining a qualification for the employability of a natural person

who has so far not obtained any qualification. When determining the content and scope of retraining, it is based on the current qualification, health status, abilities and experience of a natural person to be retrained by acquiring new theoretical knowledge and practical skills in further vocational training.

- (2) Retraining may only be carried out by:
- (a) a facility with an accredited educational programme in accordance with this Act;
- (b) a facility with an accredited educational programme in accordance with a special legal regulation52d);
- (c) a school within a field of education which is registered in the register of schools and school facilities52e) or a higher education institution with an accredited study programme pursuant to a special legal regulation52f); or
- (d) a facility with an educational programme in accordance with a special legal regulation<sup>52g)</sup>; (Hereinafter the "retraining facility".)
- (3) An education programme accredited in accordance with <u>subsection (2)(a)</u> means a programme which has been accredited by the Ministry of Education, Youth and Sports on the basis of labour market needs. Accreditation is granted on the basis of a written application, which includes the description of the content and extent of education, forms and methods of teaching, and methods of verifying the retraining results. The objectives and content of the training programme must be in line with other legislation governing the relevant qualification105). The Ministry of Education, Youth and Sports is obliged to decide on the granting of accreditation within 90 days after it has received the application for accreditation. To assess an application for accreditation, the Ministry of Education, Youth and Sports may set up an accreditation committee as its advisory body and may request an opinion from the Ministry on the labour market situation. Accreditation is granted for a period of 3 years from the date on which the decision to grant the accreditation becomes final.
- (4) The Ministry of Education, Youth and Sports decides to revoke the accreditation if the retraining facility under subsection (2)(a):
- (a) does not comply with the accredited educational programme;
- (b) is unable to provide for an adequate level of education; or
- (c) applies for the revocation of accreditation.
- (5) Retraining facilities under <u>subsection (2)(a)</u> may issue a retraining certificate with national validity or a certificate of participation in an accredited educational programme.
- (6) The Labour Office may reimburse a retraining facility which, under an agreement with the Labour Office, performs retraining of job seekers or persons interested in a job, the costs of such retraining.
- (7) The agreement between the Labour Office and the retraining facility on the retraining of job seekers or persons interested in a job must be concluded in writing and must include:
- (a) the identification data of the parties to the agreement;
- (b) the work activity for which job seekers or persons interested in a job will be retrained;
- (c) basic qualification requirements for inclusion in retraining;
- (d) the extent of theoretical and practical preparation;
- (e) the place and method of retraining;
- (f) the period of commencement and termination of retraining, the method of testing the acquired knowledge and skills;
- (g) retraining costs, time and method of the payment of these costs;
- (h) the obligation of the retraining facility to take out insurance of liability for harm to health caused in the course of retraining;
- (i) an obligation of the accredited facility to return the funds or part thereof if it fails to comply with the agreed conditions or if they have been provided wrongfully or in excess of what the centre was entitled to due to the centre's fault, and the time limit and conditions for their return;
- (j) arrangement on the termination of the agreement.
- (8) A retraining facility shall inform the Ministry of Education, Youth and Sports about any changes in the data provided in the application for accreditation, which occurred during the period of validity of the accreditation, and shall do so within one month after the date of such a change.
- (9) A person whose accreditation has been revoked for the reasons set out in subsection (4)(a) or (b) may not be granted accreditation for a period of three years from the date on which the decision to revoke the accreditation has become final.
- (10) The Ministry of Education, Youth and Sports, in agreement with the Ministry, shall lay down in an implementing legal regulation the elements of the application for accreditation and organisation of education according to the retraining programme, the method of termination of education and the elements of the retraining certificate and confirmation of participation

## Retraining of job seekers and persons interested in a job

- (1) Retraining shall be carried out on the basis of an agreement between the Labour Office and the job seeker or person interested in a job if it is necessary for their employability. The Labour Office pays the costs of retraining of the retraining participants and can provide a contribution to cover the demonstrable necessary retraining-related costs. Retraining is arranged by the Regional Branch of the Labour Office competent according the place of residence of the job seeker or person interested in a job.
  - (2) The retraining agreement under subsection (1) shall be concluded in writing and shall include:
- (a) the identification data of the parties to the agreement;
- (b) the work activity for which retraining is provided;
- (c) the place, method and period of retraining;
- (d) the conditions for the provision of contribution to cover the demonstrable necessary retraining-related costs;
- (e) the method of testing the acquired knowledge and skills;
- (f) an obligation of the job seeker or the person interested in a job to pay the costs of retraining if, without serious reasons, he does not complete the retraining or refuses to take up the suitable employment corresponding to the newly acquired qualification and the types of costs he will be obliged to pay to the Labour Office;
- (g) the obligation of a job seeker or a person interested in a job to pay a proportion of the costs of retraining if during the retraining period he ceases to be a job seeker or person interested in a job;
- (h) arrangement on the termination of the agreement.
- (3) In the agreement, the Labour Office must distinguish the conditions for granting the contribution whose non-fulfilment does not constitute a violation of budgetary discipline, and the conditions whose non-fulfilment will be sanctioned by a deduction pursuant to a special legal regulation46).
- (4) Violation of the obligation to return the contribution to cover demonstrable necessary retraining-related costs is a violation of budgetary discipline46).
- (5) The forms of retraining and the types of retraining and retraining-related costs which are paid by the Labour Office shall be determined by the Ministry in agreement with the Ministry of Education, Youth and Sports in an implementing legal regulation.

# Section 109a

- (1) A job seeker or person interested in a job may arrange for retraining himself and, for this purpose, choose:
- (a) the type of work activity for which he wishes to retrain;
- (b) the retraining facility to carry out the retraining (Section 108(2)).
- (2) A job seeker or person interested in a job is obliged to document the price of the selected retraining to the Regional Branch of the Labour Office competent according to the place of residence of the job seeker or the person interested in a job.
- (3) If the selected retraining contributes to the employability of a job seeker or a person interested in a job and is suitable for him given his health, the Labour Office may, after successful completion, pay the cost of retraining to the retraining facility.
- (4) If the Labour Office decides to pay the price of retraining, it shall issue the job seeker or person interested in a job, before the commencement of the retraining, with a confirmation that it will pay the retraining facility the price of the retraining upon the presentation of a document proving successful completion of the retraining. The Labour Office may only pay the price of retraining for a period for which the job seeker or person interested in a job is registered in the register of job seekers or register of persons interested in a job.
- (5) The Labour Office shall pay the retraining facility the price of retraining or its part if the job seeker or person interested in a job does not complete the retraining for serious reasons.
- (6) The Labour Office shall pay the retraining facility the price of retraining pursuant to <u>subsection (4)</u> within 30 calendar days after the submission of the proof of successful completion of retraining.
- (7) The retraining facility shall immediately notify the Regional Branch of the Labour Office that the job seeker or person interested in a job does not fulfil the study or training obligations stipulated by the retraining facility.
- (8) The job seeker or person interested in a job is obliged to pay the Labour Office the price of retraining if, without serious reasons, he refuses to start a job corresponding to his newly acquired qualification.

(9) The total financial amount that the Labour Office may spend on the selected retraining of one job applicant or person interested in a job shall not exceed CZK 50,000 in the period of 3 consecutive calendar years from the first commencement of the selected retraining.

### Section 110

## Retraining of employees

- (1) Retraining may also be carried out by the employer in the interest of the further employability of its employees. Retraining of employees is based on an agreement between the employer and the employee. The Labour Office may conclude an agreement on the retraining of employees consisting in acquiring, increasing or expanding their qualifications. If the retraining of employees is carried out on the basis of an agreement with the Labour Office, the Labour Office may fully or partly reimburse the employer or retraining facility which arranges the retraining of employees for the employer for the costs of retraining and retraining-related costs. If a retraining facility arranges retraining for an employer, an agreement is concluded between the employer and the retraining facility, or between the Labour Office, the employer and the retraining facility.
- (2) The employee retraining agreement concluded between the Labour Office and the employer or retraining facility must be concluded in writing and must include:
- (a) the identification data of the parties to the agreement;
- (b) the work activity for which employees will be retrained;
- (c) basic qualification requirements of employees necessary for inclusion in retraining;
- (d) the extent of theoretical and practical preparation;
- (e) the place and method of retraining;
- (f) the period of commencement and termination of retraining, the method of testing the acquired knowledge and skills;
- (g) retraining costs, time and method of the payment of these costs;
- (h) an obligation of the employer or retraining facility to return the funds or part thereof if it fails to comply with the agreed conditions or if they have been provided wrongfully or in excess of what the centre was entitled to due to the centre's fault, and the time limit and conditions for their return;
- (i) arrangement on the termination of the agreement.
- (3) The employee retraining agreement concluded between the employer and the employee must be concluded in writing and must include:
- (a) the identification data of the parties to the agreement;
- (b) the work activity for which the employee is to be retrained;
- (c) the extent of theoretical and practical preparation;
- (d) the period of commencement and termination of retraining, the method of testing the acquired knowledge and skills.
- (4) The retraining of employees consisting in obtaining, increasing or expanding qualification takes place during working hours and is an obstacle to work on the part of the employee; during this period, the employee is entitled to the wage compensation equal to the average earnings. Retraining takes place outside the working hours only if it is necessary given the method in which it is arranged.
- (5) Retraining under <u>subsection (1)</u> does not include a case of employee participation in a theoretical or practical training which:
- (a) the employer is obliged to provide for employees in accordance with the relevant legislation and which the employee is obliged to attend in connection with the performance of his employment; or
- (b) the employee attends of his own interest, without there being the need for changing his current qualification in terms of the work performed for the employer. In this case, the relevant provisions of the labour law governing the participation of employees in training and study while being employed shall apply.<sup>54)</sup>
- (6) The forms of employee retraining and the types of retraining and retraining-related costs which are paid by the Labour Office shall be determined by the Ministry in agreement with the Ministry of Education, Youth and Sports in an implementing legal regulation.

TITLE III

INVESTMENT INCENTIVES

- (1) Investment incentives are an active employment policy instrument by which an employer who has been issued an investment incentive commitment decision under a special legal regulation55) is provided with financial support for:
- (a) the creation of new jobs;
- (b) retraining or training of employees in new jobs.
- (2) For the purposes of investment incentives training shall mean theoretical and practical training, acquiring knowledge and skills for the job assignment of employees that meet the requirements set by the employer. The employer may also ensure training.
- (3) Material support for the creation of new jobs may be provided to an employer who creates new jobs in territorial areas of the Czech Republic, outside the capital of Prague. The total number of newly created jobs shall include jobs created after the date of submission of the investment incentive.
- (4) Material support for retraining or training of employees may be provided to the employer for partial reimbursement of the costs truly incurred for retraining or training of employees in new jobs. The condition for the provision of material support for the creation of new jobs referred to in the first sentence of paragraph 3 shall also apply to the provision of material support for the retraining or training of employees. The total number of retrained or trained employees includes retrained or trained employees after the date of submission of the investment incentive.
- (5) The Labour Office provides financial support for the creation of new jobs and financial support for retraining or training of employees in new jobs. The financial support for the creation of new jobs or financial support for the retraining or training of employees in new jobs shall not be granted to an employer for a period of 3 years from the date on which the decision to impose a fine for enabling illegal work pursuant to <a href="Section 5(e)">Section 5(e)</a> became final.
  - (6) The agreement on the provision of financial support for the creation of new jobs must include:
- (a) the identification data of the parties to the agreement;
- (b) the number of new jobs to be created;
- (c) the date by which the jobs will be filled by the agreed number of employees;
- (d) the types of costs which may be covered using financial support;
- (e) the amount and date of the provision of financial support;
- (f) the method of checking the fulfilment of agreed conditions;
- (g) the method and date of the accounting of financial support;
- (h) the obligation of the employer to return the financial support or the proportion thereof if the employer fails to use it by the agreed date or if, due to the employer's fault, it has been provided unlawfully or in a higher amount than the employer was entitled to, and the conditions for the return of the financial support;
- (i) the employer's obligation to immediately return the financial support if it has been provided within 12 months prior to the date on which the decision imposing a fine for enabling illegal work under <u>Section 5(e)</u> became final, and the time limit and conditions for the return of the financial support;
- (j) arrangement on the termination of the agreement.
  - (7) The agreement on the provision of material support for retraining or training of employees in new jobs shall include:
- (a) the identification data of the parties to the agreement;
- (b) the number of employees who will be assigned to retraining or training;
- (c) the content of retraining or training, the manner and period of its arrangement;
- (d) the expected amount of cost of retraining or training;
- (e) the date by which the agreed number of employees will be retrained or trained;
- (f) the types of costs which may be covered using financial support;
- (g) the amount and date of the provision of financial support;
- (h) the method of checking the fulfilment of agreed conditions;
- (i) the method and date of the accounting of financial support;
- (j) the obligation of the employer to return the financial support or the proportion thereof if the employer fails to use it by the agreed date or if, due to the employer's fault, it has been provided unlawfully or in a higher amount than the employer was entitled to, and

the conditions for the return of the financial support;

- (i) the employer's obligation to immediately return the financial support if it has been provided within 12 months prior to the date on which the decision imposing a fine for enabling illegal work under <u>Section 5(e)</u> became final, and the time limit and conditions for the return of the financial support;
- (I) arrangement on the termination of the agreement.
- (8) The employer's obligations as agreed in the agreement on the provision of material support for the creation of new jobs and in the agreement on the provision of material support for retraining or training of employees at new jobs shall be fulfilled within three years; in case of a strategic investment project, within four years, from the issuance of the decision on the promise of an investment incentive pursuant to a special legal regulation<sup>55</sup>).
- (9) Financial support for the creation of new jobs and financial support for retraining or training of employees in new jobs are intended for a specific purpose and may not be used for purposes other than that specified in the agreement to provide the support.
- (10) The failure to observe the conditions stipulated in the agreement pursuant to subsections (6) and (7) or the failure to return financial support by the stipulated date is a breach of budgetary discipline and is subject to a deduction for a breach of budgetary discipline pursuant to a special legal regulation.46)
  - (11) A territorial area means the territory of a district11) in which the investment project is located.
- (12) The amount of material support per one newly created job and the amount of material support for retraining or training of employees depending on the type of investment project and situation on the labour market, the manifested proportion of unemployed persons or other indicators, the circle of persons who may be placed in the supported new jobs, in the form of providing material support and regions, to which the support can be provided, shall be determined by government regulation.
- (13) An employer who has received financial support under <u>subsection (1)</u> may not, for the duration of agreements concluded with the Labour Office, be provided with an additional contribution from active employment policy funds for the same purpose as that in respect of which financial support has been provided.

## TITLE IV

## OTHER ACTIVE EMPLOYMENT POLICY INSTRUMENTS

## Section 112

# **Community service**

- (1) Community service means temporary jobs consisting, in particular, of the maintenance of public spaces, cleaning and maintenance of public buildings and roads or other similar activities for the benefit of municipalities or for the benefit of State or other publicly beneficial institutions, which are created by the employer for a maximum period of 24 consecutive calendar months, even repeatedly, for the purpose of job placement of job seekers. The job opportunities are based on an agreement with the Labour Office and the Labour Office may subsidise them.
- (2) The contribution may be provided up to the amount of actual expenditure on wages or salaries of employees placed in such jobs, including social security premiums, contributions to the State employment policy and public health insurance premiums which the employer has paid from that employee's assessment basis.

## Section 113

# Socially useful jobs

- (1) Socially useful jobs means jobs which the employer establishes or reserves based on an agreement with the Labour Office and fills them with job seekers who cannot be employed in another way. A socially useful job also includes a job created by a jobseeker in agreement with the Labour Office for the purpose of self-employment. The Labour Office may provide a contribution for socially useful jobs.
  - (2) If more than 5 jobs are to be created, the Labour Office is obliged to request a professional opinion.
- (3) If the unemployment rate in the district does not reach the average unemployment rate in the Czech Republic in the calendar month preceding the submission of the application for contribution, the amount of the contribution for the creation of one socially useful job may be no more than four times the average national wage for the first to third quarters of the previous calendar year, and if more than 10 jobs are to be created under one agreement, the contribution for the creation of one socially useful job may be no more than six times the average national wage.
- (4) If the unemployment rate in the district reaches or exceeds the average unemployment rate in the Czech Republic in the calendar month preceding the submission of the application for contribution, the amount of the contribution for the creation of one socially useful job may be no more than six times the average national wage for the first to third quarters of the previous calendar year, and if more than 10 jobs are to be created under one agreement, the contribution for the creation of one socially useful job may be no more than eight times the average national wage.
  - (5) The contribution for the reservation of one socially useful job may be provided up to the amount of expenditure on

wages or salaries of employees placed in a reserved job, including social security premiums, contributions to the State employment policy and public health insurance premiums which the employer has paid from that employee's assessment basis. The contribution may be provided for a maximum period of 24 months.

- (6) The return of the contribution for the creation of a socially useful job for the purpose of self-employment may not be required if the self-employed person ceases to perform self-employment for health reasons or in case of death.
- (7) The Ministry shall publish the amount of the average wage for the first to third quarters of the preceding calendar year on the basis of the data of the Czech Statistical Office by a notice published in the Collection of Laws.

#### Section 114

## **Bridging contribution**

- (1) The Labour Office may, based on an agreement, provide a bridging contribution to a self-employed person who has ceased to be a job-seeker and who has received the contribution under <u>Section 113(1)</u>. The bridging contribution is provided to pay the operational costs of incurred and paid in the period for which the bridging contribution is provided.
- (2) The bridging contribution is granted for a maximum of 5 months. The monthly contribution is no more than 0.25 times the average national wage for the first to third quarters of the calendar year preceding the calendar year in which the bridging contribution agreement was provided. The contribution can be claimed within 30 calendar days from the date of conclusion of the agreement pursuant to Section 113(1). The Ministry shall publish the amount of the average wage for the first to third quarters of the preceding calendar year on the basis of the data of the Czech Statistical Office by a notice published in the Collection of Laws.
- (3) The bridging contribution shall be provided as a one-off payment for the whole agreed period and shall be payable within 30 calendar days after the conclusion of the agreement to provide it.
  - (4) The operating costs for which a self-employed person may be granted a bridging contribution include:
- (a) rent and related services, with the exception of apartment rent and related services;
- (b) the costs of transport of materials and finished goods;
- (c) the costs of repair and maintenance of a building in which a self-employment activity is carried out if the building is owned by the self-employed person and the costs are related to the pursuit of the self-employment activity.
- (5) Where value added tax is included in the costs under <u>subsection (4)</u> and the self-employed person is not liable to this tax, value added tax is considered as the operating cost.

## Section 115

# Contribution during partial unemployment

- (1) The Labour Office may provide contribution during partial unemployment to an employer that is not specified in Section 109(3) of the Labour Code under an agreement concluded with the employer after the approval of the Government if there is no obstacle to work on the part of the employer for the reason under Section 209(1) of the Labour Code or due to the interruption of work caused by natural events under Section 207(b) of the Labour Code consisting of a natural disaster in accordance with a directly applicable EU regulation<sup>98)</sup> and if the employer:
- (a) is unable to allocate work to the employee of at least 20% of the weekly working time<sup>99)</sup>;
- (b) is already providing the employee with wage compensation for any of the above mentioned obstacles to work under the conditions and in the amount under <u>Section 207(b)</u> or <u>Section 209(2)</u> of <u>the Labour Code</u> and, from the conclusion of an agreement for the provision of a contribution with the Labour Office, it will pay the employee this compensation in the amount of at least 70% of the average earnings;
- (c) agrees in the contribution agreement that, at the time agreed for the provision of the contribution, it will not terminate the employment relationship with the employee to whom the contribution is provided for the reasons under <u>Section 52(a) to (c) of the Labour Code</u>.
  - (2) In addition to the documents under Section 118(2), the contribution application must be accompanied by:
- (a) agreement with the trade union organisation on the amount of wage compensation under <u>Section 209(2) of the Labour Code</u>, in the event of an obstacle to work under <u>Section 209(1) of the Labour Code</u>; if there is no trade union organisation, the agreement may be replaced by an internal regulation;
- (b) a detailed description of the reasons based on which the employer applies for the contribution and measures already taken by the employer to remedy the situation, in particular measures relating to working time, the use of the working time account or the use of annual leave;
- (c) the list of establishments of the employer to which the application relates, including the number of employees concerned;
- (d) a description of the outlook for overcoming partial unemployment or natural disasters.
- (3) The amount of the contribution shall be 20% of the average earnings of the employee, but no more than 0.125 times the average national wage for the first to third quarters of the calendar year preceding the calendar year in which the agreement for

the provision of the contribution was concluded. The contribution can be provided only for the duration of the obstacle at work due to partial unemployment or natural disaster, for a maximum of 6 months with the possibility of one repetition for the same period of time; the government may, in justified cases, specify a longer period for the provision of the contribution.

(4) The beginning and end of the period during which it is possible to apply for the contribution, the reasons for which the contribution may be granted, certain other conditions resulting from substantive reasons for the implementation of this active employment policy instrument which will allow the identification of the causal link between the employer's situation and the reasons for the activation of this instrument, the method of realisation of this instrument, including its timetable, and the model application for the contribution are laid down by a Government regulation.

## Section 116

## Contribution for initial training

- (1) The Labour Office may provide the contribution for initial training to the employer on the basis of an agreement entered into between the Labour Office and the employer if the employer hires a job seeker to whom the Regional Branch of the Labour Office is paying increased care (Section 33).
- (2) The contribution is granted on the basis of an agreement between the Labour Office and the employer. The contribution may be provided for a maximum period of 3 months. The monthly contribution for one natural person who is undergoing initial training may be up to half the minimum wage.

## Section 117

## Contribution for the transition to a new entrepreneurial programme

- (1) The Labour Office may provide a contribution for the transition to a new entrepreneurial programme on the basis of an agreements entered into between the Labour Office and the employer if the employer transitions to a new entrepreneurial programme and for this reason it cannot provide work for its employees within the prescribed weekly working hours.22)
- (2) The contribution may be granted to partly cover the wage compensation payable to employees in accordance with labour-law regulations. The contribution may be provided for a maximum period of 6 months. The monthly contribution per employee may be no more than half the minimum wage.

### **Provision of contributions**

### Section 118

- (1) An employer or natural person applies for contributions for individual active employment policy instruments. The application for a contribution for individual active employment policy instruments must include:
- (a) the identification data of the legal or natural person;
- (b) the place and objects of business or the place and objects of activities;
- (c) the type of contribution applied for.
  - (2) The application for a contribution for individual active employment policy instruments must be accompanied:
- (a) the documents proving the facts provided in the application;
- (b) proof of an account with a financial institution.
- (3) The contribution is provided on the condition that the employer does not have any tax arrears registered by the Tax Office or Customs Office in the tax records, has no arrears on the premiums and penalties for the public health insurance, or on the premiums and penalties for social security and State employment policy contribution, except where repayment in instalments has been allowed and the employer is not in delay with the repayment, or where tax deferment has been permitted. A certificate of fulfilment of this condition is provided, in accordance with Section 147b, by the Labour Office itself, provided that the employer has given its written consent and, to that effect, relieves the relevant Tax Office or Customs Office, the competent District Social Security Administration or the competent health insurance company of confidentiality in respect of the Labour Office. If an employer proves the fulfilment of the condition in the first sentence by submitting the certificate itself, such a certificate must not be older than 30 days prior to the submission of the application under subsection (1) and the data in it must correspond to the actual state of affairs as of the date indicated in the certificate. The Regional Branch of the Labour Office may also require the submission of other documents if they are necessary for the assessment of the application.
- (4) The Regional Branch of the Labour Office in whose register the job seeker to be placed in the socially useful job is kept has territorial competence for the conclusion of the agreement and provision of the contribution for the creation (<u>Section 113(1)</u> second sentence) or reservation (<u>Section 113(5)</u>) of a socially useful job.
- (5) The contributions pursuant to <u>Sections 112 to 116</u> or <u>117</u> shall not be granted to the employer for a period of three years from the date when the decision imposing a fine for allowing illegal work pursuant to <u>Section 5(e)(3)</u> became final or from the breach of the contribution agreement pursuant to <u>Section 115</u>.

## Section 119

(1) The Labour Office and employers, other legal and natural persons and other entities under special legislation6)

conclude a written agreement on the provision of the contribution within the active employment policy.

- (2) The contribution agreement must include:
- (a) the identification data of the parties to the agreement;
- (b) the purpose of the contribution;
- (c) the conditions under which the contribution will be granted;
- (d) the amount and date of the contribution;
- (e) the method of checking the fulfilment of agreed conditions;
- (f) the conditions and the date of settling the contribution;
- (g) the obligation of the beneficiary to return the contribution or the proportion thereof if the contribution, due to the beneficiary's fault, has been provided unlawfully or in a higher amount than the employer was entitled to, and the time limit and conditions for the return of the contribution;
- (h) the employer's obligation to immediately return the contribution under Section 112 to 116 or 117 if it has been provided within 12 months prior to the date on which the decision imposing a fine for enabling illegal work under Section 5(e)(3) has become final, the time limit and conditions for the return of the contribution;
- (i) an obligation of the employer that, at the time agreed for the provision of the contribution pursuant to Section 115, the employer shall not terminate the employment of the employee covered by the contribution for reasons stated in Section 52(a) to (c) of the Labour Code;
- (j) for the contribution under Section 115 a list of employees for whom the contribution will be provided;
- (k) arrangement on the termination of the agreement.
- (3) Depending on the nature of the individual contributions provided under the active employment policy, other arrangements in which the participants are interested may also be stipulated in the agreement.
- (4) In the agreement, the Labour Office must distinguish the conditions for granting the contribution whose non-fulfilment does not constitute a violation of budgetary discipline, and the conditions whose non-fulfilment will be sanctioned by a deduction pursuant to a special legal regulation46).
  - (5) The failure to return the contribution by the specified date is a breach of budgetary discipline46).
- (6) The forms of contributions and the method of providing contributions shall be determined by the Ministry in an implementing legal regulation.

## TITLE V

## SHARED EMPLOYMENT INTERMEDIATION

## Section 119a

- (1) The Regional Branch of the Labour Office may mediate employment for job applicants through an employment agency (hereinafter the "shared employment intermediation").
- (2) The Regional Branch of the Labour Office may include job seekers in shared employment intermediation on the basis of an individual action plan (Section 33(2)) with their prior written consent. When selecting job seekers, it takes particular account of the situation on the labour market.
- (3) The Labour Office concludes a written agreement with the employment agency on the shared employment intermediation under which it can provide a contribution to the employment agency for:
- (a) shared employment intermediation of up to CZK 500 per job seeker to whom the employment agency will mediate employment;
- (b) for the placement of a job seeker and his retention in the employment for at least 6 months of up to CZK 6,250.
- (4) Employment intermediation excludes cases where the employment agency hires into the employment relationship a job seeker whom it mediates employment under this agreement.
  - (5) The shared employment intermediation agreement includes:
- (a) the identification data of the parties to the agreement;
- (b) the number of job seekers whom the employment agency will mediate employment;
- (c) the duration for which the employment agency will mediate employment for jobseekers; this period must not exceed 6 months;
- (d) the number of job seekers to whom the employment agency mediates employment at the time agreed under (c);

- (e) the obligation of the employment agency to inform the Regional Branch of the Labour Office by the agreed dates of the course of employment intermediation;
- (f) an obligation of the employment agency to immediately inform the Regional Branch of the Labour Office that the job seeker:
- 1. did not attend the meeting with the employment agency or with the employer on the agreed date to discuss the possible commencement of employment;
- 2. refused the mediated employment;
- 3. will be hired to a mediated job, including the date of commencement of employment;
- (g) the method of verification of employment intermediation by the Regional Branch of the Labour Office;
- (h) the type of contribution to be provided to the employment agency;
- (i) the amount, timing and method of granting the contribution;
- (j) an obligation of the employment agency to return the contribution or a proportion thereof if the agency fails to meet the obligations agreed under (b) to (d) or if the contribution has been paid to it wrongfully or in an amount higher than that which it was entitled to and the employment agency was at fault, the time limit for the return and the conditions for the return; and
- (k) arrangement on the termination of the agreement.
- (6) Depending on the nature of the contributions provided under <u>subsection (3)</u>, other arrangements in which the participants are interested may also be stipulated in the agreement. Part of the agreement is the list of the names of job seekers for whom the employment agency must mediate employment.
  - (7) The failure to return the contribution within the specified time limit is a breach of budgetary discipline46).
  - (8) The Ministry shall lay down in an implementing regulation the following:
- (a) the method of providing information on the progress of employment intermediation and on the cooperation of the job seeker with the employment agency;
- (b) the date and method of payment of the contributions under subsection (3); and
- (c) the method of selecting the employment agency with which an agreement on shared employment intermediation will be concluded.

## TITLE VI

# TARGETED EMPLOYMENT PROGRAMMES

## Section 120

- (1) The problems of a local, district, regional and national character in the employment area can be solved via targeted programmes, including international programmes with the international participation and programmes financed within the European Union Structural Funds and other European Union programmes.
- (2) A targeted programme means a set of measures aimed at increasing the possibility for natural persons or their groups to succeed on the labour market; the programme includes the conditions for its implementation and disbursement schedule. Targeted programmes of a national character are approved by the Government of the Czech Republic, and municipal, district and regional programmes are approved by the Ministry.
- (3) A targeted programme is also a programme to support the restoration or technical improvement of tangible fixed assets, which are used for the employability of persons with disabilities; under this programme, employers employing more than 50% of persons with disabilities may receive a contribution of up to 70% of the cost of such assets.
- (4) In the implementation of targeted programmes the Labour Office may also collaborate with other entities or the programmes may be implemented by other legal or natural persons under a contractual relationship. Part of the agreement on ensuring the targeted programme is also a provision on the contribution to legal or natural persons to ensure the targeted programme.

## **PART SIX**

# PERFORMANCE OF ARTISTIC, CULTURAL, SPORTS OR ADVERTISING ACTIVITIES OF A CHILD

Section 121

## **Basic conditions**

- (1) For the purposes of this Act, a child is a natural person:
- (a) under 15 years of age; or
- (b) over 15 years of age if he has not completed compulsory schooling until its completion.

- (2) A child may carry out an artistic, cultural, sports and advertising activity (hereinafter the "child's activity) for a legal or natural person whose objects of activity include this activity (hereinafter the "activity organiser") only if such an activity is adequate to his age, it is not dangerous for him, does not pose an obstacle to his education or school attendance and participation in study programmes, and does not damage his health, physical, mental and moral or social development.57)
  - (3) The child's activity is considered to exclude:
- (a) interest cultural activities in amateur ensembles and primary art schools;
- (b) taking part in artistic and cultural events organised by school, school facility or social care institution, or in events in whose organisation the school, school facility or social care institution participates;
- (c) activities carried out in the context of education and training in schools and school facilities in accordance with educational programmes;
- (d) participation in artistic and sporting competitions, unless it is a remunerated activity; or
- (e) activities carried out in the context of extra-curricular education and other non-commercial leisure activities not performed for remuneration.
  - (4) The activity organiser is obliged to ensure:
- (a) systematic supervision by a competent person at a time agreed for the child's activity, including during transport to it, unless supervised by a legal representative or guardian;
- (b) suitable conditions appropriate to the nature of the activity to be performed by the child.
- (5) The child's activity is governed by <u>Section 101</u>, <u>245</u> and <u>246 of the Labour Code</u>; <u>Sections 103</u> to <u>106 of the Labour Code</u> and <u>Sections 2 to 8 of Act</u> on providing for other conditions of occupational safety and health<sup>42a)</sup> shall apply with the necessary modifications.

## Enabling the performance of child's activity

- (1) The Regional Branch of the Labour Office decides on the authorisation of the child's activity (hereinafter the "authorisation") on the basis of a written application submitted by the legal representative or guardian of the child or by another person responsible for the upbringing of the child who has been entrusted with the care of the child by a court decision (hereinafter the "legal representative"). The application is filed with the Regional Branch of the Labour Office competent according to the permanent residence of the child and, if the child has no permanent residence, according to the place of habitual presence.
  - (2) For the purposes of the authorisation under subsection (1):
- (a) artistic and cultural activity means creation of author's work or artistic performances under a special legal regulation58) and the carrying out of acts in particular in the field of music, singing and dancing;
- (b) advertising acts in advertising59) and promotion of products, services or other objects and items, and activities in modelling;
- (c) sporting performance of sporting activities in public.
  - (3) The application for authorisation must include:
- (a) the identification data of the child;
- (b) the identification data of the child's legal representative; if the legal representative is a foreign national who is not resident in the territory of the Czech Republic, also the place of his habitual presence in the Czech Republic;
- (c) written consent of the child to the performance of the activity if the child is able to express his or her opinion with respect to age and intellectual maturity;
- (d) the medical assessment of a health service provider in the field of practical medicine for children and adolescents that the activity to be performed by the child and its time, given the duration of the performance, is appropriate in terms of health, and that the child is able to perform this activity in terms of his health. The medical assessment must not be older than 3 months at the time of issue of the authorisation. The assessment is issued by a physician at the request of the child's legal representative. The assessment is based on the data processed by the activity organiser within the scope of (e);
- (e) the type of activity to be performed by the child, the place of performance of the activity and the characteristics of the working conditions and workplaces in which the child will perform the activity and, if he carries out more than one type of such activity, it shall be provided for each such activity;
- (f) identification data of the activity organiser;
- (g) the duration of the child's activity.
- (4) The activity organiser is obliged to take up the insurance in case of compensation for damage, including the compensation for damage to health, which might occur during the performance of the activity; the insurance must be stated in the

authorisation.

- (5) Compensation for damage caused by a child to the activity organiser or by the activity organiser to the child is governed by the Civil Code. The amount of compensation for damage caused by the child to the activity organiser must not exceed 0.70 times the average national wage for the first to third quarters of the calendar year preceding the calendar year in which the damage was incurred. The Ministry shall publish the amount of the average wage for the first to third quarters of the preceding calendar year on the basis of the data of the Czech Statistical Office by a notice published in the Collection of Laws. However, the activity organiser is also obliged to provide compensation for damage if the activity organiser has complied with the statutory obligations to ensure occupational safety and health.
  - (6) In the proceedings for the authorisation of the child's activity, the activity organiser is also a party to the proceedings.
- (7) The authorisation is issued by the Regional Branch of the Labour Office. In the authorisation, the Regional Branch of the Labour Office shall determine the scope and conditions for the performance of the activity specifying the schedule of activities and rest, depending on the scope and type of activity, the method of providing for health and safety and the minimum requirements for ensuring appropriate working conditions for the performance of the activity.
- (8) A child may be allowed to perform the activity for a maximum of 12 consecutive months following the date on which the decision of the Regional Branch of the Labour Office on the authorisation became final, but only until such time as the natural person is considered as a child under this Act. If a child performs an activity for more than one organiser, a separate authorisation is issued for each organiser.
- (9) The Regional Branch of the Labour Office may request the authority for the social and legal protection of children to state whether it is aware of any facts that would prevent the child from performing the activity or whether the activity is appropriate for the child.

## Section 123

## Contents and term of authorisation

- (1) A child may perform an activity only on the basis of an individual authorisation issued for a particular child and a particular activity, for the maximum duration of:
- (a) 2 hours per day for a child not yet in compulsory schooling, the total duration of the activity per week not exceeding 10 hours;
- (b) 2 hours per day of teaching and 12 hours per week for activities performed during the period of schooling outside the school hours, the daily duration of the activity not exceeding 7 hours;
- (c) 7 hours per day for activities performed during school holidays, with a total duration of performance of the activity per week not exceeding 35 hours a week.

The duration of the performance of the activity also includes the time required for preparation for the performance of the activity at the place of the performance.

- (2) The rest period must be at least twice 15 minutes and once 45 minutes if the child is to perform an activity of at least 4.5 hours. This rest period is not included in the duration of the performance of the activity.
- (3) Where a child performs activities for more than one operator, the periods of such activities are added together; their sum must not be higher than as provided under subsection (1).
- (4) A child may not perform an activity in a period from 22:00 to 6:00; if for a child who is in compulsory schooling, the next day after the day when the period ends, is not a school day, the performance of the activity is prohibited from 22:30 to 6:00.
- (5) A child must have a continuous rest period of at least 14 hours after the end of the performance of a day activity. If a child performs an activity for 5 consecutive calendar days, he shall not perform the activity for at least the following 2 consecutive calendar days. In a calendar week, a child may not perform an activity for at least 2 calendar days.
- (6) On the basis of a written application by the child's legal representative, the Labour Office may, before the expiry of the authorisation, extend the authorisation for the period necessary to complete the child's activity, but for a maximum period of 2 months. When deciding on the extension of the authorisation, the Regional Branch of the Labour Office relies on the information contained in the application for the authorisation, supplemented by the legal representative to include new facts that are decisive for the issue of the authorisation.
- (7) It is possible to apply for an authorisation repeatedly. If an application for an authorisation has been rejected with regard to a medical assessment, the application for authorisation to perform the same activity under the same conditions may be resubmitted no earlier than 3 months after the date on which the decision of the Regional Branch of the Labour Office on the rejection to grant the authorisation became final.
- (8) The Regional Branch of the Labour Office shall also deliver the decision to authorise a child's activity or to reject a child's activity without undue delay to the competent regional labour inspectorate.
- (9) Unless otherwise provided in this Act, the authorisation issued does not affect the contents and form of the contracts concluded under special legal regulations as well as the claims arising therefrom.
- (10) The Regional Branch of the Labour Office keeps a register of authorisations issued for child's activities. The register includes the information specified in the application for authorisation. The data from the register are intended solely for the purpose of issuing authorisations.

## Proceedings on prohibiting the performance of a child's activity

- (1) The Labour Office shall prohibit the performance of a child's activity if it finds that:
- (a) the child performs an activity without authorisation,
- (b) during the child's activity the activity organiser has breached the obligations laid down by this Act or by other legislation; or
- (c) according to a medical assessment issued after the authorisation decision, the performance of this activity is not appropriate for the child.
- (2) The Labour Office is obliged to prohibit the performance of an activity immediately after learning of the facts under <u>subsection (1)</u> by a statement communicated to the child's legal representative and the activity organiser. From the date on which this statement has been communicated, the legal representative is obliged to terminate the child's activity; this obligation also applies to the activity organiser.
- (3) Where there is a reasonable suspicion that a child has lost his medical fitness for the performance of an activity or there are other facts that prevent the child from performing an activity, the child's legal guardian, attending physician, regional labour inspectorate and the authority for social and legal protection of children are obliged to communicate the relevant facts to the Regional Branch of the Labour Office.
- (4) The Labour Office may make the statement on the prohibition of the child's activities in writing or orally. If the statement has been made orally, the Labour Office is obliged to make a record of this oral statement on the same day when the statement was made. If the statement was made orally, the Labour Office shall make a written confirmation on the spot. A statement made in writing and the written confirmation shall be given to the child's legal representative and the activity organiser.
- (5) The Regional Branch of the Labour Office is obliged to issue a decision on the prohibition of the performance of the child's activity within 15 calendar days from the date on which the written or oral statement on the prohibition of the child's activity was communicated

## **PART SEVEN**

## **CONTROL ACTIVITIES**

### Section 125

Control activities related to employment are carried out by the State Labour Inspection Office, regional labour inspectorates, customs offices to the extent specified in <u>Section 126(4)</u>, and by General Directorate of the Labour Office and the Regional Branches of the Labour Office to the extent specified in <u>Section 127</u> (hereinafter the "control bodies").

- (1) The State Labour Inspection Office or the regional labour inspectorates monitor the observance of labour law regulations in relation to:
- (a) employers;
- (b) legal and natural persons that carry out activities in accordance with this Act, in particular in employment intermediation and retraining:
- (c) natural person to who services pursuant to this Act are provided; (hereinafter the "controlled person").
- (2) For the purposes of this Act, labour-law regulations mean legislation on employment and legislation on the protection of employees in the case of employer's insolvency62).
- (3) The State Labour Inspection Office or regional labour inspectorates are entitled to control whether and to what extent the employer assigns work to its employees for whom the employer receives the contribution under <u>Section 78a</u> and whose employment contract does not stipulate that the employer's premise are the place of work. For this purpose, the State Labour Inspection Office or regional labour inspectorates may enter the places of work with the employee's consent.
- (4) Customs offices are also entitled to control whether a foreign national carries out work for a legal or natural person on the basis of an employment relationship and whether he carries it out in accordance with a work permit, employee card, intra-corporate transferee card, intra-corporate transferee residence permit issued by another Member State of the European Union, or blue card, if they are required by this Act. The customs offices are also entitled to control whether employers fulfil the notification obligations under Sections 87 and 88. For the purposes of control under the first and second sentences, the Ministry shall, in a manner allowing remote access, provide customs offices, the State Labour Inspection Office and regional labour inspectorates with information on work permits issued by the Regional Branches of the Labour Office and on written information concerning foreign nationals, citizens of the European Union and their family members (Section 3(2)) and family members of the Czech Republic under Section 3(3) to the extent specified in Sections 87, 88 and 92(3). The customs office shall inform the regional labour inspectorate of the controls carried out and, if any deficiencies are found, it shall submit to the regional inspectorate the documents for launching administrative proceedings for the imposition of a fine.

- (5) The Ministry of Education, Youth and Sports is entitled to control whether a retraining facility under <u>Section 108(2)(a)</u> implements an accredited educational programme in accordance with the accreditation granted.
  - (6) This does not affect control powers of other authorities under special legal regulations.

- (1) The General Directorate of the Labour Office controls:
- (a) the implementation of agreements to provide financial support for the creation of new jobs and financial support for retraining or training (Section 111);
- (b) the implementation of targeted programmes of a national character (Section 120).
- (2) The Regional Branch of the Labour Office may control the amount of the average monthly net earnings to the extent necessary to determine the amount of unemployment benefit and retraining benefit.
- (3) The Regional Branch of the Labour Office is also authorised to monitor the fulfilment of the obligation of a job seeker to observe the regime of temporary incapacity of a job seeker to fulfil the obligations of a job seeker due to illness or accident (Section 5). If the Regional Branch of the Labour Office finds a breach of obligation stated in the first sentence by a job seeker, it shall draw up a written record of the control indicating the breach of the regime; a copy of this record shall be delivered to the job seeker and the registering provider or other provider of health services that provides the job seeker with health care in the event of illness or accident which has issued the certificate of temporary incapacity of a job seeker to fulfil the obligations of a job seeker due to illness or accident. The job seeker is obliged to allow the Regional Branch of the Labour Office to control the observance of the regime of temporary incapacity of a job seeker to fulfil the obligations or accident.
  - (4) The control procedure under subsection (3) shall not be subject to the Control Rules 103).

Section 128

### Repealed

Section 129

Control of compliance with the conditions for using the State budget funds under this Act and the application of sanctions in case of breach of budgetary discipline shall be governed by special legal regulations.64)

Section 130

Repealed

Section 131

Repealed

Section 132

A natural person who is present at the workplace of a controlled person and performs work is obliged to prove his identity to the control body by an ID card or passport.

Section 133

Repealed

Section 134

Repealed

Section 135

In justified cases, the control body may request the controlled person to attend within a specified time limit the control body and submit documents necessary for the performance of the control; the controlled person shall obey such a request unless it demonstrates a material obstacle that prevents it from the compliance with this obligation within the specified time limit.

Section 136

(1) A legal or natural person, as an employer, is obliged to have copies of documents demonstrating the existence of a labour-law relationship at the place of work. The fulfilment of the obligation under the first sentence is not required if the employer has fulfilled the obligation to notify the District Social Security Administration of the date of employee's commencement of employment, which established his participation in sickness insurance under the Sickness Insurance Act.

- (2) The obligation under <u>subsection (1)</u> first sentence also applies to an employer active in the territory of the Czech Republic established in another EU Member State that, as part of multinational provision of services, posted its employee to perform temporary work in the Czech Republic; the documents demonstrating the fulfilment of this obligation must be translated into the Czech language.
- (3) In order to verify the facts under <u>subsection (1)</u>, the State Labour Inspection Office and regional labour inspectorates shall be entitled to obtain from the Czech Social Security Administration, in a manner allowing remote access, the following data on the employee kept in the register of insured persons:
- (a) the establishment and termination of participation in sickness insurance or the commencement and termination of employment and, in the case of a contractual employee, the commencement and termination of the performance of work for a contractual employer;
- (b) the type of gainful activity establishing participation in sickness insurance;
- (c) the business name or name and surname of the employer, including the address of its registered office or permanent residence, or, where applicable, the place of business.
- (4) In order to verify the facts under <u>subsection (1)</u>, the State Labour Inspection Office and the regional labour inspectorates are entitled to obtain, in a manner allowing remote access, the following data from the Single Information System for Labour and Social Affairs:
- (a) whether a natural person is kept in the register of job seekers;
- (b) on citizens of the European Union and foreign nationals kept by the competent Regional Branch of the Labour Office;
- (c) provided pursuant to Section 8a(1)(o) of this Act.

If a control body carries out a control on the basis of a written complaint or a complaint made orally, it shall inform in writing the complainant, if known, of the method and results of the control. In the case of a complaint on grounds of discrimination, the discriminated natural person identified in the complaint has the right to comment on the content of the complaint and on the facts identified by the control body.

### Section 138

In the facilities of the Armed Forces and the Armed Security Corps within the competence of the Ministry of Defence, the Ministry of the Interior, the Ministry of Justice and the Ministry of Finance, in the facilities of the National Security Office, the National Office for Cybernetics and Information Security, the Security Information Service, the Office for Foreign Relations and Information and the General Inspectorate of Security Corps in which the control might endanger classified information, the control may only be carried out with the approval of the relevant ministry and, in the facilities of the National Security Office, the National Office for Cybernetics and Information Security, the Security Information Service, the Office for Foreign Relations and Information and the General Inspectorate of Security Corps, only with the approval of their director.

## Administrative offences

- (1) A natural person commits an offense by:
- a) violating the prohibition of discrimination or failing to ensure equal treatment under this Act,
- (b) mediating employment without authorisation;
- (c) performing illegal work;
- (d) enabling illegal work pursuant to Section 5(e)(1) or (2);
- (e) failing to fulfil the information obligation under <u>Section 87</u>;
- (f) enabling illegal work pursuant to Section 5(e)(3);
- (g) as a person present at the workplace of the controlled person and performing work, failing to prove his identity pursuant to Section 132:
- (h) failing to submit to the General Directorate of the Labour Office the proof of insurance under Section 58a(2) within the specified time limit after the date on which the decision on the employment intermediation authorisation became final; or
- (i) carrying out undisclosed employment intermediation pursuant to Section 5(g).
  - (2) A natural person also commits an offence as an employer by:
- (a) failing to keep a register of employed persons with disabilities or a register of jobs reserved for persons with disabilities in

### violation of Section 80;

- (b) failing to fulfil the obligation to employ persons with disabilities in the amount of the compulsory share under Section 81;
- (c) failing to demonstrate, within the specified time limit, the employees' wage claims owed for the purposes of Act No 118/2000, on protection of employees in the case of insolvency of employers and amending other acts;
- (d) failing to comply with the information obligation under this Act or failing to keep the register provided for in this Act; or
- (e) failing to keep a copy of the documents proving the existence of a labour-law relationship at the place of work in accordance with Section 136(1) or (2).
  - (3) An administrative offence is punishable by a fine of up to:
- (a) CZK 1,000 000 in the case of an offence under subsection (1)(a) or under subsection (2)(a) or (b),
- (b) CZK 2,000,000 in the case of an administrative offence under subsection (1)(b);
- (c) CZK 100,000 in the case of an administrative offence under subsection (1)(c) or (e) or pursuant to subsection (2)(d);
- (d) CZK 500,000 in the case of an administrative offence under subsection (2)(c) or (e);
- (e) CZK 5,000,000 in the case of an administrative offence under subsection (1)(d), (f) or (i);
- (f) CZK 200,000 in the case of an administrative offence under subsection (1)(g);
- (g) CZK 20,000 in the case of an administrative offence under subsection (1)(h).

- (1) A legal person or a self-employed natural person commits an administrative offence by:
- a) violating the prohibition of discrimination or failing to ensure equal treatment under this Act,
- (b) mediating employment without permission or otherwise violating this law or good manners in the mediation of employment;
- (d) enabling illegal work pursuant to Section 5(e)(1) or (2);
- (d) failing to comply with the information obligation under this Act or failing to keep the register provided for in this Act;
- (e) enabling illegal work pursuant to Section 5(e)(3);
- (f) failing to submit to the General Directorate of the Labour Office the proof of insurance under Section 58a(2) within the specified time limit after the date on which the decision on the employment intermediation authorisation became final; or
- (g) carrying out undisclosed employment intermediation pursuant to Section 5(g).
  - (2) A legal person or a self-employed natural person also commits an administrative offence as an employer by:
- (a) failing to keep a register of employed persons with disabilities or a register of jobs reserved for persons with disabilities in violation of Section 80;
- (b) failing to fulfil the obligation to employ persons with disabilities in the amount of the compulsory share under Section 81;
- (c) failing to demonstrate, within the specified time limit, the employees' wage claims owed for the purposes of Act No <a href="https://doi.org/118/2000">118/2000</a>, on protection of employees in the case of insolvency of employers and amending other acts;
- (d) failing to keep a copy of the documents proving the existence of a labour-law relationship at the place of work in accordance with Section 136(1) or (2).
- (3) A health service provider shall commit an administrative offence by failing to carry out an examination of health pursuant to Section 9(1) or failing to carry it out within the time limit laid down in Section 9(1).
  - (4) An administrative offence is punishable by a fine of up to:
- (a) CZK 1,000 000 in the case of an offence under subsection (1)(a) or under subsection (2)(a) or (b),
- (b) CZK 2,000,000 in the case of an administrative offence under subsection (1)(b);
- (c) CZK 500,000 in the case of an administrative offence under subsection (2)(c) or (d);
- (d) CZK 100,000 in the case of an administrative offence under subsection (1)(d);
- (e) CZK 50,000 in the case of an administrative offence under subsection (3);
- (f) CZK 10,000,000 in the case of an administrative offence under subsection (1)(c), (e) or (g), but not less than CZK 50,000;

(g) CZK 20,000 in the case of an administrative offence under subsection (1)(f).

#### Section 141

- (1) When determining the amount of the fine for an administrative offence pursuant to Section 139(1)(f) or Section 140(1)(e), account shall also be taken of the amounts that a legal or natural person is required to pay pursuant to Section 141b(1)(b).
- (2) Administrative offences under this Act shall be considered by the State Labour Inspection Office or regional labour inspectorates.

## Liability of employer and other legal or natural persons

### Section 141a

- (1) The liability for the payment of the fine imposed for an administrative offence pursuant to Section 139(1)(f) or Section 140(1)(e) lies with the legal or natural person to which the legal or natural person that allowed a foreign national to perform illegal work in accordance with Section 5(e)(3) provided under a business relationship a performance as a subcontractor directly or through another person; the same liability applies to the intermediary. Liability occurs only if these persons knew, or should and could have known exercising due care, of the illegal work under Section 5(e)(3).
- (2) Whether the liability under <u>subsection (1)</u> occurred and who is the guarantor shall be decided by the State Labour Inspection Office or regional labour inspectorate which decided on the imposition of the fine at the first instance. The administrative proceedings under the first sentence may be commenced no later than 90 days from the date on which the decision to impose a fine for the administrative decision pursuant to <u>Section 139 (1)(f)</u> or <u>Section 140(1)(e)</u>became final.

#### Section 141b

- (1) A legal person that has been finally fined for an administrative offence pursuant to Section 140(1)(e) or a natural person that has been finally fined for an administrative offence pursuant to Section 139(1)(f) must pay:
- (a) to a foreign national who has performed work pursuant to Section 5(e)(3) the remuneration owed;
- (b) the amount that equals the sum of the amounts corresponding to the amount of:
- 1. general health insurance premium, including the penalty90);
- 2. social security insurance premium, including the penalty21), which the person would otherwise have to pay in accordance with other legal regulations; and
- (c) costs related to the delivery of remuneration owed pursuant to (a), even to the country of which the foreign national is a citizen, or if he is a person without citizenship, then to the country of his most recent permanent residence, or to another country in which he has a residence permit.
- (2) Remuneration owed under <u>subsection (1)(a)</u> is presumed to be in the amount of the minimum wage<sup>91)</sup> for each month of the duration of the illegal work under <u>Section 5(e)(3)</u>. It is deemed that the foreign country national was performing work for three months.
- (3) The liability for the fulfilment of the obligation pursuant to <u>subsections (1)(a)</u> and (c) lies with the legal or natural person to which the legal or natural person that allowed a foreign national to perform illegal work in accordance with <u>Section 5(e)(3)</u> provided under a business relationship a performance as a subcontractor directly or through another person; the same liability applies to the intermediary. Liability occurs only if these persons knew, or should and could have known exercising due care, of the illegal work under <u>Section 5(e)(3)</u>.
- (4) Whether the liability under <u>subsection</u> (3) occurred and who is the guarantor shall be decided by the State Labour Inspection Office or regional labour inspectorate which decided on the imposition of the fine at the first instance. The administrative proceedings under the first sentence may be commenced no later than 90 days from the date on which the decision to impose a fine for the administrative decision pursuant to <u>Section 139 (1)(f)</u> or <u>Section 140(1)(e)</u>became final.

## **PART EIGHT**

# COMMON, TRANSITIONAL AND FINAL PROVISIONS

## TITLE I

# COMMON PROVISIONS

## Section 142

Administrative proceedings pursuant to Part Two of this Act shall not be subject to <u>Section 79(5) of the Administrative Procedure Code</u>67), except for administrative proceedings for the revocation of employment intermediation authorisation initiated pursuant to <u>Section 63(2)(a) to (e)</u>.

## Section 143

An appeal against the decision of the Labour Office to exclude a person from the register of job seekers (Section 30), to suspend the payment of unemployment benefit and retraining benefit (Section 44), to reduce or stop the payment of

unemployment benefit and retraining benefit (<u>Section 55</u>), to revoke the work permit of a foreign national (<u>Section 100</u>) and to issue or reject the authorisation of a child's activity and prohibition of a child's activity (<u>Section 124(1)</u> and <u>(5)</u>) shall not have suspensory effect.

### Section 144

For the computation of time under this Act, the regulation on the computation of time stipulated by a special legal regulation68) shall apply by analogy. If it is necessary to add up the days for the fulfilment of the condition for the creation of entitlement under this Act, a month is understood as 30 calendar days.

#### Section 145

If a foreign national is to be employed in several places of work, the Regional Branch of the Labour Office discusses his employment with the Regional Branch of the Labour Office in whose territorial district the employment is also to be performed and decides on the work permit for more places of work.

### Section 146

- (1) The statement of contributions and financial support provided under Part Three and Part Five shall be made by the beneficiary as of 31 December of the calendar year and submitted to the provider by February 15 of the following year, except for the contributions reimbursed on the basis of submitted costs, and the contribution under <u>Section 78(1)</u>. Contributions that are not reimbursed may not be exhausted in the year in which they are provided but must be used according to the timetable set out in the contribution agreement.
- (2) The beneficiary is obliged to return the unused part of the contribution immediately; failure to comply with this obligation within the time limit specified by the provider is a breach of budgetary discipline.46)

#### Section 147

- (1) The obligation under <u>Section 81</u> shall also apply to the civil service offices. For the purposes of fulfilling the obligation laid down in <u>Section 81</u>, a civil service office employing civil servants in a civil service relationship is considered an employer and the civil servant is considered an employee in an employment relationship.
- (2) The provisions of <u>Sections 80</u> and <u>81</u> do not apply to the employment of members and professional soldiers in the civil service relationship, employees of municipalities assigned to the municipal police and civil employees of the Armed Forces of the Czech Republic<sup>100</sup>; the obligation under <u>Section 81</u> does not apply to the Czech Mining Authority and the district mining authorities<sup>70</sup> as regards the employment of mining inspectors. <u>Sections 80</u> and <u>81</u> do not apply to providers of medical rescue services as regards the employment of members of the emergency groups.

## Section 147a

- (1) Employees of the State assigned to work at the Labour Office are obliged to keep confidentiality about the facts they have become aware of in the course of carrying out the obligations or in connection with it. This obligation shall survive the termination of the labour-law relationship. Only the person in whose interest they have this obligation or, if in the public interest, the General Director of the Labour Office may release them of the confidentiality obligation. This provision is without prejudice to the obligation to notify certain facts to the authorities competent under special legislation 71a).
- (2) <u>Subsection (1)</u> shall also apply to the employees of the State who are assigned to work at customs offices or at the State Labour Inspection Office exercising control under this Act, provided that, in the public interest, the head of the competent customs office or the General Inspector of the State Labour Inspection Office may release them from the confidentiality obligations.

## Section 147b

The State bodies, municipalities and regions and their bodies, other legal and natural persons shall immediately and gratuitously communicate to the Labour Office, at its request, the data decisive for the registration in the register of job seekers, for the entitlement to unemployment benefit or for retraining benefit, its amount or payment, for the provision of a contribution under active employment policy, a contribution to support the employment of persons with disabilities, for permitting the work of foreign nationals, for the performance of a child's artistic, cultural, sporting or advertising activities and for control activities, and to the Labour Office data related to the fulfilment of the mandatory share employment of persons with disabilities, including the means of performance, and to the State Labour Inspection Office and regional labour inspectorates the data decisive for the purposes of controlling the fulfilment of the mandatory share of employment of persons with disabilities; they may do so in a manner that allows remote access.

## Section 147c

- (1) For the performance of State administration in the employment sector, the Ministry of the Interior or the Police of the Czech Republic shall provide the Ministry, the Labour Office, the State Labour Inspection Office and the regional labour inspectorates with:
- (a) reference data from the national register of population;
- (b) data from the agenda information system of civil registration;
- (c) data from the agenda information system of foreign nationals;

(d) data from the register of personal identification numbers of natural persons who have been assigned a personal identification number but are not registered in the information systems under (b) and (c). (2) The data provided pursuant to <a href="mailto:subsection(1)(a)">subsection(1)(a)</a> are: (a) surname; (b) name or names; (c) the address of the place of residence; (d) the date, place and district of birth; for a person who was born abroad, the date, place and the country of birth; (d) date, place and district of death; if the death occurs outside of the Czech Republic, the date of death, place and country in which the death occurred; if a court ruling is issued on declaring a person dead, the day set out in the ruling as the date of death or the day that the person declared dead did not survive, and the date when such ruling has become final. f) the citizenship or more citizenships. (3) The data provided pursuant to subsection (1)(b) are: (a) name or names, surname or their change, birth name; (b) date of birth; (c) gender and its change; (c) the place and district of birth; in case of a citizen born abroad, the place and the country of birth; (e) personal identification number and its changes; (f) nationality; (g) address of permanent residence, including previous addresses of permanent residence; (e) start of permanent residence or the date when the data on the place of permanent residence was cancelled or the date of termination of permanent residence in the Czech Republic; (i) limitation of legal capacity; (j) personal identification number of the father, mother, or other legal representative or guardian; if one of the parents or other legal representative or guardian does not have a personal identification number, his or her name(s), surname and date of birth; (k) marital status, the date of its change and the place of marriage, (I) the spouse's personal identification number; if the spouse is a foreign national who does not have a personal identification number, his or her name(s), surname and date of birth; (m) the child's personal identification number; (n) in the case of adoption of a child, the original and new names, surname of the child, the original and new personal identification number of the child, the date and place of birth of the child, the personal identification numbers of the adoptive parents and the date on which the adoption decision or the decision to revoke the adoption of the child has become final; (g) date, place and district of death; if the citizen died outside the Czech Republic, the date, place and country where the death occurred: (h) date that was specified in the court ruling declaring a person dead as the date of death or the date that the person declared dead did not survive. (4) The data provided pursuant to subsection (1)(b) are: (a) name(s), surname, their change, surname at birth; (b) date of birth; (c) gender and its change;

(d) place and state of birth;

(f) nationality;

(e) personal identification number and its changes;

(g) type and address of place of residence;

- (h) number and validity of the residence permit in the territory of the Czech Republic, employee card, intra-corporate transferee card or blue card:
- (e) start date or end date of residence;
- (j) limitation of the legal capacity;
- (k) administrative expulsion and the period during which the entry into the territory of the Czech Republic is not allowed;
- (I) the marital status, date and place of its change, name(s) or surname, surname of spouse, birth number or date of birth;
- (m) name(s), surname of the child if the child is a foreign national and his personal identification number; if the personal identification number has not been assigned, the date of birth;
- (n) name(s), name of the father, mother, or other legal representative or guardian if they are foreign nationals, and their personal identification number; if one of the parents or other legal representative or guardian does not have a personal identification number, his or her name(s), surname and date of birth;
- (o) expulsion and the period during which the entry into the territory of the Czech Republic is not allowed;
- (p) date, place and district of death; if it is death outside the Czech Republic, the country where the death occurred, or the date of death:
- (q) date that was specified in the court ruling declaring a person dead as the date of death or the date that the foreign national declared dead did not survive.
- (r) in the case of adoption of a child who is a foreign national, the original and new names, surname of the child, the original and new personal identification number of the child, the date and place of birth of the child, the personal identification numbers of the adoptive parents and the date on which the adoption decision or the decision to revoke the adoption of the child has become final;
- (s) name(s) and surname of:
- 1. an adult dependent child of a foreign national;
- 2. a minor foreign national who was entrusted to a substitute family care of a foreign national or his spouse by the decision of a competent authority or who was adopted by a foreign national or his spouse or whose guardian or the guardian's spouse is a foreign national who is a resident;
- 3. a lonely foreign national over 65 years of age or irrespective of the age of the foreign national who is unable to take care of himself for health reasons in the case of a family reunion with a parent or child who are residents;
- 4. a foreign national who is a dependant direct relative in ascending or descending line, or such a relative of a spouse of a citizen of the European Union;
- 5. the parents of a minor foreign national and his personal identification number; in the case of foreign nationals who do not have a personal identification number, the name(s), surname and date of birth;
- (t) information about the employer, job assignment and place of work of an employee card or blue card holder.
  - (5) The data provided pursuant to subsection (1)(b) are:
- (a) name or names, surname, surname at birth;
- (b) day, month and year of birth;
- (c) place of birth; for a natural person born abroad the place and state of birth;
- (d) personal identification number and its changes.
- (6) Data that are maintained as reference data in the basic residential register shall be used from the agenda information system of civil registration or the agenda information system of foreign nationals, only if they are in a form preceding the current form
- (7) Out of the provided data, only such data can be used in a specific case that are necessary for delivering the given task.

## Section 147ca

- (1) For the purposes of control pursuant to special legal regulations106) the Police of the Czech Republic is entitled to obtain data from the Unified Information System of Labour and Social Affairs in a manner allowing remote access
- a) On work permits issued by a regional branch of the Labour Office to the extent specified in Section 92 (3),
- b) On written information concerning foreign nationals to the extent specified in Sections 87 and 88.
- (2) For the purposes of permitting an entry and residence of foreign nationals in the territory of the Czech Republic pursuant to a special legal regulation3), the Ministry of the Interior, the Ministry of Foreign Affairs and embassies of the Czech Republic are authorized to obtain data from the Unified Labour and Social Affairs Information System in a manner allowing remote access
- a) On work permits issued by a regional branch of the Labour Office to the extent specified in Section 92 (3),
- b) On written information concerning foreign nationals to the extent specified in Sections 87 and 88.

## Section 147d

- (1) Data from the registers pursuant to <u>Section 6(1)(i)</u> are kept in the State employment policy information system administered by the Ministry.
- (2) The Labour Office is obliged to ensure the preservation of all data of the State employment policy single information system which were obtained by the processing of the data under <u>subsection (1)</u>, as well as of all documents and files relating to the legally concluded administrative proceedings on support and documents and files on contributions for 15 calendar years from the calendar year in which the administrative proceedings were finally terminated or when the last entry of the data into the information system was made.
- (3) All data included in the State employment policy information system are part of the Single Information System of Labour and Social Affairs89).

### TITLE II

## TRANSITIONAL AND FINAL PROVISIONS

#### Section 148

## **Transitional provisions**

- (1) An entitlement to financial security granted prior to the effective date of this Act shall cease from the financial security payment due for the first month after the effective date of this Act, unless the conditions for its provision under this Act are met after the effective date of this Act.
- (2) The amount of financial security granted prior to the effective date of this Act shall be determined newly from the payment of the unemployment benefit due for the first month after the effective date of this Act.
- (3) For job seekers who are provided with financial security for job seekers as of the effective date of this Act, the running of the support period shall be assessed in accordance with this Act; the length of the support period shall be adjusted in accordance with this Act if the facts decisive for the extension of the support period are documented within 6 months after the effective date of this Act.
- (4) Claims arising from a retraining agreement between an employer and an employee agreed prior to the effective date of this Act shall be assessed in accordance with existing regulations.
- (5) Employment intermediation authorisation issued to a legal person or natural person before the effective date of this Act shall be valid for the period for which it was issued, provided that for a period of 4 months from the effective date of this Act this natural person or legal person may, based on this authorisation, mediate employment also in the form of employment of natural persons in the form of their temporary assignment to work for another legal or natural person.
- (6) A legal or natural person is obliged to adjust the relations arising from the temporary assignment of his employee to work for another legal or natural person in accordance with this Act no later than 4 months after the effective date of this Act.
- (7) Natural persons who have been recognised by the decision of the district social security administration as persons with changed working capacity shall be considered as physically disadvantaged persons under this Act for the term of the decision for a maximum period of 3 years from the effective date of this Act.
- (8) Natural persons who have been recognised by the decision of the district social security administration as persons with changed working capacity with more severe disability and, based on an assessment of a social administration body, they have not been recognised as fully disabled, shall be considered as persons with a serious disability under this Act for the term of the decision for a maximum period of 3 years from the effective date of this Act.
- (9) The method for determining the fulfilment of the obligation to employ citizens with changed working capacity pursuant to Section 24 of Act No 1/1991, on employment, as amended by Act No 1/1991, Act No
- (10) The rights and obligations arising from agreements on securing professional practice for graduates of secondary and higher education institutions and agreements on securing the acquisition of qualifications for juvenile workers concluded in accordance with Section 6a of Act No 9/1991, on employment and the scope of competence of the authorities of the Czech Republic in the field of employment, as amended by Act No 272/1992, which were concluded before the effective date of this Act, shall be assessed in accordance with the existing regulations.
- (11) Receivables incurred by the State pursuant to Act No <u>1/1991</u>, on employment, as amended, and Act No <u>9/1991</u>, on employment and scope of competence of the authorities of the Czech Republic in the field of employment, as amended, towards legal persons and natural persons who ceased to exist before the effective date of this Act without a legal successor, shall cease to exist as of the effective date of this Act and no longer be registered.
- (12) The provision of an advance for a contribution pursuant to <u>Section 24a of Act No 1/1991</u>, on employment, as amended by Act No <u>474/2001</u> for the quarter in which this Act becomes effective and the settlement of the advances granted in 2004 are governed by existing legal regulations.
  - (13) The rights and obligations arising from agreements concluded pursuant to Act 1/1991, on employment, as

amended, and Act No <u>9/1991</u>, on employment and scope of competence of the authorities of the Czech Republic in the field of employment, as amended, before the effective date of this Act shall be assessed in accordance with the existing legal regulations.

- (14) If a child performs an activity before the effective date of this Act and continues to perform it before reaching the age of 15, or after reaching the age of 15 but before the end of compulsory schooling, after 30 days after the effective date of this Act, the legal representative the child is obliged to apply with the Labour Office for an authorisation to perform such activity of the child no later than 30 days after the effective date of this Act.
- (15) If a child's legal representative has applied for the authorisation to perform the activity of the child within the time limit referred to in <u>subsection 14</u>, the child may perform this activity without such authorisation until the date of the decision to authorise the performance of artistic or sporting activities, but not longer than for 3 months from the effective date of this Act.
- (16) If, within the time limit under <u>subsection (14)</u> the legal representative has not applied for the authorisation to perform a child's activity, the child may not perform the activity from the day following the expiry of that time limit.
- (17) A foreign national who, as a partner, governing body or a member of a governing or other body of a company, is responsible for common tasks of a company or, as a member of a cooperative, a member of a governing or other body of the cooperative, is responsible for the fulfilment of common tasks for the cooperative is obliged to apply for a work permit no later than 3 months after the effective date of this Act.
- (18) Until the full effect of the <u>Civil Service Act</u> the Minister of Labour and Social Affairs appoints and removes the directors of labour offices.

### **Final Provisions**

### Section 149

Labour offices and the Labour Office of the City of Prague pursuant to Act No <u>9/1991</u>, on employment and scope of competence of the authorities of the Czech Republic in the field of employment, as amended, are labour offices under this Act.

### Section 150

The following is repealed:

- 1. Act No 1/1991 on employment.
- 2. Act No 9/1991, on employment and the scope of competence of the authorities of the Czech Republic in the field of employment.
- 3. Act No  $\underline{64/1991}$ , amending Act No  $\underline{9/1991}$ , on employment and the scope of competence of the authorities of the Czech Republic in the field of employment.
- 4. Act No <u>305/1991</u>, amending Act No <u>1/1991</u>, on employment.
- 5. Act No 272/1992, amending Act No 9/1991, on employment and the scope of competence of the authorities of the Czech Republic in the field of employment, as amended by Act No 64/1991.
- 6. Act No  $\underline{369/2000}$ , amending Act No  $\underline{1/1991}$ , on employment, as amended.
- 7. Act No 474/2001, amending Act No 1/1991, on employment, as amended.
- 8. Act No <u>220/2002</u>, amending Act No <u>1/1991</u>, on employment, as amended, and Act No <u>9/1991</u>, on employment and the scope of competence of the authorities of the Czech Republic in the field of employment, as amended.
- 9. Government Regulation No  $\underline{103/2002}$ , on financial support for the creation of new jobs and retraining of employees within investment incentives.
- 10. Decree No 21/1991, on the more detailed conditions for the provision of retraining of job seekers and employees, as amended by Decree No 324/1992.
- 11. Decree No 115/1992, on the implementation of the work rehabilitation of citizens with changed working capacity.
- 12. Decree No <u>324/1992</u>, which amends and supplements Decree of the Ministry of Labour and Social Affairs of the Czech Republic No <u>21/1991</u>.
- 13. Decree No <u>399/1992</u>, which sets out the detailed terms and conditions for the conclusion of agreements between employers and labour offices in the limitation of operational activities related to the transition to a new entrepreneurial programme.
- 14. Decree No 35/1997, which sets out the details of the creation of socially useful jobs and the creation of community service jobs.
- 15. Decree No <u>232/1997</u>, amending Decree of the Ministry of Labour and Social Affairs of the Czech Republic No <u>115/1992</u>, on the implementation of the work rehabilitation of citizens with changed working capacity.
- 16. Decree No <u>242/2002</u>, on the more detailed conditions for the contribution to employers employing more than 50% of citizens with changed working capacity out of the total number of their employees and the accounting of this contribution.

### **Effectiveness**

This Act enters into effect on the first day of the third month following its promulgation.

Zaorálek signed

Klaus, signed

Špidla signed

Annex 1

Repealed

Annex 2

Repealed

## Selected provisions of amendments

Article II of Act No 382/2005 Coll.

## **Transitional provisions**

- 1. The support period of a job seeker who, as of the effective date of this Act, receives unemployment benefit or does not receive unemployment benefit for reasons stated in <u>Section 44 of Act No 435/2004</u>, on employment, and who, as of the submission of the application for unemployment benefit, fulfilled the condition laid down in <u>Section 43 (1)(b) or (c) of Act No 435/2004</u>, on employment, shall be adjusted in accordance with this Act. If the application for unemployment benefit was submitted before the effective date of this Act and the unemployment benefit has not yet been finally decided, the length of the support period under this Act shall be determined.
- 2. Continuous preparation for future profession is considered a substitute period of employment for job seekers who have been registered in the register of job seekers after the effective date of this Act.
- 3. The period for which a job seeker was excluded, before the effective date of this Act, from the register of job seekers pursuant to Section 30(1)(a) of Act No 435/2004, on employment, for the reason stated in Section 25(2)(f) of Act No 435/2004, on employment, is assessed in accordance with this Act.
- 4. The rights and obligations arising from agreements on the provision of a contribution for the reservation of socially useful jobs concluded prior to the effective date of this Act shall be assessed in accordance with existing legislation.
- 5. The conclusion of agreements for the provision of a contribution for the reservation of a socially useful job on the basis of applications submitted before the effective date of this Act is governed by this Act.

## Article XIX of Act No 109/2006

## Transitional provision

Natural persons who have been recognised by the decision of the district social security administration as physically disadvantaged persons shall be considered as physically disadvantaged persons under this Act for the term of the decision for a maximum period of 3 years from the effective date of this Act.

## Article XL of Act No 112/2006

## **Transitional provisions**

- 1. The proceedings on unemployment benefits and retraining benefits which are pending final decision before the effective date of this Act shall be completed in accordance with the existing legislation.
- 2. If, after the effective date of this Act, decisions will be made pursuant to Section 54 of Act No 435/2004, on unemployment, the amount of unemployment benefit shall be determined in accordance with the legislation applicable on the date of the submission of the application for unemployment benefit and the amount of retraining benefit shall be determined in accordance with the legislation applicable on the date of commencement of retraining.
- 3. The maximum amount of compensation for damage caused to the activity organiser by a child prior to the effective date of this Act shall be assessed in accordance with existing legislation.

# Article L of Act No 264/2006

## **Transitional provision**

Administrative proceedings in matters relating to the fulfilment of obligations under Section 13 of Act No 435/2004, as amended by Act No 220/2005, commenced and pending final decision before the effective date of this Act shall be concluded in

## Article III of Act No 213/2007

## Transitional provision

Substitute period of employment pursuant to <u>Section 41(3) of Act No 435/2004</u>, on employment, as amended by this Act, is considered to also include the period when, prior to the effective date of this Act, the job seeker personally took care of a person under <u>Section 41(3)(e) and (f) of Act No 435/2004</u>, as amended by Act No <u>264/2006</u>.

## Article LX of Act No 261/2007

## Transitional provisions

- 1. Proceedings on unemployment benefits pending final decision before 1 January 2008 shall be concluded in accordance with the legislation in effect as of 31 December 2007.
- 2. The provision of a contribution to support the employment of persons with disabilities for the fourth calendar quarter of 2007 is governed by the legislation in effect as of 31 December 2007.

## Article XXVII of Act No 306/2008

## **Transitional provisions**

- 1. Substitute period of employment pursuant to <u>Section 41(3)(b) of Act No 435/2004</u>, on employment, as in effect from the effective date of this Act, is considered to also include receiving a full disability pension before 1 January 2010.
- 2. The natural person with a third degree disability who is able to perform gainful activity under very extraordinary conditions shall, from 1 January 2010, be considered to also include a natural person with full disability as of 31 December 2009 pursuant to Section 39(1)(b) of Act No 155/1995, on pension insurance.

## Art. II of Act No 382/2008 Coll.

## Transitional provisions

- 1. Proceedings pending final decision before the effective date of this Act shall be concluded in accordance with Act No 435/2004, on employment, as in effect until the effective date of this Act, with the exception of the proceedings for a work permit which shall be completed in accordance with Act No 435/2004, on employment, as in effect from the effective date of this Act.
- 2. The rights and obligations arising from the agreements on bridging contribution and transport contribution of employees concluded before the effective date of this Act shall be assessed in accordance with Act No <u>435/2004</u>, on employment, as in effect until the effective date of this Act.
- 3. If the payment of unemployment benefit or the retraining benefit was terminated on the grounds that the job seeker is provided sickness insurance benefits under sickness insurance due to the performance of activities pursuant to Section 25(3) or employment under Section 25(5) of Act No 435/2004, on employment, as in effect until the effective date of this Act, its provision shall be resumed from the payment of unemployment benefit or retraining benefit due for the first month after the effective date of this Act.
- 4. The inclusion of the period of exclusion from the register of job seekers in the support period in accordance with Section 47 of Act No 435/2004, on employment, as in effect until the effective date of this Act, shall, in the case of job seekers who were excluded from the register of job seekers before the effective date of this Act, be governed by Act No 435/2004, as in effect until the effective date of this Act.
- 5. When assessing the entitlement to support pursuant to Section 39(2)(b) of Act No 435/2004, on employment, as in effect from the effective date of this Act, the termination of employment prior to the effective date of this Act shall be disregarded.
- 6. The Ministry of Labour and Social Affairs may, by a decision, revoke an employment intermediation authorisation issued to a legal or natural person pursuant to Act No <u>435/2004</u>, on employment, as in effect until the effective date of this Act, if, during the term of this authorisation, the Ministry of the Interior disagrees with the issued employment intermediation authorisation.
- 7. A proof of completion of retraining issued by an accredited facility or educational or healthcare facility with an accredited educational programme until the effective date of this Act shall be considered a retraining certificate issued pursuant to <a href="Section 108(2">Section 108(2)</a> and (5) of Act No 435/2004, as in effect from the effective date of this Act.
- 8. A facility that has been accredited by the Ministry of Education, Youth and Sports to carry out retraining in accordance with Act No 435/2004, on employment, as in effect prior to the effective date of this Act shall, for the term of this accreditation, be considered a facility with an accredited educational programme pursuant to Act No 435/2004, on employment, as in effect from the effective date of this Act.

# Article IV of Act No 479/2008 Coll.

## **Transitional provisions**

1. The assessment of the state of health initiated pursuant to Section 8(1)(m) and (n) of Act No 435/2004, on employment, as in effect until the effective date of this Act, and not finished before the effective date of this Act shall be completed

by the relevant district social security administration in accordance with the existing legislation. The time limit for issuing an assessment is extended in these cases by 30 working days from the effective date of this Act.

- 2. The labour offices shall, by 30 June 2009, gratuitously hand over to the district social security administrations competent according to the territorial competence of labour offices the assessment files they have kept until 30 June 2009.
- 3. The exercise of rights and obligations from labour-law relationship of employees of labour offices who, as of 30 June 2009, performed tasks in the assessment of health status and related activities, passes to the Czech Social Security Administration on 1 July 2009.
- 4. The labour offices shall agree with the employees referred to in point 3 on the transfer of the exercise of rights and obligations from labour-law relationships to the Czech Social Security Administration. This delimitation is binding. In the absence of an agreement under the first sentence by 31 March 2009, the numbers and delimitation rules applicable to the relevant employees of the Czech Republic at labour offices shall be determined by the Ministry of Labour and Social Affairs.
- 5. The provision of a contribution to support the employment of persons with disabilities for the fourth calendar quarter of 2008 is governed by the legislation in effect as of 31 December 2008.

## Article XI of Act No 158/2009

Proceedings on the granting of contribution to support the employment of persons with disabilities pending final decision until the effective date of this Act are to be completed in accordance with Act No <u>435/2004</u>, as effective until the effective date of this Act.

## Article IV of Act No 326/2009 Coll.

### Transitional provisions

- 1. A job seeker whose entire support period determined in accordance with Act No <u>435/2004</u>, as in effect until 1 November 2009, did not expire by 1 November 2009, shall have the amount of unemployment benefit, the amount of retraining benefit and the length of the support period adjusted, with effect from 1 November 2009, pursuant to Act No <u>435/2004</u>, as in effect from 1 November 2009. The Labour Office shall issue a decision on the adjustment of the amount of unemployment benefit, the amount of retraining benefit and the length of the support period.
- 2. Proceedings pending final decision before 1 November 2009 will be completed in accordance with Act No  $\frac{435/2004}{1}$ , in force until 1 November 2009.
- 3. Proceedings pending final decision until 31 December 2010 will be completed in accordance with Act No <u>435/2004</u>, in force until 31 December 2010.
- 4. Claims under Section 50a of the Employment Act granted before 1 January 2011 remain in force after 1 January 2011.

## Article LVI of Act No 223/2009

## **Transitional provision**

Proceedings for employment intermediation authorisation pending final decision before the effective date of this Act shall be completed and the rights and obligations related to them shall be assessed pursuant to Act No  $\underline{435/2004}$ , on employment, as in effect until the effective date of  $\underline{this Act}$ .

# Art. II of Act No 149/2010 Coll.

## **Transitional provision**

The provision of a contribution to support the employment of persons with disabilities for the period before the effective date of this Act is governed by the legislation in effect until the effective date of this Act.

## Article X of Act No 347/2010

## Repealed

## Art. II of Act No 367/2011 Coll.

# **Transitional provisions**

- 1. When assessing the obstacles to inclusion in register of job seekers pursuant to Section 25(8) of Act No 435/2004, as in effect from the effective date of this Act, the termination of employment mediated by the regional branch of the Labour Office until the effective date of this Act shall be disregarded.
- 2. Insurance contracts in accordance with <u>Section 58a of Act No 435/2004</u>, as in effect until the effective date of this Act, shall be valid for the period for which they were agreed.
- 3. The proceedings for the recognition as a physically disadvantaged person which are pending final decision on the effective date of this Act shall be completed and the rights and obligations related to them shall be assessed in accordance with

Act No 435/2004, as in effect upon the submission of the application for recognition as a physically disadvantaged person.

- 4. A decision on recognition as a disadvantaged person issued until the effective date of this Act shall apply for as long as it was issued but no later than until 1 January 2015. During the validity of these decisions, persons who are disadvantaged are, for the purposes of employment, considered to be persons with disabilities pursuant to Section 67(2)(b) of Act No 435/2004, on employment, as effective from 1 January 2012.
- 5. The rights and obligations arising from the agreements on the contribution for the creation of a sheltered workshop and agreements on the contribution for a partial compensation for operating costs of a sheltered workshop concluded by the effective date of this Act shall be assessed in accordance with Act No <u>435/2004</u>, as in effect until the effective date of this Act.
- 6. Jobs for persons with disabilities in a sheltered workshop, created or reserved under an agreement between the employer and the Labour Office, are considered sheltered jobs from the effective date of this Act.
- 7. The 12-month period pursuant to Section 76(1) of Act No 435/2004, as in effect from the effective date of this Act, shall not apply to employers who have operated a sheltered job or jobs for a continuous period of at least 12 months until the effective date of this Act.
- 8. The provision of a contribution to support the employment of persons with disabilities for the last calendar quarter preceding the effective date of this Act and two calendar quarters following the effective date of this Act shall be governed by Act No 435/2004, as in effect until the effective date of this Act.
- 9. Proceedings on the granting of contribution to support the employment of persons with disabilities which are pending final decision on the last day of the second calendar quarter following the effective date of this Act are to be completed in accordance with Act No 435/2004, as effective until the effective date of this Act.
- 10. The fact decisive for the creation of entitlement and the amount of the contribution pursuant to Section 78(2) of Act No 435/2004, as in effect from the effective date of this Act and granted for the third calendar quarter following the effective date of this Act, is the conclusion of agreements on the definition of sheltered jobs during the first and second calendar quarters following the effective date of this Act, unless they already have the character of a sheltered job under a previously concluded agreement on the creation of a sheltered job or agreement on the creation of designation of a sheltered workshop.
- 11. The period of 12 months pursuant to Section 78(3) of Act No 435/2004, as in effect from the effective date of this Act, does not apply to employers who, in the last two calendar quarters until the effective date of this Act and in the first two calendar quarters after the effective date of this Act employed more than 50% persons with disabilities.
- 12. The rights and obligations from the agreements under <u>Section 308 of the Labour Code</u> concerning the temporary assignment of employment agency employees to work for a user concluded before the effective date of this Act shall be assessed pursuant to Act No 435/2004, as in effect until the effective date of this Act.
- 13. The fulfilment of the mandatory share for the year preceding the effective date of this Act shall be governed by Act No 435/2004, as in effect until the effective date of this Act.
- 14. Deductions paid to the State budget in accordance with Act No <u>Section 82(4) of Act No 435/2004</u>, as in effect until the effective date of this Act, which are not enforced until the effective date of this Act shall continue to be enforced in accordance with Act No 435/2004, as effective from the effective date of this Act.
- 15. Controls and administrative proceedings in respect of the imposition of fines for administrative offences and administrative delicts commenced until the effective date of this Act by the Regional Branches of the Labour Office shall be completed by the competent regional labour inspectorates in accordance with existing legislation. Administrative proceedings commenced or conducted by the Ministry until the effective date of this Act shall be completed by the State Labour Inspection Office in accordance with the existing legislation. The time limits for the issue of the decision under the first and second sentences shall be extended by 30 days.

## Article XLIII of Act No 420/2011

## Transitional provisions

- 1. Proceedings on the applications for the employment intermediation authorisation with final decision pending on the effective date of this Act are to be completed in accordance with Act No 435/2004, as effective from the effective date of this Act.
- 2. Legal persons established outside the territory of the Czech Republic who were granted an employment intermediation authorisation before the effective date of this Act shall be obliged to submit to the General Directorate of the Labour Office within 3 months from the effective date of this Act a proof of their integrity in the manner specified in Section 60(7) of Act No 435/2004, as in effect from the effective date of this Act; otherwise, the General Directorate of the Labour Office shall revoke the employment intermediation authorisation.

# Art. II of Act No 1/2012 Coll.

## **Transitional provisions**

1. The obligation to return the investment incentives under <u>Section 111</u> and contributions for active employment policy instruments and measures under <u>Sections 75</u> and <u>76</u>, <u>Sections 112 to 114</u>, <u>Sections 116</u> and <u>117</u>, as well as the contribution under <u>Section 78 of Act No 435/2004</u>, as in effect from the effective date of this Act, shall not apply to agreements to grant an investment incentive or contribution concluded before the effective date of this Act.

2. The obligations under Section 87(1), Section 102(3) and Section 136 of Act No 435/2004, as in effect from the effective date of this Act, must be met by the legal and natural persons who have employed foreign nationals until the effective date of this Act within 3 months from the effective date of this Act.

## Article VIII of Act No 306/2013 Coll.

## Transitional provisions

- 1. A person who has been issued a social system card and which receives unemployment benefit, retraining benefit or compensation under Section 44b of Act No 435/2004 in accordance with Section 53(1), first sentence of Act No 435/2004, as in effect until the effective date of this Act, shall be requested in writing by the Regional Branch of the Labour Office of the Czech Republic, no later than one calendar month from the effective date of this Act, to inform about the method of payment of support or compensation following the cancellation of the social system card.
- 2. The Regional Branch of the Labour Office of the Czech Republic is obliged to change the method of payment of unemployment benefit, retraining benefit or compensation pursuant to <u>Section 44b of Act No 435/2004 Coll.</u> no later than 2 months after the date of the information under point 1.
- 3. If the person does not inform the Regional Branch of the Labour Office of the Czech Republic of the method of payment of the support or compensation under points 1 within 3 calendar months from the effective date of this Act, the support or compensation shall be, from the date specified by the Regional Branch of the Labour Office of the Czech Republic, but no later than on the sixth calendar month from the effective date of this Act, paid into the account last provided to the Labour Office of the Czech Republic by the beneficiary of the support or compensation and, if such an account is not available, it will be paid by a postal order

## Article LXII of Act No 64/2014 Coll.

## Transitional provision

Administrative proceedings concerning disciplinary penalties which are still pending final decision before the effective date of this Act shall be completed in accordance with existing legal regulations.

## Article IV of Act No 101/2014 Coll.

## Transitional provisions

- 1. Proceedings for a work permit or proceedings for the extension of a work permit pending final decision before the effective date of this Act shall be completed and the rights and obligations related to them shall be assessed pursuant to Act No 435/2004, as in effect prior to the effective date of this Act.
- 2. A foreign national who has been issued a green card pursuant to Act No 326/1999, on the residence of foreign nationals in the Czech Republic and amending certain acts, as in effect before the effective date of this Act, may be employed until the expiration of this card.
- 3. The information obligation of the employer in accordance with <u>Section 88 of Act No 435/2004</u> also applies to foreign nationals who continue to be employed on the basis of a green card from the effective date of this Act.

## Art. II of Act No 136/2014 Coll.

## **Transitional provisions**

- 1. A natural person who, pursuant to Article II(4), second sentence of Act No 367/2011, is considered a person with a disability pursuant to Section 67 (2)(b) of Act No 435/2004, as effective from 1 January 2012, shall, from the effective date of this Act until the expiration of the decision on recognition as a person with a disability issued before 1 January 2012, be considered to be a disadvantaged person pursuant to Section 67(2)(c) of Act No 435/2004, as effective from the effective date of this Act.
- 2. The fulfilment of the mandatory share for the year preceding the effective date of this Act shall be governed by Act No 435/2004, as in effect prior to the effective date of this Act.
- 3. Administrative proceedings on whether the liability under Section 141a(1) of Act No 435/2004, as in effect before the effective date of this Act, or Section 141b(3) of Act No 435/2004, as in effect before the effective date of this Act, and on who is the guarantor, which are pending final decision before the effective date of this Act, shall be completed by the State Labour Inspection Office or the regional labour inspectorate in accordance with Act No 435/2004, as in effect before the effective date of this Act.
- 4. The provision of a contribution pursuant to Section 78(2) of Act No 435/2004, as in effect before the effective date of this Act, and its increase pursuant to Section 78(3) of Act No 435/2004, as in effect before the effective date of this Act, for the last calendar quarter preceding the effective date of this Act, shall be governed by Act No 435/2004, as in effect before the effective date of this Act.
- 5. Administrative proceedings for the provision of a contribution to support the employment of persons with disabilities at a sheltered job pursuant to Section 78 of Act No 435/2004, as in effect before the effective date of this Act, which are pending final decision before the effective date of this Act, shall be completed in accordance with Act No 435/2004, as in effect before the effective date of this Act.
- 6. The period of 12 months pursuant to <u>Section 78(3) of Act No 435/2004</u>, as in effect before the effective date of this Act, applies to all employers from the effective date of this Act.

## Article VI of Act No 84/2015 Coll.

## Transitional provision

The promise of an investment incentive provided in proceedings under Act No  $\frac{72/2000}{2}$ , on investment incentives, initiated before the effective date of this Act, shall be governed by Act No  $\frac{435/2004}{2}$ , as in effect before the effective date of this Act.

## Art. II of Act No 203/2015 Coll.

## Transitional provisions

- 1. Proceedings on unemployment benefits commenced and pending final decision before the effective date of this Act are to be concluded in accordance with Act No 435/2004, as effective before the effective date of this Act.
- 2. The current State publicly co-funded organisation Fund of Further Education established by the Ministry of Labour and Social Affairs becomes, as of the effective date of this Act, a State publicly co-funded organisation pursuant to <a href="Section 6a of Act No 435/2004">Section 6a of Act No 435/2004</a>, as in effect from the effective date of this Act.
- 3. The provision of a contribution to a partial compensation of operating costs of a sheltered job pursuant to Section 76(1) of Act No 435/2004, as in effect before the effective date of this Act, is governed by Act No 435/2004, as in effect before the effective date of this Act.
- 4. The provision of a contribution pursuant to Section 78(2) of Act No 435/2004, as in effect before the effective date of this Act, and its increase pursuant to Section 78(3) of Act No 435/2004, as in effect before the effective date of this Act, for the last calendar quarter preceding the effective date of this Act, shall be governed by Act No 435/2004, as in effect before the effective date of this Act.
- 5. Administrative proceedings for the provision of a contribution to support the employment of persons with disabilities at a sheltered job pursuant to Section 78 of Act No 435/2004, as in effect before the effective date of this Act, which are pending final decision before the effective date of this Act, shall be completed in accordance with Act No 435/2004, as in effect before the effective date of this Act.

## Article VI of Act No 88/2016

## **Transitional provisions**

- 1. The provision of a contribution to support the employment of persons with disabilities at a sheltered job and its increase for the fourth calendar quarter of 2015 is governed by the legislation in effect as of 31 December 2015.
- 2. The provision of a contribution to support the employment of persons with disabilities at a sheltered job and its increase for the first calendar quarter of 2016 is governed by Act No <u>435/2004</u>, as in effect from the effective date of this Act.
- 3. Administrative proceedings for the provision of a contribution to support the employment of persons with disabilities at a sheltered job pursuant to Section 78 of Act No 435/2004, as in effect before the effective date of this Act, which are pending final decision before the effective date of this Act, shall be completed in accordance with Act No 435/2004, as in effect before the effective date of this Act.

## Article II of Act No 93/2017 Coll.

## **Transitional provisions**

- 1. The provision of a contribution to support the employment of persons with disabilities at a sheltered job for the fourth calendar quarter of 2016 is governed by the legislation in effect as of 31 December 2016.
- 2. The provision of a contribution to support the employment of persons with disabilities at a sheltered job for the first calendar quarter of 2017 is governed by Act No 435/2004, as in effect from the effective date of this Act.
- 3. Administrative proceedings for the provision of a contribution to support the employment of persons with disabilities at a sheltered job pursuant to <a href="Section 78">Section 78 of Act No 435/2004</a>, as in effect before the effective date of this Act, which are pending final decision before the effective date of this Act, shall be completed in accordance with Act No <a href="435/2004">435/2004</a>, as in effect before the effective date of this Act.

## Article II of Act No 206/2017 Coll.

# **Transitional provisions**

- 1. The performance of an activity on the basis of an agreement to complete a job concluded by the job seeker while registered in the register of job seekers until the effective date of this Act shall not preclude the registration of the job seeker in the register of job seekers for a period of 3 months from the effective date of this Act.
- 2. Administrative proceedings on an employment intermediation authorisation pending final decision before the effective date of this Act are to be concluded in accordance with Act No <u>435/2004</u>, as effective before the effective date of this Act, unless otherwise provided below.
  - 3. The obligation under Section 60b(1) and (2) of Act No 435/2004, as in effect from the effective date of this Act, applies

to a legal or natural person whose application was subject to administrative proceedings for the employment intermediation authorisation commenced prior to the effective date of this Act and these administrative proceedings are pending final decision on the effective date of this Act

- 4. A legal or natural person who, before the effective date of this Act, has been issued the employment intermediation authorisation pursuant to Section 14(1)(b) of Act No 435/2004, as in effect before the effective date of this Act, shall be obliged, within 3 months from the effective date of this Act, to provide a deposit pursuant to Section 60b(1) of Act No 435/2004, as in effect from the effective date of this Act, by paying the amount to a special account of the General Directorate of the Labour Office; the employment intermediation authorisation expires upon the lapse of this time limit during which no deposit has been paid.
- 5. A legal person that, before the effective date of this Act, has been issued an employment intermediation authorisation or that has filed an application for an employment intermediation authorisation before the effective date of this Act is obliged to modify the relationship with the responsible representative of this legal person pursuant to Section 60(10) of Act 435/2004, as in effect from the effective date of this Act, no later than within 3 months from the effective date of this Act.
- 6. Employers and self-employed persons referred to in Section 81(2)(b) of Act No 435/2004, as in effect from the effective date of this Act, are obliged, within 60 days from the effective date of this Act, to enter in the register data pursuant to Section 84(2) of Act No 435/2004, as in effect from the effective date of this Act, for the period of the relevant calendar year until the effective date of this Act.
- 7. The fulfilment of the mandatory share for the year preceding the effective date of this Act shall be governed by Act No 435/2004, as in effect prior to the effective date of this Act.

## Article XIII of Act No 222/2017

## **Transitional provisions**

- 1. The proceedings for the issue of a work permit, an employee card or a blue card or proceedings for the extension of a work permit, an employee card or a blue card which are pending final decision before the effective date of this Act shall be completed pursuant to Act No 435/2004, as in effect before the effective date of this Act.
- 2. Proceedings for the extension of a work permit pursuant to <u>Section 96 of Act No 435/2004</u>, as in effect before the effective date of this Act, which commenced after the effective date of this Act shall be completed in accordance with Act No 435/2004, as in effect before the effective date of this Act.

## Article II of Act No 327/2017 Coll.

## **Transitional provisions**

- 1. The rights and obligations arising from the agreements on the creation of a sheltered job, agreements on the definition of a sheltered job and agreements on the contribution for a partial compensation for operating costs of a sheltered job concluded before the effective date of this Act shall be assessed in accordance with Act No 435/2004, as in effect before the effective date of this Act.
- 2. The provision of a contribution for the establishment of a sheltered job under the agreement on the creation of a sheltered job concluded before the effective date of this Act is governed by Act No 435/2004, as in effect before the effective date of this Act.
- 3. The provision of a contribution for a partial compensation for operating costs of a sheltered job under the agreement on the contribution for a partial compensation for operating costs of a sheltered job concluded before the effective date of this Act is governed by Act No 435/2004, as in effect before the effective date of this Act.
- 4. The provision of a contribution to support the employment of persons with disabilities at a sheltered job pursuant to <a href="Section 78">Section 78 of Act No 435/2004</a>, as in effect before the effective date of this Act, for the last calendar quarter before the effective date of this Act shall be governed by Act No 435/2004, as in effect before the effective date of this Act.
- 5. An employer that receives a contribution to support the employment of persons with disabilities at a sheltered job and its increase in accordance with Section 78 of Act No 435/2004, as in effect before the effective date of this Act, shall, for 2 calendar quarters following the effective date of this Act, be considered an employer with which the Labour Office has concluded an agreement on the recognition of a sheltered labour market employer pursuant to Section, as in effect from the effective date of this Act, and during this period he receives a contribution pursuant to Section 78a of Act No 435/2004, as in effect from the effective date of this Act.
- 6. Administrative proceedings for the provision of a contribution to support the employment of persons with disabilities at a sheltered job and its increase commenced pursuant to Section 78 of Act No 435/2004, as in effect before the effective date of this Act, which are pending final decision before the effective date of this Act, shall be completed in accordance with Act No 435/2004, as in effect before the effective date of this Act.
- 7. The fulfilment of the mandatory share for the year preceding the effective date of this Act shall be governed by Act No 435/2004, as in effect prior to the effective date of this Act.

Article IV of Act No 210/2019 Coll.

Transitional provision

For the promise of an investment incentive provided in proceedings initiated pursuant to Act No. 72/2000 Coll., On Investment Incentives, as amended before the effective date of this Act, with Act No. 435/2004 Coll., As amended before this Act becomes effective.

(1) Council Directive 94/33/EC of 22 June 1994 on the protection of young people at work.

Directive 95/46/ES of the European Parliament and of the Council of 24 October 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.

Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services.

Council Directive 2000/43/EC of 29 June 2000 implementing the principle of equal treatment between persons irrespective of racial or ethnic origin.

Council Directive 2000/78/EC of 27 November 2000 establishing a general framework for equal treatment in employment and occupation.

Directive 2002/73/EC of the European Parliament and of the Council of 23 September 2002 amending Council Directive 76/207/EEC on the implementation of the principle of equal treatment for men and women as regards access to employment, vocational training and promotion, and working conditions.

Council Directive 2003/109/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents.

Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004 on the right of citizens of the Union and their family members to move and reside freely within the territory of the Member States amending Regulation (EEC) No 1612/68 and repealing Directives 64/221/EEC, 68/360/EEC, 72/194/EEC, 73/148/EEC, 75/34/EEC, 75/35/EEC, 90/364/EEC, 90/365/EEC and 93/96/EEC.

Directive 2005/36/EC of the European Parliament and of the Council of 6 July 2005 on the recognition of professional qualifications.

Directive 2006/54/EC of the European Parliament and of the Council of 5 July 2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast).

Directive 2008/104/EC of the European Parliament and of the Council of 19 November 2008 on temporary agency work.

Council Directive 2009/50/EC of 25 May 2009 on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment.

Directive 2009/52/EC of the European Parliament and of the Council of 18 June 2009 providing for minimum standards on sanctions and measures against employers of illegally staying third-country nationals.

Directive 2010/41/EU of the European Parliament and of the Council of 7 July 2010 on the application of the principle of equal treatment between men and women engaged in an activity in a self-employed capacity and repealing Council Directive 86/613/EEC.

Directive 2011/98/EU of the European Parliament and of the Council of 13 December 2011 on a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State and on a common set of the rights for third-country workers legally residing in a Member State.

Directive 2014/67/EU of the European Parliament and of the Council of 15 May 2014 on the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services and amending Regulation (EU) No 1024/2012 on administrative cooperation through the Internal Market Information System ("the IMI Regulation").

- 2) Section 11 of the Labour Code.
- 3) Act No 326/1999, on the residence of foreign nationals in the Czech Republic and amending certain other Acts, as amended.
- 3a) Section 8 of Act No 108/2006, on social services.
- 4) Section 7 of the Labour Code, as amended.
- 5) For example, Section 3024 of the Civil Code, Section 5(2) of Act No 455/1991, on licensed trades (Licensed Trades Act), as amended.
- 6) For example, Act No <u>128/2000</u>, on municipalities (<u>municipal constitution</u>), as amended, Act No <u>129/2000</u>, on regions (regional constitution), as amended.
- 7) Sections 15a and 180f of Act No 326/1999, on the residence of foreign nationals in territory of the Czech Republic and amending certain acts, as amended.

- 8) Section 2 par. 2 of the Commercial Code.
- 9) Act No 561/2004, on pre-school, primary, secondary, higher vocational and other education (the Education Act), as amended.
- Act No 111/1998, on higher institutions (Education Institutions Act), as amended.
- 9b) Act No  $\underline{222/2009}$ , on the free movement of services.
- 11) Decree No <u>564/2002</u>, on the determination of the territory of the districts of the Czech Republic and the territory of the districts of the capital city of Prague.
- 12) Act No 111/2006, on assistance in material need, as amended.
- 13) For example, Act No <u>118/2000</u>, on the protection of workers in the case of the employer's insolvency and amending certain acts, as amended.
- 14) Decree No 134/1998, issuing a list of health procedures with point values, as amended
- 16) Act No <u>526/1990</u>, on prices, as amended.
- 15) Labour Code.
- 17) Article 43 et seq. of the Treaty establishing the European Community.
- 18) Article 49 et seq. of the Treaty establishing the European Community.
- 19) Act No 101/2000, on personal data protection and amending certain acts, as amended.
- 20) Commission Decision of 23 December 2003 implementing Council Regulation (EEC) No 1612/68 as regards the clearance of vacancies and applications for employment.
- 21) Act No 589/1992, on social security contributions and contributions to the state employment policy, as amended.
- 22) Section 83a of the Labour Code.
- 23) Act No 373/2011, on specific medical services.
- 24) Act No 372/2011, on health services and conditions for their provision (the Health Services Act).
- 27) Section 9 of Act No 155/1995, on pension insurance.
- 28) For example Act No 21/1992, on banks, as amended, Act No 328/1991, on bankruptcy and settlement, as amended, Act No 248/1992, on investment companies and investment funds, as amended.
- 29) Section 70 et seq. of the Commercial Code.
- 32a) Section 39(2)(c) of Act No 155/1995, as amended.
- 32b) Section 39(4)(f) of Act No 155/1995, as amended.
- 32c) Section 45a(1)(e) of Act No 455/1991, on licensed trades (the Licensed Trades Act), as amended by Act 214/2006.
- 32d) Section 45a(6) of Act No 455/1991, as amended by Act No 214/2006.
- 32g) Section 11(1)(a) and (2) of Act No 155/1995
- 33) Section 55(1)(b) and Section 52(g) of the Labour Code.
- 34) Section 131 et seq. of Act No 221/1999, on professional soldiers, as amended.
- Section 157 et seq. of Act No 361/2003, on the civil service relationship of members of the security corps, as amended.
- 35) Act No <u>155/1995</u>, as amended.
- 35a) Act No 198/2002, on voluntary service and amending certain acts (the Volunteer Service Act), as amended.
- 35b) Act No 111/2006, on assistance in material need, as amended.
- 36) Section 52(a) to (c) of the Labour Code.
- 37) Section 275 of the Labour Code.
- 38) Act No 1/1992, on wages, remuneration for on-call time and on average earnings, as amended.
- 39) Section 3(2)(e) and (3)(a) of Act No 463/1991.

- 39a) Act No 269/1994, on the Criminal Register, as amended.
- 40) For example, Act No <u>358/1992</u>, on notaries and their activities (the Notarial Code), as amended, Act No <u>41/1993</u>, on the verification of conformity of copies or copy with a document and on authentication of signatures by municipal authorities and on issuance of certificates by municipal bodies and district authorities, as amended.
- 41) Act No 634/2004, on administrative fees, as amended.
- 42) Section 38a(2) of the Labour Code.
- 42a) Act No 309/2006, which governs other occupational safety and health requirements in labour-law relationships and on ensuring the occupational safety and health in the activity or the provision of services outside labour-law relationships (the Act on the Provision of Other Conditions of Occupational Safety and Health), as amended by Act No 362/2007.
- 43) For example Act No 29/1984, as amended.
- 44) Section 44a(4)(c) of Act No 218/2000, on budgetary rules and amending certain related acts (the budgetary rules), as amended by Act No 482/2004.
- 45) Section 44a(4)(a) and (b) of Act No 218/2000, as amended by Act No 482/2004
- 46) Act No 218/2000, as amended.
- 50) Act No 280/2009, the Tax Rules.
- 51) Act No 325/1999, on asylum, as amended.
- 52) Section 5 of Act No 310/1999, on the residence of the armed forces of other states in the territory of the Czech Republic.
- 52b) Section 45c of Act No 326/1999, as amended by Act No 161/2006.
- 52c) Act No 341/2005, on public research institutions.
- 52d) For example, Act No <u>96/2004</u>, on the conditions for obtaining and recognizing the competence for the pursuit of paramedical health care professions and the performance of activities related to the provision of health care and amending certain related acts (Paramedical Health Care Professions Act), as amended, Act No<u>108/2006</u>, on social services, as amended.
- 52e) Act No 561/2004, as amended.
- 52f) Act No 111/1998, as amended.
- 52g) For example, Decree No <u>50/1978</u>, on professional competence in electrotechnics, as amended by Decree No <u>98/1982</u>, Decree No <u>77/1965</u>, on the training, competence and registration of operators of construction machinery.
- 53) Act No <u>96/2004</u>, on the conditions for the acquisition and recognition of qualification to pursue paramedical professions and activities connected with the provision of health care and amending certain related acts (the Paramedical Health Cate Professions Act).
- 54) Section 141a of the Labour Code.

Decree No <a href="140/1968">140/1968</a>, on labour reliefs and economic security for persons studying while employed, as amended by Act No 188/1988 and Decree No 197/1994.

- 55) Act No 72/2000, on investment incentives and amending certain acts (the Investment incentives Act), as amended.
- (56) Act No 111/1994, on road transport, as amended.

Act No 266/1994, on railways, as amended.

- 57) Section 11 of the Labour Code.
- 58) Act No 121/2000, on copyright, on rights related to copyright, and amending certain acts (the Copyright Act).
- 59) Act No 40/1995, on regulation of advertising and amending and supplementing Act No 468/1991, on the operation of radio and television broadcasting, as amended.
- 62) Act No 118/2000, as amended.
- 64) Act No 320/2001, on financial control in public administration and amending certain Acts (the Financial Control Act), as amended

Section 44 of Act No 218/2000, as amended.

Act No 337/1992, as amended.

Act No 185/2004, on the Customs Office of the Czech Republic, as amended.

- Act No 251/2005, on labour inspection, as amended.
- 67) Act No 500/2004, the Code of Administrative Procedure, as amended by Act No 413/2005.
- 68) Section 266 of the Labour Code.
- 69) Section 7(3) of Act No 71/1967
- 70) Act No 61/1988, on mining activities, explosives and state mining administration, as amended.
- 71) Section 33(3) of the Labour Code.
- 71a) for example Section 8 of the Criminal Act.
- 72a) Section 42i of Act No 326/1999, as amended by Act No 427/2010.
- 73) Section 67 of the Labour Code.
- 74) Section 131 et seq. of Act No 221/1999, on professional soldiers, as amended.
- Section 155 et seq. of Act No 361/2003, on the civil service relationship of members of the security corps, as amended.
- 75) Act No 73/2011, on the Labour Office of the Czech Republic and amending related acts.
- 76) Section 2 of Act No 73/2011
- 77) Section 8a of Act No 365/2000, on public administration information systems and amending certain other acts, as amended by 130/2008 and Act No 190/2009
- 78) Section 3 of Act No 251/2005, on labour inspectorate, as amended.
- 79) Section 52(h) of the Labour Code.
- 80) Act No 198/2009, on equal treatment and on legal instruments of protection against discrimination and amending certain acts (the Anti-Discrimination Act).
- 81) Section 2 of the Labour Code.
- 82) Section 3 of the Labour Code.
- 84) Act No <u>277/2009</u>, on insurance, as amended by Act No <u>409/2010</u>.
- 85) Section 356 of the Labour Code.
- 86) Act No 37/2004, on insurance contract and amending related acts (the Insurance Contract Act), as amended.
- 87) Section 136 of Act No 182/2006, on insolvency and methods of its resolution (the Insolvency Act), as amended.
- 88) Section 39(2)(a) and (b) of Act No 155/1995, as amended.
- 89) Section 4a of Act No 73/2011, as amended by Act No 366/2011.
- 90) Act No 592/1992, on insurance premiums for general health insurance, as amended.
- 91) Section 111 of the Labour Code.
- 92) Act No 418/2011, on criminal liability of legal persons and proceedings against them.
- 93) Act No 312/2002, on officials of territorial self-governing units and amending certain act, as amended.
- 95) Section 178b(4) of Act No 326/1999, as amended.
- 96) Act No 258/2000, on public health protection and amending certain acts, as amended.
- (97) Act No 187/2006 Coll., on sickness insurance, as amended.
- 98) Article 50(1) of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in accordance with Articles 107 and 108 of the Treaty.
- 98) Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006.

- 99) Section 79 of the Labour Code.
- 99) For example, Regulation (EU) No  $\underline{1304/2013}$  of the European Parliament and of the Council of 17 December 2013 on the European Social Fund and repealing Council Regulation (EC) No  $\underline{1081/2006}$ .
- 100) Section 3(7) of Act No 219/1999, on the armed forces of the Czech Republic.
- 101) Act No 90/2012 Coll., on trading companies and cooperatives (the Business Corporations Act).
- 102) Section 42k of Act No 326/1999, as amended.
- 103) Act No 255/2012, on control (the Tax Rules).
- 104) For example, Act No 85/1996, on the legal profession, as amended, Act No 95/2004, on the conditions for acquiring and recognizing professional competence and specialised competence for practicing the medical profession of a physician, dentist and pharmacist, as amended.
- 105) For example, Act No <u>179/2006</u>, on the certification and recognition of the results of further education and amending certain acts (the Recognition of Further Education Results Act), as amended.