



Legal Alert

in the field of labour law

27 November 2023

Weinhold Legal

Below is a summary of the changes employers should prepare for as we approach the end of 2023. If you have any questions about the below, please do not hesitate to contact us.

Legislative changes and proposals

Internal reporting systems also mandatory for smaller employers from 15 December 2023

Act No. 171/2023 Coll., on the protection of whistleblowers, which entered into force on 1 August 2023, enabled **employers with 50 to 249 employees**, unless they fell into a special category and this obligation had already arisen on 1 August 2023, **to introduce an internal whistleblowing system from 15 December 2023 at the latest**, based on a transitional provision. We reported in more detail on this Act in our June [Legal Alert on labour law](#). As a result, all employers with 50 or more employees must have an internal notification system in place by 15 December 2023 or they may be fined up to CZK 1,000,000.

Conditions for the internal notification system

The obliged entity may delegate the management of the internal notification system to another person, but this does not affect the responsibility of the obliged entity ([see also the service we provide](#)). **Private sector obliged entities** that employed **no more than 249 employees** on 1 January of the relevant calendar year may share an internal notification system or use an internal notification system established by another obliged entity if it designates a person competent to receive notifications.

How to implement an internal notification system most effectively?

The implementation of an internal whistleblowing system under the Whistleblower Protection Act will normally require:

- ▶ Determine whether the entity is an obliged person and, if so, whether it will have its own internal notification system (determine how notifications will be received, ensure technical measures to operate a secure internal notification system) or share it or delegate it to another person,
- ▶ **appoint the appropriate person(s) and ensure that they are trained** (this may be an employee or a person outside the obliged person),
- ▶ **Issue an internal regulation (establish processes) governing the operation of the internal whistleblowing system** - investigating notifications and taking corrective and preventive action (it may be advisable to use examples to show the most common violations that may be reported by a given employer),
- ▶ **train and inform employees**,
- ▶ edit personal data processing records and information on the processing of personal data.

Foreign boarding fees for 2024

The Decree of the Ministry of Finance published in the Collection of Laws under **No.341/2023 Coll.** sets the basic rates of foreign meal allowances for 2024.

Increase in the reduction thresholds for adjusting the daily assessment base for 2024

According to the announcement of the Ministry of Labour and Social Affairs published under **No.313/2023 Coll.**, the reduction thresholds for adjusting the daily assessment base

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for the purposes of sickness insurance will be increased from 1 January 2024. The increase in the reduction thresholds for the adjustment of the daily assessment base for 2024 will be for

- ▶ the first reduction threshold for the adjustment of the daily assessment base will be CZK 1,466 (90% of earnings for the purposes of providing sickness benefit and 100% for the purposes of maternity allowance are included in this amount; 60% is included above this amount);
- ▶ the second reduction threshold for adjusting the daily assessment base will be CZK 2,199 (earnings between the second and third thresholds are counted at 30% of earnings);
- ▶ the third reduction threshold for adjusting the daily assessment base will be CZK 4,397 (above this threshold, earnings are no longer taken into account).

Regulation on the adjustment of compensation for loss of earnings

Government Decree **No.338/2023 Coll.** provides for an increase in the average earnings for the calculation of compensation **for loss of earnings after the end of incapacity for work** caused by an occupational accident or occupational disease, now in a lump sum of **CZK 360**.

A similar modification occurs in the area of compensation for the costs **of maintenance of survivors**, with the addition that the average earnings decisive for the calculation of compensation for the costs of maintenance of survivors under labour law are also increased by a lump sum of **CZK 360**.

The entitlement to the increase shall be effective from 1 January 2024 if the right to compensation for earnings or survivors' maintenance accrued up to and including 31 December 2023.

Increase in the minimum wage and minimum guaranteed wage levels

On 9 November 2023, the Ministry of Labour and Social Affairs sent for comments a draft Government Regulation amending Government Regulation No. 567/2006 Coll., on the minimum wage, on the lowest levels of guaranteed wages, on the definition of a difficult working environment and on the amount of wage supplement for work in a difficult working environment, as amended, which is to increase the minimum wage rate and the lowest level of guaranteed wages with effect from 1 January 2024. The draft is available [here](#). The proposal contains 2 options for the increase.

Option I assumes that the minimum wage would reach approximately 45% of the average wage within 5 years (in 2028) and that this increase would be spread evenly over the time horizon. The **basic rate of the minimum wage** and the lowest level of the guaranteed wage would thus increase from **CZK 17,300 to CZK 18,900**, i.e. by CZK 1,600, from the New Year. The minimum hourly wage would thus rise from **CZK 103.80 to CZK 112.50**. The lowest levels of guaranteed wages for all job groups would also increase, from CZK 34,600 to CZK 37,700 for group 8.

Option II assumes that the minimum wage would reach approximately 50% of the average wage within 5 years (in 2028) and that this increase would be spread evenly over the time horizon. The **basic rate of the minimum wage** and the lowest level of the guaranteed wage would thus increase from **CZK 17,300 to CZK 19,400**, i.e. by CZK 2,100, from the New Year. The minimum hourly wage would thus rise from **CZK 103.80 to CZK 115.50**. The lowest levels of guaranteed wages for all job groups should also rise, with the lowest level for job group 8 rising from CZK 34,600 to CZK 38,800.

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Decree on fixing the amount of the lump - sum reimbursement of telework expenses for 2023

Decree No. [299/2023 Coll.](#) sets the amount of the lump sum of the reimbursement of costs for teleworking at CZK **4.60 for each hour of work, effective from 1 October 2023**, in connection with Section 190a(4) of the Labour Code. The hours of telework in one calendar month shall be added together for the purposes of the lump sum and the lump sum reimbursement shall be payable no later than in the calendar month following the month in which the right to it arose.

The Ministry of Labour and Social Affairs determines the amount of the lump sum according to the data published by the Czech Statistical Office on household consumption adjusted for the telework model, periodically on 1 January or on an exceptional date if the published data increase or decrease by at least 20%.

Court decisions

The judgment of the Court of Justice of the European Union ("CJEU") of 19 October 2023 in Case C- 660/20 MK v Lufthansa CityLine GmbH was delivered following a preliminary question referred by the German Federal Labour Court as to whether national rules for obtaining additional remuneration requiring a part-time employee to work the same number of hours as a full-time employee constitute discrimination prohibited by EU law.

The CJEU held that

"national legislation which makes the payment of additional remuneration conditional on part-time employees and comparable full-time employees uniformly exceeding the same number of hours worked in a given activity, such as pilot flight duty, must be regarded as 'less favourable' treatment of part-time employees"

The information contained in this bulletin is presented to the best of our knowledge and belief at the time of going to press. However, specific information related to the topics covered in this bulletin should be consulted before any decision is made. The information contained in this bulletin should not be construed as an exhaustive description of the relevant issues and any possible consequences, and should not be fully relied on in any decision-making processes or treated as a substitute for specific legal advice, which would be relevant to particular circumstances. Neither Weinhold Legal, s.r.o. advokátní kancelář nor any individual lawyer listed as an author of the information accepts any responsibility for any detriment which may arise from reliance on information published here. Furthermore, it should be noted that there may be various legal opinions on some of the issues raised in this bulletin due to the ambiguity of the relevant provisions and an interpretation other than the one we give us may prevail in the future.

For further information, please contact the partner / manager you are usually connected to.



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