

it was to end by this termination; in these cases the employee has a right to wage or salary remuneration to the amount of average earnings for the time of notice period.

Void employment termination by employee

- if the employee gave notice in an invalid way or if the employee terminated employment immediately or during probation period in an invalid way and the employer notified the employee without undue delay and in writing that they insist that the employee continue with their work, the employment continues. Should the employee not comply with the employer's request, the employer has a right to demand damages as of the day when the employee was notified that the employer insist on continuation of employment,
- if the employee gave notice in an invalid way but the employer does not insist that the employee continue work for them, it is considered that the employment ended by agreement, unless the two parties agree otherwise:
 - a) if an invalid notice was given the employment will end after the notice period expires,
 - b) if employment was terminated in an invalid way with immediate effect or during probation period, the employment will end on the day when it was to end by this termination.

In this case the employer cannot claim damages from the employee.

Void employment termination by agreement

- in the case of a void employment termination by agreement, the procedure when considering the right of the employee for remuneration of lost wages or salary is similar as in the case of a void notice served by the employer,
- the employer cannot claim damages due to the invalidity of the agreement.

Dismissal from a position as a manager or resigning from such a position

- employment by appointment in line with § 33 par. 3 of LC falls under a different legal regulation in terms of commencement as well as in terms of termination,
- in the case of such employees, the employment does not end by dismissal or resignation unless the employment was only based on a fixed term appointment.

State Labour Inspection Office, Department of Work Relations and Conditions,
March 2009

EMPLOYMENT TERMINATION

With changes taking effect as of 1st January 2008

Basic information

- legal regulation: section 48 in accordance with Act no. 262/2006 Coll., Labour Code, as amended (hereinafter referred to as "LC").

Ways of employment termination

Employment can be terminated only by:

- a) agreement,
- b) notice,
- c) immediate termination,
- d) termination during the probationary period.

Fixed term employment ends when the negotiated period has expired.

Employment ends if an employee dies.

Employment of foreigners ends:

- a) on the day when residence in the Czech Republic ends on the basis of an enforceable decision of a relevant authority on the termination of their residence permit,
- b) on the day when a judgement compelling the sentence of banishment from the Czech Republic comes into effect,
- c) by expiry of the time for which an employment permit had been issued.

Agreement on employment termination

- an employer and an employee enter into an agreement on employment termination in writing, otherwise it is not valid; employment ends on the agreed day,
- it is not necessary to state reasons unless the employee insists on stating them. In case employment is terminated for organizational reasons in line with the provision in section 52 letter a) to c) of LC, and the employer and the employee enter into a written agreement on employment termination, it is advisable to state this fact in the agreement with regards to a right to claim redundancy payment in line with section 67 of LC.

Notice

- an employer as well as an employee can give notice to terminate employment (unilaterally),
- the notice must be in writing and delivered to the other party otherwise it is

- not valid,
- the notice can be withdrawn only with the agreement of the other party, the withdrawal of the notice as well as an agreement with the withdrawal must be carried out in writing.

Notice period

- employment ends after the notice period has expired,
- notice period is at least two months,
- notice period starts running from the day of the calendar month following the month after the notice was delivered and usually ends by expiry of the last day of the relevant calendar month.

Notice given by an employee

- an employee can give notice to the employer for any reason or without stating a reason.

Notice given by an employer

- an employer can give notice to an employee only for a reason stated in LC,
- the reason for the notice must be factually defined in such a way that it is not possible to mistake it for another reason otherwise the notice is not valid; the reason cannot be changed later.

An employer can give notice to an employee only for the reasons stated below (§ 52 of LC):

- a) if the employer or their part is closing down,
- b) if the employer or their part are moving,
- c) if an employee becomes redundant in relation to the employer's decision or a relevant authority on a change in their tasks, technical equipment, cutting the numbers of employees in order to increase the efficiency of work or resulting from other organizational changes,
- d) if according to a medical report issued by industrial preventative health care or according to a decision by a relevant administration authority which checks the medical report, an employee can no longer carry out their existing work due to an industrial injury, a job related illness or because of the risk of falling ill with such an illness, or if an employee has in line with a decision by a relevant public health care authority reached the highest exposure allowed,
- e) if an employee lost the long term ability to further carry out the existing work due to their health condition according to a medical report issued by industrial preventative health care or according to a decision by a relevant

- the same reasons, is entitled to severance pay or at least 20 times of average earnings (in case the employer is fully released from liability for a work related accident or illness, the employee is not entitled to severance pay),
- a collective agreement or an internal regulation can state the amount of severance pay,
- severance pay is paid after employment termination on the nearest pay date, unless the employer and the employee agree otherwise,
- severance pay is linked to losing employment,
- if after employment termination the employee carries out work for the existing employer on the basis of employment or on the basis of agreement to carry out work before the expiration of time defined on the basis of the number of average earnings multiples from which the amount of severance pay was calculated, they are obliged to return severance pay or a pro rata part thereof to the employer.

Void employment termination

- only a court can pass a judgement on the invalidity of employment termination,
- the employer as well as the employee can claim before the court the invalidity of employment termination within 2 months at the latest from the day on which the employment were to end.

Void employment termination by employer

- if an employer served a void notice to an employee or if an employer terminated employment in an invalid manner immediately or during a probation period and if the employee notified the employer without unnecessary delay that they insist on being further employed, their employment continues and the employer must remunerate their wage or salary. The remuneration of wage or salary (average earnings) is provided to the employee as of the day when they notified the employer that they insist on further employment until the day when the employer enables them to continue work or when valid employment termination takes place,
- if an employer terminated employment in an invalid way but the employee did not notify the employer that they insist on further employment by the employer, it is considered that the employment ended by agreement unless the two parties agree otherwise in writing:
 - a) if an invalid notice was served the employment will end after the notice period expires,
 - b) if employment was terminated in an invalid way with immediate effect or during probation period, the employment will end on the day when

Mass dismissal

- Labour Code defines mass dismissal re employment termination with a larger number of employees in the stated period on the instigation of an employer,
- before serving notice to the individual employees, the employer must inform the union or the council of employees in writing and in time about their intention, at least 30 days in advance, this information must include the reasons, numbers and structure of employees,
- if there is not a union or a council of employees at the employer's, the employer is obliged to fulfil the above mentioned duties towards each individual employee who is affected by the mass dismissal.

Termination of fixed term employment

- employment will end after the expiration of time for which it was contracted,
- this employment can be terminated in other ways (agreement, notice, immediate termination, employment termination during probation period),
- if the term of employment was defined in terms of time for performing certain works, the employer will point out to the employee the end of the work on time, usually at least 3 weeks in advance,
- if after the negotiated period of time the employee continues performing work with the employer's knowledge, then the employment is regarded as indefinite.

Employment termination during probation period

- both the employer and the employee can terminate the employment during the probation period for any reason or without giving a reason,
- a notification in writing about employment termination should be delivered to the other party usually at least 3 days before the day on which the employment is to end.

Severance pay

- an employee whose employment is terminated by notice served by the employer for reasons stated in §52 letter a) to c) of LC or by an agreement for the same reasons, and an employee who terminated their employment with immediate effect, are entitled to severance pay of at least three times the amount of average earnings,
- an employee whose employment is terminated by notice served by the employer for reasons stated in § 52 letter d) of LC or by agreement for

- administration authority which checks the medical report,
- f) if an employee does not fulfil the criteria stated by legal regulations for performing the agreed work or if they do not fulfil the requirements for the orderly performance of the work without any fault on the part of the employer; if the unfulfilling of these requirements lies in unsatisfactory work results, it is possible to give an employee notice only if they have been in the course of the previous 12 months required in writing by the employer to eliminate these and have not done so in reasonable time,
- g) if there are reasons on the part of an employee for which the employer could immediately terminate the employment or due to serious breach of duties following from legal regulations relating to the work carried out by the employee; it is possible to give an employee notice due to the constant less serious breach of duties following from legal regulations relating to the work carried out by the employee if they were over the course of the last 6 months warned in writing about the possibility of being given notice in relation to breaching their duties following from legal regulations relating to the work carried out.

Forbidden to give notice

- protects the employee from unilateral termination of employment by the employer;
- an employer must not give notice to an employee during the protective period, that is:
 - during the time an employee is temporarily unable to carry out work unless the employee caused this inability to themselves on purpose or unless this inability was caused as a consequence of the employee being drunk or using drugs, and in the period from submitting a recommendation for institutional care or from starting a spa treatment,
 - during the time of performing army training,
 - during the time of long term release of an employee to carry out public duties,
 - during the time when a female employee is pregnant or is on maternity leave or when a female or male employee takes parental leave,
 - during the time for which an employee who works at night is declared temporarily unable to do night work on the basis of a medical report issued by industrial preventative health care;
- if an employee was served notice before the beginning of the protective period in such a way that the notice period would expire during this time, the protective period is not counted into the notice period; employment is

terminated after the rest of the notice period expires after the end of the protective period, unless the employee declares that they do not insist on prolonging the employment;

- the protective period is not counted only when it is longer than the notice period. Should the protective period last only several days and for that reason it would not influence the end of the notice period but it would end earlier, it will not influence the running of the protective period in any way. Should the protective period be longer than the notice period, employment will terminate only after the expiration of the part of the notice period following the protective period;
- forbidden to give notice does not usually apply to notices served to an employee due to:
 - organizational changes listed in § 52 letter a) and b), that is if the employer or their part is closing down, if the employer or its part is moving,
 - a reason for which an employer can immediately terminate employment,
 - other breach of duties following from legal regulations relating to the performed work – see § 52 letter g).

Immediate employment termination

- both an employer and an employee can terminate employment with immediate effect, however only for reasons defined in the Labour Code,
- immediate employment termination must be carried out in writing,
- in the immediate termination, the reason for it must be factually defined in such a way that it is not possible to mistake it for another reason, the reason cannot be changed later,
- it must be delivered within the determined period to the other party, otherwise it is not valid,
- in this case no notice period runs, but the employment is terminated immediately by delivery of the termination.

Immediate employment termination by employer

- an employer can exceptionally terminate employment immediately only:
 - if an employee was finally and conclusively sentenced for an intentional offence to serve an unconditional sentence for a period longer than 1 year, or if an employee was finally and conclusively sentenced for an intentional offence committed while performing work or in direct relation to an unconditional sentence for the period of at least 6 months,

- if an employee breached their duties following from the legal regulations relating to work performed by them in a particularly inappropriate way;
- period for immediate employment termination by employer:
 - within two months from the day when the employer learned about the reason, although always within 1 year at the latest from the day on which a reason for immediate termination arose,
 - due to breach of duty following from employment abroad within 2 months after an employee's return from abroad, although always within 1 year at the latest from the day on which a reason for immediate termination arose:
- an employer must not terminate employment immediately with a pregnant female employee, a female employee on maternity leave and an employee or a female employee on parental leave.

Immediate employment termination by employee

- an employee can terminate employment immediately only if:
 - according to a medical report issued by industrial preventative health care or in line with the decision by a relevant administration authority which checks the medical report, they can no longer carry out work without serious risk to their health and the employer did not make it possible for the employee within 15 days from receiving this report to carry out different and more suitable work,
 - the employer did not pay their wages or salary or remuneration of wages or salary or any part thereof within 15 days after expiration of the due date;
- period for immediate employment termination by employer:
 - within 2 months from the day they learned about the reason for immediate employment termination, although within 1 year at the latest from the day on which this reason arose.

The presence of the unions at employment termination

- an employer must negotiate in advance individual cases of employment termination (serving notice and immediate employment termination) with the relevant union,
- the union has a right to express their opinion, however it is not binding for the employer.