

Principles of Transfer of European Versus Czech Human Rights and Responsibilities Arising Employment Legal Relations

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Abstract

The aim of paper is to define differences between Czech legislation and European law established by law or other valid legal regulations and to point out key areas that are different and key principles for transfer of European and Czech human rights and responsibilities arising employment legal relations. The paper of entire study is determination of proposal for measures related to changes in Czech legislation, which formulate proposals changes in Czech legislation. The paper provides a basic overview of theoretical framework for a practical understanding of human rights and responsibilities from labour relations on basis of administrative and legal acts, as well as court decisions. The methods that were used are method of induction and deduction, Best Practice method (own experience from professional practice of authors in positions Deputy of HR manager and lawyer), exclusionary method, observation method, classification analysis method, method of abstraction and comparison method. Outcomes are a comparison of current national and European legislation in form of a case study which is based on essential parts of provisions of relevant legislation of Czech Republic according to paragraph 2 of §338 of Labour Code analysing social work implications in accordance with European legislation make take precedence over Czech law and could be reduced by criteria for assessing retention of identity of transferred economic entity due to a time delay affecting postponement of tasks. The main benefit of study is differences in European legislation when contracting a business transfer or merger. Future research must be compared other legislation in selected European countries not only Czech Republic. European law must be adjusted with respect to individual European countries in future so that even court decisions in each European country are equally legally valid.

Keywords

Labour Processes, Human Rights, Labour and Employee Relations, Employment Legal Relations, Social Labour Partnership

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I. Introduction

Absolute and relative poverty causes starvation, diseases and illnesses and has a fatal role in sociability and family breakdown increase in stress factors and pathological changes, drug addiction, crime and violence. The models of economic development have an adverse effect both on growth of poverty and environment. Labour law in its purest form is an expression of interest society on protection of social rights, which has undergone a long development, especially in 20th century. Social rights are therefore an important element of a democratic society and as such receive special protection both in international law, on European Union law and in national legal systems of individual states.

Social rights are also an expression of basic values shared by European civilization and at the same time permeate daily life of all individuals who make it up. This social consequences and institutional transformation in context of current globalization relate to transformations of institutional systems of work and entrepreneurship organizing.

According to authors (Lorincová et al., 2016) and (Robbins et al., 2017) to context of so-called risk factors, which are increasingly globalized, mainly by so-called industrial risk generation mainly due to arms with excessive destructive capacity, mass global poverty and continuous ecological destruction or by repressing human potential of social development, as well as by restricting human rights. The authors (Johnson, 2017), (Steel et al., 2017) and (Waggoner, 2017) define legal relationships theories such as social relations which are regulated by law, i.e., normative system generally binding and enforceable by state (Malgorzata, 2019). In event legal relations are linked to labour process especially for dependent work, we talk about employee relations, whose participants are holders of human rights and responsibilities towards each other, add (Fridrich, 2019) and (Kazakov, 2019). The relationship between law and social work is balanced there are relevant legal rules. These are absolute and discretionary duties and powers, which mandate preventative, protective and coercive interventions with service user groups (Allaire et al., 2013), (Aganaba-Jeanty, 2014), (Jouza, 2014) and (Bělina et al., 2015). Transfer of human rights and responsibilities arising employment legal relations can occur in cases provided for by law or by special legislation. Transfer of activities employer or employer's activities or to transfer of tasks or part of another employer, rights and responsibilities arising relations are in full to employer. The human rights and responsibilities of Collective Bargaining Convention to employer at the time of effectiveness of Collective Bargaining Convention, but not later than by the end of following calendar year. For tasks or activities, employer shall be regarded tasks related to ensuring production (Bellairs et al., 2014) or provision of services (Škodová Parmová, 2015) or similar activities according to specific legislation, legal or natural person performs in dedicated facilities for these activities or usual places for their performance on their own responsibility under its own name (Hsieh and Wettstein, 2015). For an employee, performance of work duties arising from employment relationship is fulfilment of work task.

Furthermore, activity that employee performs at behest of employer and activity that is subject of business trip (Barrett, 2015), (Mugarura, 2016) and (Van Camp et al., 2016). Transfer contractual obligations can be realized, for example by purchase agreement on transfer of plant with tangible (Kuznetsova, 2016), intangible and personal folders are

undertaking of business unit a lease contract or atypical, characterize (Koniaris et al., 2016). The European Union law is enshrined on principle of transfer of human rights and responsibilities arising employment relations of realized on basis of administrative and legal acts (Todolí-Signes, 2017), but also court decisions (Frege and Kelly, 2020), (Liesa, 2020) and (Murgia et al., 2020).

In European Union law, distinction can be made between primary law, which means law enshrined in Treaty on Functioning of European Union, which are basic rules on which European Union rests and secondary law. All workers and employers have right to freedom of association in national and international organizations to protect their economic and social interests (Bogo, 2016), (Braye and Preston-Shoot, 2016), (Navajas-Romero et al., 2017) and (Kurkov et al., 2019). An example can be currently implemented projects from European funds aimed at systemic support of professional performance of social workers (Payne and Fisher, 2019).

The primary goal of project is increasing competence of social workers and support media image of social work profession. The secondary goal of project is improving performance of social worker activities in environment of the Czech Republic with an impact on current and potential clients and employers of social workers. The project responds to current social issues, shares knowledge of good practice from home and abroad in public (Ministry of Labour and Social Affairs of the Czech Republic, 2022).

The starting point of Directive of European Parliament and experience of authors is establishing a minimum basis of common rules for protection of purchasers in relation to certain aspects of contracts for acquisition of right of temporary occupation of immovable property (Jílková, 2021).

It is also important to ensure proper functioning of internal market and thus protection of acquirers (Panomarioviene and Wroclawska, 2021) and (Sulphey et al., 2021).

The rules in framework of contractual transfers, including their aspects, must relate to information about essential elements of contracts and methods of providing this information, as well as procedures and methods of terminating contracts and withdrawing from contracts (Olsen, 2021) and (Szymura, 2021). The Directive, in accordance with principle of subsidiarity, is an appropriate instrument to ensure achievement of stated objective of defining differences between Czech legislation and the European law established or other applicable legislation and pointing out key areas that differ and a key principle for transfer and Czech human rights and responsibilities arising employment legal relations (Davis and Klinkner, 2022), (Defossez, 2022), (Chucha, 2022), (Kattel, 2022) and (Mačernyté-Panomarioviené et al., 2022). In case that subject of implementation will not be undertaking as a whole or its branch, it will be necessary to consider possibility of transfer within meaning of Directive, while maintaining identity of economic units to be transferred. According to article 2 (2), 1 (b) and directive, “transferor” means any natural or legal person who, because of a transfer under article 17. 1. Directive ceases to be employer in respect of undertaking, business or part of undertaking or business.

The fact that transferor ceases to be employer, arises in connection with disposition of company.

In the Czech Republic, relationship between international treaties and national law is dealt with in Constitution. Already at beginning of Constitution, responsibilities for Czech Republic to comply with obligations that for nor do they result from international law. European Union law is autonomous and distinct legal system that differs from law international as well as national law. The reason for this is the fact that EU is not a classic international organization, one of whose basic features is that it is not superior to member states. The EU is something completely special and exceptional in international relations, because member states have voluntarily given up some of their sovereign powers in favour of it and EU is therefore superior to them in these areas. For this reason, they often talk about supranational character of not only EU itself, but also its law, as authors of paper mention through Best Practice method. European Union law must be distinguished in relation to member states and their entities according to whether it is primary or secondary law. Due to fact that primary law it is based on international contractual basis, i.e., norms of international public law, it has form of international law. Secondary law, on the other hand, is apparently closer to national law. Within powers that member states voluntarily gave up in favour of EU, it creates a unique legal order. This results in a situation where two legal systems apply side by side in member states, i.e., European Union law in addition to national law of respective member state. With the fact of existence of these two distinct legal systems, important question of their mutual relationship arises, especially in situations of conflicts between norms of European Union law and norms of national law within legal sphere of each member state. As text revealed, relevant Czech and European legislation is different.

European legislation is explicitly expressing prerequisite called a contractual transfer or merger (Vaníčková and Bílek, 2021), based on other criteria to be considered for transfer of undertaking which is not automatic result of a legal transfer or merger (Vaníčková, 2024). EU policies and legal rewrites, as reported by authors of paper are created in such a way that they consider interests and needs of citizens, businesses and other stakeholders from the European Union. Better regulation tools are meant to ensure that formulation of policy measures is based on documented facts and best-known practices (Chucha, 2022). Workers from other EU countries are entitled to same social and tax benefits as nationals of that country. It can be, for example, discounts on public transport fares intended for large families, child allowances or benefits ensuring a living wage.

The main social goal and motivational means of the European Union is development and improvement of standard of living and its comparison with developed countries (Inshyn et al., 2022). Considering defined goal at beginning of Abstract, authors propose to change Czech legislation to reflect European concept based on current EU law.

Authors of paper further state, one of goals of the European Union is to promote social progress and improve living and working conditions of European nations.

II. Materials and Methods

Scientific-research methods and assumptions were used in paper, e.g., induction and deduction methods, Best Practice method (the authors' own professional experience in positions Deputy of HR manager and lawyer in cooperation with use of selected case studies), exclusion method, observation method, method classification analysis, abstraction method and comparative method. The application of induction method was used for purpose of drawing lunch conclusions according to general principles and creating new reserves in the future. In practice, method of induction is used to problematically pay attention to what is significant.

The method of deduction is a method of drawing new, logically certain conclusions based on already known, general facts, statements or assumptions. The method of deduction belongs together with method of induction to basic thought processes in discovering new relationships and regularities. The benefit of deductive methods is in form of chain of thought and must be used simultaneously with other types of thinking and reasoning. A Best Practice method is a designation for procedures, processes or proven management methods that have achieved good results in multiple organizations and used as a recommendation that has already proven itself several times.

The benefit of Best Practice method is in form of learning from experience of already used and best practices, which make it possible to specify general standards and find new solutions and different perspectives. The exclusion method is used in decision-making when, for example, minimum value of observed parameter is determined and all options that do not meet requirement are excluded. The advantage of method is defining criteria for including or excluding probabilities while producing reliable and reproducible results. The observation method was chosen for purpose of summarizing information and its subsequent processing.

The benefit of descriptive method is generation of information or data from a subjective perspective. The aim of method of classification analysis is find a structure based on mutual relationships in obtained information and data and subsequently to further represent this structure. There must be similar or close entities in information structure. The advantage of classification analysis method is maintenance of easy access and integrity of information and data and possibly also reduction of vulnerability of trusted and sensitive information. The method of abstraction is a method that is based on process of abstracting or turning away from difference, peculiarity and uniqueness. The goal of abstraction is to define general and essential properties and relationships and fix them in concepts, in general and abstract ideas. The benefit of method is conversion of real values into a system of commonly used symbols.

The method of comparison is one of the most widely used scientific methods, which makes it possible to determine similarities and differences of phenomena or objects. When comparing same or different aspects of different objects, phenomena or indicators are identified. The benefit is creation of a comparison criterion that can be defined materially, spatially or temporally.

The chosen method of induction helped to draw general conclusions from current legislation through individual cases. The induction method was followed by deduction method, which was chosen because of logical inferences. It was about creating a method of logical thinking, proceeding from a general rule to a specific one.

The method of deduction made it possible to identify main differences between European legislation and Czech law. The Best Practice method followed Deduction method. The authors' own experiences from professional practice were valuable advice and ideas when determining final conclusions when comparing European legislation with Czech legislation. The Best Practice method helped to briefly and objectively assess at least one or more practical cases in order to truly understand causes and problems of investigated case. The exclusion method solved current and real situations and causes of problems that resulted from provisions of relevant legal regulations. The method of description revealed internal relations between European legislation and Czech law. The method of classification made it possible to define and describe parts of legislation. The abstraction method identified differences and fact that by studying and comparing different cases, a higher added value of output can be achieved than by a general description of case, formulation of concept structure, approach, case or institutional model. When generalizing results and conclusions from case studies a comparative method was also used which drew causal conclusions together with arguments applicable to individual sub-cases including interpretations.

Case studies tend to be used for analytical rather than statistical generalizations based on representative samples, most commonly a survey. Case studies are also an essential tool of Best Practice method, usable for application of already used and highly proven practices. The output of analytical generalization of interpretive case study is refinement of existing concepts or hypotheses, formulation of new hypotheses or reinterpretation of existing principles/relationships at conceptual level.

The authors of paper asked themselves an important question: What can be deduced from a detailed knowledge of one case? Can a case study be used to generalize or formulate hypotheses regarding interrelationships?

The authors of paper define differences between Czech legislation and European law established by statute or other applicable legislation and to point out key areas that differ and key principles for transfer of European and Czech human rights and responsibilities arising employment relations. A sub-objective is analysing European legislation that must be binding and should prevail under Czech law.

The selected sample is Czech national legislation based on provisions of §338 paragraph 1 letter 1 of Act No. 262/2006 Coll., Labour Code, as amended, according to which transfer of human rights and responsibilities from labour relations occurs in cases established by law or special legal regulation. From above, it is clear that definition of transition can be defined by Labour Code, but also by specific legislation for purpose of comparing Czech and European legislation. The following formulation of legal consequences of human rights and responsibilities follows from Czech Labour Code: in event of transfer of employer's activities or employer's tasks or part of them to another employer, human rights and responsibilities from labour relations are transferred in full to receiving employer; human rights and responsibilities from collective agreement are transferred to receiving

employer during period of validity of collective agreement, but no later than the end of following calendar year.

Czech law distinguishes between transfer of an activity or its part and transfer of tasks or their parts. The main problem is fact that this term does not correspond to European terminology, which is why authors have chosen a sub-objective in form of an analysis of European legislation. The Labour Code further defines tasks and activities of employer to consider human rights and responsibilities determine receiving employer. Tasks or activities of employer are mainly tasks related to ensuring production or provision of services and similar activities according to special legal regulations, which are performed by a legal entity or a natural person in facilities or designated places normally used on their own responsibility and in their own name. The successor employer, regardless of legal reason for transfer, whether ownership right is transferred, is a legal or natural person capable of continuing to perform tasks or activities (current employer) or a previous employer or a similar type of activity.

In comparison with European legislation, it is necessary to mention in order second examined sample defining transfer of human rights and responsibilities according to Council Directive 2001/23/EC of March 12, 2001 on approximation of legal regulations of member states regarding protection of rights of employees in case of transfers of enterprises, plants or parts of enterprises and parts of plants. Under Charter 1 Article 1 (a) Directive applies to any transfer of an undertaking, plant or part of undertaking or part of a plant to another employer as a result of a legal transfer or amalgamation; and b) Subject to letter a) and following provisions of this paper, it is a transfer within meaning of this directive, if there is a transfer of an economic entity that retains its identity, it means an organized grouping of resources that aims to carry out an economic activity, whether it is this main or secondary activity.

Research questions (RQ) were formulated on basis of scientific research assumptions and methods:

RQ1: What is determining factor in interpretation of definition of transfer of human rights and responsibilities?

RQ2: In legal practice, is it adequate to find a third amendment for a public entity that has entrusted fulfilment of a public service obligation?

RQ3: What deviations can be found in Czech labour law from European legislation?

The aim of study is defining differences between Czech legislation and European law established by law or other valid legal regulations and to point out key areas that are different and key principles for transfer of European and Czech human rights and responsibilities arising employment legal relations. A sub-objective is analysis of European legislation, which must be binding and should take precedence under Czech law.

III. European Legislations Related to Human Rights and Responsibilities

European legislation in human rights and responsibilities

Based on use of methods of scientific research and information were found in European legislation regarding employee legislation. Council Directive 2001/23/EC of 12 March 2001 on approximation of laws of Member States relating to safeguarding of employees' rights in event of transfers of undertakings, businesses or parts of undertakings or businesses. In its paper 1(a) it states, that directive shall apply to any transfer of an undertaking, business or part of undertaking or business to another employer as a result of a legal transfer or merger. In 1(b) it says that subject to subparagraph (a) and following provisions of this paper, there is a transfer within meaning of Directive where there is a transfer of an economic entity which retains its identity, meaning an organised grouping of resources which has objective of pursuing an economic activity, whether or not that activity is central or ancillary.

The directive replaces Council Directive 77/187/EEC of 14 February 1977 on approximation of laws of Member States relating to safeguarding of employees' rights in event of transfers of undertakings, businesses or parts of undertakings or businesses due to better clarity and rationality. The aim of Directive is to define significance of transfer of economic units with implications for industrial relations, especially in order to protect workers' rights. According to European legislation based on induction method, legislation is included in directive, which applies to public and private undertakings engaged in economic activities with aim of making a profit or not this goal (Glas, 2018). The Member States may specify transferor and transferee after date of transfer, being both liable for obligations that arose from a contract of employment or from employee relationship prior to date of transfer or existing on date of transfer (Flegl et al., 2022).

Principles of transfer of human rights and responsibilities

For benefit of professional experience of paper authors in cooperation with induction method, following principles were formulated. The principle of automatic transfer means that present employer transfers all human rights and obligations to another employer only on basis of law and conditions specified in law (Tu et al., 2022), but not in situations where transferor or transferee themselves negotiate their own terms (Seidimbek et al., 2023). The principle was defined by Supreme Court of Czech Republic, arguing that there cannot be a legal significance of a delimitation in area of employee relations, as no relevance is granted to will of parties. Concluding Delimitation agreement is only important to specify conditions under which transition occurs (Černý, 2020). As established by method of deduction, in order for there to be an ex lege transfer of human rights and responsibilities, contractual arrangement provided for by law must precede legal transfer or merger, as defined by Directive in Article 1, economic operator must be transferred. The entity is defined as organized clusters of funds whose aim is to pursue an economic activity as a principal or ancillary, which retains its identity. As above-mentioned definition reveals, it is related to a transfer of companies or its parts as separate organization units but also transfers of tasks or activities to be performed by transferor without transferring a company or its part.

The contractual transfer can be realized in many different contractual arrangements, e.g., purchase agreement, agreement on transfer of business, with all tangibles, intangible and personal components its parts there of as a separate organizational unit or by a rental or innominate agreement. European Union law is anchored on principle of transfer of human rights and responsibilities from labour relations (Dagan, 2017), which can be realized on basis of administrative acts (Caha, 2018), legal acts and court decision (Espadafor, 2019) and (Hafiz, 2021). If object implementation is not business as a whole or its separate organizational unit and some assets or intangible elements of business or premises used for business or just tasks without any current transfers ownership are transferred, it will be appropriate to consider whether this really is a transfer within meaning of Directive. The determining factor in interpretation of definition of transfer is preservation of identity of transferred economic entity, which is answer to first research question.

Transfer of human rights and responsibilities

A. Transfers of human rights and responsibilities based on public law decision

Based on Article 2, part 1(a) “transferor” shall mean any natural or legal person who by reason of a transfer within meaning of Article 1(1), ceases to be employer in respect of undertaking, business or part of undertaking or business.

One group of causes related to transfers of human rights and responsibilities as reported by authors of this paper based on Best Practice method include transfers on basis of decisions of public bodies as discussed by European Union law, e.g., judgment of The Court of Justice of European Union 172/99 of 25.1.2001. In this case, a transfer of an undertaking was deduced from a situation in which a public entity commissioned a third-party operating bus services to meet public service obligation and consequently this activity was entrusted to another carrier. This situation was confirmed and answered within second scientific question. Similar conclusions were made by Court of Justice of the European Union in Case 29/91 of 19.5.1992, when original employer (Foundation for assistance to drug addicts) lost its entitlement to subsidies from municipalities and then ceased its operational activities. The village then began to subsidize another entity to ensure identical tasks.

B. Transfers of human rights and responsibilities in connection with outsourcing

Another form allowing transfer of human rights and responsibilities is related to ensuring a task or activity through a subcontract from a third party. Under European Union law, many cases have been discussed; however, authors highlight based on exclusion method a frequently mentioned in case-law judgment in Rask’s case. In this case, a business entity (Philips) leased manufacturing facilities to a third party for operation of a canteen, which in previous period was run by a business entity itself for its employees and when there was not a contractual transfer and no property was transferred to a new operator of canteen, it was realized by only renting space by business owner (Haglund, 2021). The Court of Justice of European Union concluded that it is possible to perform a contractual transfer on grounds that directive in question will apply to case regardless of operation of canteen is not main activity of lesser, so they can subcontract to fulfil general criteria for legal transfer in accordance with Directive.

C. Transfers of human rights and responsibilities in connection with contractual transfer of three private entities participation

Another group of atypical cases of transfers of human rights and responsibilities is related to negotiations, resulting in transfer contract, with participation of three private entities. The authors of paper reported based on method of abstraction the Court of Justice of European Union's decision in case of Daddy's Dance Hall of 10.2.1988, when contract transfer was inferred in a situation where landlord rented space to various entities and transfer of human rights and responsibilities in relation to employees concerned persons which were employed by original tenant, which was converted to employment in connection with tenant's will to lesser who completed initial hiring and leased a new entity (Florowski, 2023). Similarly, court decided even if original owner of building rented premises for purpose of manufacturing to tenants, who ended, lease and sold property to a third party (the buyer). In this case, transfer of human rights and responsibilities of employees concerned original tenant in relation to new owner of object (the buyer).

D. Transfers of human rights and responsibilities undertaking under Directive

If there is a contractual transfer or merger, question arises whether it is a predictable situation, i.e., transfer of undertaking within meaning of Directive. In assessing existence of a transfer of an undertaking, authors of paper based on comparison method mention crucial decision of Court of Justice of European Union 24/85 of 18.3.1986. In this case, criteria were set to define issues of a transfer of an undertaking as an economic unit with preservation of its identity. There were also other cases based on case studies based on Best Practice method where it was appropriate to consider type of undertaking or business, transfer of material goods, i.e. buildings and movable assets, transfer of intangible assets, value of intangible assets on date of transfer; and also fact whether new employer took over most of original staff if there was a takeover of customers to determine degree of similarity between activities carried out before and after transfer and period for which such activities were discontinued.

The criterion of transfer of undertaking, as an economic entity which retains its identity, was formulated by Court of Justice of European Union based on criteria, which were not interpreted into text of Directive, which resulted in creation of non-compliance, including deviating from principle of transfer of entity which retains its identity. It was decided to remove criteria for transfer of tangible or intangible assets in connection with transfer of company and vice versa emphasized similarity of activities and tasks transferred (Cowell, 2019).

Against this loosened interpretation, authors of paper based on comparison method follow rigid interpretation, based on a strict scale of preservation of identity of entity transferred, referring to relevant European Union law, according to which should be decided, such as decision in cases of Rygaard (Czech Republic, 1994), in Süzen (Czech Republic, 1995a), in Oy Liikenne (Czech Republic, 1995b) and Temco Service Industries (Czech Republic, 2002), where basis for a reasonable interpretation of Directive can be seen, and it is possible to preserve meaning and purpose of legislation so that it is balanced and rational to protect employees and at the same time not to burden employers disproportionately (Polgari, 2018).

It is revealed based on own experience from professional practice of authors in positions Deputy Director of HR & Employment Lawyer that these ground-breaking decisions that demand existence of a stable economic entity and characterize factors such as governance, forms of work organization, production methods, existence of means of production.

E. Transfers of human rights and responsibilities according to identification of employees

Using method of induction and deduction, it was found that transition of human rights and responsibilities by law occurs automatically after contract becomes effective. In difficult (atypical) contractual transactions, it will be appropriate to identify persons who belong/not belong to transfers of undertaking or transferred activities or tasks. In this regard based on case study and own experience from professional practice of authors in positions Deputy Director of HR & Employment Lawyer, disputed cases may occur in a situation where employee performs more activities for a transferor, some of which are subjected to transfer or not, and group of persons is not defined or limited, it is always necessary to assess an individual case. People who are involved in transferred production process will be interested in transfer (Guerra, 2020). Persons who perform activities and tasks of ensuring operation of transferor will not be part of transition, because their activities are not tied to transferred part (Verschueren, 2021).

IV. Czech Legislations Related to Human Rights and Responsibilities

Principles of Czech legislation in human rights and responsibilities

As mentioned in introductory part of paper, Czech legislation represented by Labour Code is not a literal interpretation of definitions cited in European legislation, as there are obvious deviations. The transfer of human rights and responsibilities of labour relations under special legislation occurs or occurred in past, e.g. by Civil Code (transformation of legal entities); Act no. 182/2006 Coll.; Insolvency Act, as amended, Act no. 125/2008 Coll., on Transformations of Commercial Companies and Cooperatives; Act no. 427/1990 Coll., on Transfers of State ownership of Certain Things to Natural or Legal Persons; Act no. 92/1991 Coll., on Conditional Transfers under Transfer of Property Act no. 42/1992 Coll., on Regulation of Property Relations and Settlement of Property Claims in Cooperatives. In case of such transfers, there is a contractual transfer under conditions foreseen in EU legislation (Dvořáková, 2021). In connection with reasons specified in Labour Code, Czech legislator significantly deviated from European legislation (Depoo et al., 2022). The transfer of human rights and responsibilities from employment legal relations can occur under Labour Code in transfer of activities of employer or parts of employer's activities or transfer of tasks of employer or their parts to another employer without a fixed term of maintaining entity, which is answer to third research question.

According to situation before 30 July 2020, if employer's activities or part of employer's activities are transferred or employer's tasks or part of them are transferred to another employer, rights and responsibilities under employment law are transferred in full to transferee employer. The rights and responsibilities under collective agreement shall be

transferred to transferee employer for duration of collective agreement, but no longer than the end of following calendar year. Section 338 (2) of Labour Code deletes wording that allows for a transition when employer's tasks are transferred. This amendment is no longer necessary as it is included in general concept of transition. Although there were opinions, particularly from trade unions and employees, that possibility of transfer from a collective agreement should be postponed for a period of two years, these suggestions were not met. Authors of paper based on method of abstraction and classification analysis method acknowledge relevance of opinion of Petr Čech when language, but also formal legal point of view say it is possible to consider that parts of business, although they are not important, such as individual human rights, etc. belong to entrepreneurs and are used to operate enterprise or by their nature they have to serve this purpose, known as analytical approach to an undertaking.

An effective corporate governance framework has created a positive business environment in internal market across EU. The harmonisation of company law aims to achieve freedom of establishment (Title IV, Chapter 2 TFEU) and exercise of fundamental right set out in Article 16 of Charter of Fundamental Rights of European Union, freedom to conduct a business within limits set out in Article 17 of Charter (right to property). Article 49(2) TFEU guarantees right to access and pursue self-employed activities and to set up and manage undertakings, in particular companies or firms. The EU rules in this area aim to allow establishment of companies anywhere in EU with right to free movement of persons, services and capital, to provide protection for shareholders and others with a special interest in companies, to develop competitiveness of companies and to encourage cross-border cooperation (Europarl.europa.eu, 2022).

If we admit that part of enterprise can be a single component of business, which connects transition to a mere transfer of activities or tasks or parts of tasks without requiring actual transfer of business or its separate organizational unit, we come to irrelevance of statement.

Contractual transfer of human rights and responsibilities in Czech law

The Labour Code does not explicitly define a contractual transfer. Proceeding from euro-conform interpretation of domestic laws, interprets only transfer of a business or its part of as an organizational unit based on a contract between two entities, but under conditions mentioned above, in which a stabilized by European Union law. On 1 January 2021, an amendment to Business Corporations Act (Act No. 33/2020 Coll.) came into force, which brought fundamental changes in area of corporate law (Epravo.cz., 2022a). It includes ordinary sale, transfer in form of inheritance or corporate transformation or lease a business or its parts as separate components or nonstandard conversion, found relevant by European Union law as in C-392/92 Christel Schmidt vs. Spar und Leihkasse. Moreover, the amendment to Business Corporations Act represents a significant step towards harmonizing Czech corporate legislation with broader European Union legal standards, addressing dynamic nature of modern business transactions and organizational restructuring. Such legislative developments underscore ongoing need for flexible yet comprehensive legal mechanisms that can accommodate various forms of business transfers while maintaining clear protections for stakeholders. The multifaceted approach to defining business transfers

highlights intricate balance between preserving business autonomy and ensuring legal certainty in corporate transformations.

The term “part of race” posed an interpretative problem. Whether it should be understood as a “formal” concept, where a part of plant would be interpreted as a separate organizational unit (branch) within meaning of Section 503 of Civil Code, or as a “material” concept, where a part of plant means any property component of plant, transfer of which would entail a substantial change in existing structure of plant or a substantial change in object of company’s business or activity. The parties to transactions were thus in uncertainty as to whether or not a particular transfer agreement was subject to approval of general meeting. The Supreme Court solved this problem of interpretation in its decision NS 27 Cdo 2645/2018, dated 29.05.2019, which inclined to so-called formal-material interpretation. This means that at the same time formal prerequisite must be met, i.e., it must be a separate organisational unit that also meets material features, i.e., its transfer would mean a substantial change in existing structure of plant or a substantial change in subject of company’s business or activity (Epravo.cz, 2022b).

Czech legislature anchored legislation favourable to employees in comparison with majority interpretation of EU Directive. In case of European interpretation, it cannot be ruled out that Czech right legislative more advantageous for a weaker party beyond range of minimum standards of European Union law.

We cannot forget Labour law or private parties and principle of equality it is not an obvious reason to Czech legislature created a disproportionate imbalance in relationship of employer and employee, for which there is no known public interest and guarantee increased protection for employees.

Violation of principle of equal treatment is a breach of employer’s duty and employer is obliged to compensate employee for damage caused by such conduct. The obligation to compensate for damages shall be assessed, depending on circumstances, in accordance with provisions of Section 265(1) of Labour Code, according to which employer is obliged to compensate employee for damages incurred by him in performance of his work tasks or in direct connection therewith by a breach of legal obligations or by deliberate conduct contrary to good morals, or according to provisions of Section 265(2) of Labour Code, according to which employer is also obliged to compensate employee for damages caused to him by employees acting on his behalf by a breach of legal obligations in performance of employer’s work tasks. For more details, cf. e.g., judgment of Supreme Court 21 Cdo 2863/2015. The means of protection against discrimination are regulated directly by Anti-Discrimination Act. An employee who has been affected by a violation of rights and responsibilities arising from right to equal treatment or from prohibition of discrimination under Anti-Discrimination Act may seek in court that: a) discrimination be refrained from, b) consequences of discriminatory intervention be eliminated, and c) adequate compensation be given. If such redress is sufficient, then, if employee’s reputation or dignity or his or her standing in community has been substantially impaired, employee is entitled to compensation for non-pecuniary damage. The amount of compensation shall be determined by court (Ppropo.mpsv.cz., 2022).

Application practice of Czech courts based on observation method and classification analysis method approach to issue conservatively, based on assumptions of Czech legislation, particularly Labour Code, i.e., a transfer is considered to be a transfer operation of activity or task. According to decision of Supreme Court of Czech Republic dated 14 January 2010, it was sufficient to convert part of activities involving management and payroll processing, without examining subject of a transfer of an economic entity, as defined by European legislation or required by Commercial Code to transfer part of business.

The practice of Czech courts can interpret example of two relatively current court decisions, which can be stated minimum difference from European case law. According conclusions of Supreme Court of Czech Republic treaty, which defendant (the transferor) transferred to purchaser laboratory equipment and other movable assets necessary for operation of dental laboratories, represents together with fact that licensee has become tenant of commercial premises formerly leased defendant in which he began without interruption of operation of dental laboratory, instead of defendant after takeover of majority of customers and employees mostly legal reality with which under § 338 paragraph 2 of Act associated transfer of human rights and responsibilities to employees of defendant, who previously worked together in performance of its activities (tasks) and whose employment relationship until then had not finished. It was argued based on classification analysis method in accordance with reference to European legislation fact that not there is a transfer of an economic entity which retains its identity, so it can be considered an organized grouping of resources within meaning of Article 1, paragraph 1 b) Council Directive no 2001/23/EC, since scope of assets that have been transferred to a purchase contract with defendant and has been quite marginal.

The court rejected objection on grounds that appellant overlooks fact that directive is mandatory for Czech Republic and result to be achieved is not directly applicable (cf. provisions of Art. 249 of Treaty establishing European Community consolidated version published in No. 325/2002 – Official Journal of European Union). Range (value) of assets transferred to another employer can be realized on basis of an assessment of transfer of an economic entity under provisions of Art. 1, paragraph 1 of Council Directive no. 2001/23/EC, which cannot be examined in isolation, but always in tandem with what kind of undertaking or business concerned, whether new employer was taken over most of original employees. The court in this regard refused direct application of Directive, however, findings justify using an interpretation which was in conformity with European case law and Directive itself. In another case, Supreme Court of Czech Republic argued that transfer of human rights and responsibilities from employment legal relations occur under § 338 paragraph. 2 and 3 of Act always applies, if it was made legal act (contract) or occur when another legal fact, according to which by law entails a transfer of operations or parts of operations or tasks or part of tasks to another employer, provided that transferee natural or legal entity it is capable of continuing to perform tasks of an employer or employer actions or similar kind of activity, but it is clear what is legal reason for transfer, through which transfer of owner's rights and whether current employer lost ability to be employer.

If all conditions required by Labour Code or special laws are met, consent of employees' existing (current) employer is not required and human rights and responsibilities arising from employment relations are transferred to transferee employer and provided disapproval employees, i.e. transfer of human rights and responsibilities from labour relationships occur from law, without consent of employee and without termination of employment an employee with current employer and conclude a new employment contract with receiving employer. In present case based on classification analysis method, Court concluded that when defendant on basis of a commercial lease continued without interruption in operation of cafes formerly operated by another person in existing premises with all existing employees took along with interior fittings such as tables, chairs, coffee, recipes, food supplies, computer, where majority of customers and charged cafes, i.e. transfer took place of business (in part) by provision of §338 of Labour Code in respect of employees who were involved in this activity.

The authors of paper recently participated in legal consultations concerning assessment of whether a contractual transfer is interpreted according to definition of a legal transfer in accordance with Labour Code, from which emerged a discrepancy of Czech and European legislation. In case, a Czech corporation (person A) employing majority of employees decided in 2012 to provide meals for its employees through a third party (person B), that would produce and deliver food, drinks and provide services. In this sense, a contract for provision of services for an indefinite period with possibility of termination on both sides was signed. Serving meals and drinks under contract took place in an area of person A allocated for that purpose. In 2016, person A decided to terminate contractual relationship in form of notice because of dissatisfaction in quality of food.

Before giving notice, person A implemented an informal tender for a new provider of corporate catering and chose person C, who until then mostly did not run a business in provision of food, but with regard to its capacity (own material and staff), they signed a contract with person A and concluded that subject matter was the same as contractual relationship with person B. By law, there was not a direct legal relation of person B and C. Person A simply exchanged one provider for another. Between person B and person C, there was no transfer of tangible, intangible and staff components of business. They only had in common that they provided the same activities for person A in same area of person A using their own background, their own creation of food and drinks, different contractors, own means of production and production facilities for production of food or security personnel. If this is case, if we should put model situations interpreted in this paper, we define this relationship as a three-way transfer through outsourcing (Mineva and Kashirskaya, 2018) and (Jelovčan, 2022).

However, less complex activities can also be outsourced, e.g., cleaning or security. Under previous legislation, it could happen that a relevant part of employer's employees who were originally engaged in activity in question were transferred to such an external supplier with activity in question (unless existing employer found new employment for these employees by transferring them to other activities that were not subject of transaction before transfer). Anyway, since supplier already had its experts, solution for supplier was to dismiss relevant new employees for redundancy after transfer.

In outsourcing, activity is typically performed by external supplier in a different way and, in particular, there is no transfer of assets or a substantial part of employees (who are engaged in activity with employer) to external supplier. It can thus be concluded that in most cases of outsourcing in Czech Republic there is no longer a risk of automatic transfer of relevant employees to external supplier. This is a positive change for all involved, which could be inspired by legislator, for example, in Slovakia, where legislation is analogous to situation in Czech Republic before amendment and therefore still too broad (Advokatnidenik.cz., 2020).

The subject of extrajudicial dispute between person B and person C was requirement of person B, that person C should employ manager of person B, who was responsible for managing production, business and human resources of catering. On contrary, ordinary employees of business, cuisine and food dispensing should be a staff of person B, whose principal activity is provision of catering for third parties. Person C resisted to employ manager, pointing out that among person's B and C there is no transfer of activities or tasks, and claim that provision of services for people and workers need about their own security personnel. Under this reasoning, manager would be unnecessary after transition to new employer, burdensome to labour costs of person C.

Authors of paper conclude that consequences of redundancy are on behalf of original employer because there is no rational reason for interpretation that in absence of preserving identity of transferred economic entity is no transfer is not in terms of contractual relationship between parties B and C, despite this an employee is transferred (in addition, it is a manager) to person C. In accordance with case law of Czech courts, based on classification analysis method and in particular with regard to labour code suggests that this particular case would be if legal settlement was apparently formalistic interpreted as a transfer of human rights and responsibilities from labour relation due to broad definition of provision. § 338, paragraph. 2 and 3 of labour Code, but authors of this paper do not consider that legislation or its interpretation for appropriate and efficient.

By the way, amendment to Labour Code defined five additional cumulative conditions that must be met in order for rights and responsibilities under employment relationship to be transferred to transferee employer when employer's activities are transferred. These conditions necessary for transfer of employer's activity are: (a) activity is carried on in the same or similar manner and extent after transfer; (b) activity does not consist wholly or mainly of supply of goods; (c) immediately before transfer there is a group of employees which has been deliberately created by employer for exclusive or predominant purpose of carrying on activity; (d) activity is not intended to be short-term or to consist of a one-off task; and (e) property is transferred, or right to use or enjoyment thereof, if such property is essential to carrying on of activity by reason of nature of activity, or a substantial part of employees used by former employer in carrying on activity is transferred, if activity depends substantially solely on employees and not on property.

If all above conditions are not met, there can be no automatic transfer of employees from former employer, except where a special legal provision, e.g., Civil Code so provides (Advokatnidenik.cz., 2020).

Draft of measures transfer of human rights and responsibilities related to changes in Czech legislation

In current economic conditions, there are often situations when a company is sold or other forms of transfer of rights and responsibilities under Section 338 et seq. of Labour Code. In such a transfer of rights and responsibilities under an employment relationship, transferee (new) employer assumes rights and responsibilities arising from that relationship in full, as it enters legal position of transferor (Section 338 (2) of Labour Code). The transferee employer assumes obligations of its predecessor in the same form (under the same conditions) as would have existed for transferor if transfer of rights and responsibilities had not taken place at all. In particular, case law of Court of Justice of EU (CJEU) shows that wage and employment conditions must be maintained unchanged after transfer. It follows from legal regulation in Labour Code that changes to terms and conditions of employment are only possible on basis of an agreement between parties to amend employment contract pursuant to Section 40–47 of (Epravo.cz, 2022b).

Since employee who transfers to transferee is entitled to the same rights arising from employment relationship as with previous employer (transferor, e.g., right to holiday pay more than statutory limit), failure to provide a specific right to transferee is a worsening of working conditions. It is then an objective, not difficult to ascertain and not based on subjective aspect of employee's person, deterioration of working conditions. For example, increased costs of travel to work, problems with accommodation, change in pay conditions. The reasons for a substantial deterioration in working conditions may include not only objective circumstances, such as a factual change in wage conditions, but also facts of a subjective nature, consisting, for example, in relationship of transferred employee to employer or to employer's representatives (senior employees) (Epravo.cz., 2022b).

These legal provisions fundamentally aim to protect employees from potential negative consequences during corporate transfers or restructuring. The key principle is to ensure that an employee's existing rights and working conditions remain substantively unchanged, regardless of the change in ownership or management. This protection extends beyond mere financial considerations and encompasses a broader range of employment conditions, including intangible aspects like workplace relationships and established working practices.

The legislative framework and judicial interpretation emphasize that transfer should be as seamless as possible from employee's perspective. Any significant deviation from original employment terms could be grounds for the employee to challenge the transfer or potentially seek remedies, including potential compensation or even termination of employment with appropriate severance.

Moreover, the requirement to maintain unchanged working conditions serves multiple purposes: it provides job security for employees during potentially uncertain corporate transitions, prevents arbitrary changes that could disadvantage workers, and ensures a fair and transparent process of transfer of undertakings. This approach balances interests of businesses undergoing structural changes with fundamental rights of employees to stable and predictable employment conditions.

When formulating proposals for changes to Czech legislation and proposing ideas that would contribute to debate on amendments to Czech legislation, authors of paper, in accordance with case studies mentioned, propose:

- * European Directive in question is binding for Czech Republic at least by result to be achieved.
- * Czech legal standards must be applied and interpreted in a European conformity.
- * Without a good reason, Czech legislation is diverged from European Directive in defining reasons for human rights and responsibilities transfers. As seen by authors of paper, it is definitely to disadvantage of employer.
- * European legislation does not discuss legal transfer criteria in detail based on case law of EU Court of Justice, which is variable.
- * It is not appropriate, that Czech legislation and law is diverged from European legislation being philosophical and inspirational source of Czech legislation.

The authors of paper drafted attention to a disharmony in Czech court's decisions in European conformity within proposed measures. Those decisions do not provide legal certainty with regard to need for a judicial decision to deal with legislation arising from Labour Code. Moreover, it should be considered the fact that nothing prevents Czech legislators to provide a wider range of human rights protection of employees than those provided by European legislation. They see European Union law as balanced, presenting legislative amendment to Labour Code as only legal certainty relating to human rights and responsibilities of employers and employees assuming a balanced equilibrium between employees and employers. Authors of paper also point to imbalance between employers, when there is at least the fear of advantage of existing employers versus employers receiving and transferring burden of their own shortcomings in business to another employer (recipient), which, thanks to obtaining a contract is forced to accept engagement. If Labour Code defines that transfer is applied in transfer of any parts of activities and tasks, range of legal protection of employees is too wide and advantageous for some employers in case of termination of activities or tasks defined for the third persons.

The authors of paper suggest following changes in §338 of Labour Code:

- * The transfer of human rights and responsibilities of employment relations can occur only in cases prescribed by this act or special legislation.
- * The transfer by act occurs in case of transfer of operations of employer or employer's activities or tasks or their parts to another employer; in case of a transfer of an economic unit maintaining its identity seen as an organized group of resources which aims to pursue an economic activity either central or additional. Considering identity maintenance, assesses type of an organization, transfer of tangible and intangible assets constituting assets of economic entity to value of intangible things at the time of transfer, whether new employer was taken over most of original staff, whether activities carried out before and after transfer, there is a higher degree of similarity or for how long such activities have been discontinued.

- * In case of transfers of human rights and responsibilities arising from employment relations, human rights and responsibilities are fully transferred to transferee employer. By such transfer, employees, that have been performing activities and tasks that are subjected to transfer, are affected. The human rights and responsibilities of collective agreements are transferred to transferee employer on effective period of collective agreement, but only until the end of following calendar year.
- * The human rights and responsibilities of previous employer to employees whose employment legal relations disappeared to date of transfer, remain intact, unless a special law provides otherwise.

The authors of paper suggest that propose paragraph 2 of §338 of Labour Code could be shortened by criteria of assessing maintenance of identity of an economic entity transferred, as there may be a time lag affecting postponement of tasks. However, they agree that some of criteria are considered as long-recognized by European law. They propose to establish legal framework of employee relations providing legal certainty for participants in these relations.

V. Conclusion

The aim of paper was to identify differences between Czech legislation and European law as set out in statute or other applicable legislation and highlight key areas of difference and key principles for transfer of European and Czech human rights and responsibilities arising employment legal relations. A sub-objective was European legislation, which had to be binding and should take precedence under Czech law. In view of results obtained, main objective and sub-objective of study were fulfilled. The induction method, deduction method, Best Practice, exclusion method, descriptive method, classification method, method of abstraction and comparative method were used to determine results. The observation method made it possible to find out information about labour law regulations. The authors' own experience based on Best Practice method and induction method established principles of automatic transfer of human rights and responsibilities. Using method of deduction, it was found that in order for there to be an *ex lege* transfer of human rights and responsibilities, legal transfer or merger must be preceded by a legal contractual arrangement. The Best Practice method mentioned a class action related to transfers of human rights, i.e., transfers based on decisions of public authorities as dealt with in European Union law.

The exclusion method approached issue of judgments in case of a business entity (Philips). Based on method of abstraction, authors of paper found that transfers of human rights and responsibilities are related to negotiations resulting in a transfer contract between three private entities. Thanks to use of comparative method, criteria were established for defining issue of transfer of company as an economic unit while preserving its identity. In Best Practice, there were other cases to consider type of business, transfer of tangible assets, i.e., buildings and chattels, transfer of intangible assets, value of intangible assets at date of transfer, provided that new employer took over majority of original employees before transfer and after transfer in period in which these activities were terminated.

The comparative method brought a focus on a strict scale of preservation of identity of transferred subject with reference to relevant European Union law, according to which decision should be made. Based on experience of authors of paper from professional practice, it became clear that breakthrough decisions require existence of a stable economic entity, including characterizing factors such as administration, forms of work organization, production methods, existence of means of production, etc. Using method of induction and deduction, it was mentioned that transfer of human rights and responsibilities from law (directive) automatically after entry into force of contract, transfer of a company or a merger is another non-specific alternative. In accordance with use of Best Practice method by authors working in positions Deputy Director of HR & Employment Lawyer, it can be stated that questionable cases may arise in a situation where an employee performs several activities for transferor, some of which are/are not subject to transfer of rights and responsibilities and circle of persons is not defined or limited, it is necessary to assess these facts as an individual case.

The importance of using an analytical approach to business was mentioned through method of abstraction and method of classification analysis. The authors further stated that Czech legislation anchored favourable legislation for employees compared to majority interpretation of EU Directive. Furthermore, it was found that there is no obvious reason why Czech legislation would create an unreasonable imbalance in relationship between employer and employee, when public interest is unknown and guarantees increased protection of employees. The application practice of Czech courts, based on method of observation and method of classification analysis, mentioned that it is sufficient to transfer part of activities related to administration and processing of wages without examining subject of transfer of an economic entity, as defined by European legislation or required by Commercial Code for transfer of a part of an enterprise.

The method of classification analysis in accordance with European legislation found that there is no transfer of an economic entity that retains its identity, it can be considered an organized grouping. The authors drew attention to fact that by participating in legal consultations, a contractual transfer is assessed according to definition of a legal transfer in accordance with Labour Code, which leads to a contradiction between Czech and European legislation. The authors concluded that consequences of redundancy are in favour of original employer, as there is no rational reason for interpretation that in absence of preservation of identity of transferred economic entity, transfer does not take place. As a draft measure, they established necessary changes to Czech legislation in cooperation with classification analysis method and Best Practice method.

Through selected scientific methods, research questions listed at the end of Materials and Methods chapter were answered. Through research questions, it was found that determining factor in interpretation of definition of transfer is preservation of identity of transferred economic entity. Furthermore, it was established that a public entity can entrust performance of a public service obligation to a third party operating a bus service and subsequently authorize another carrier with this activity. Deviations of Czech labour law from European legislation can be found in transfer of employer's activity or part of

employer's activity or in transfer of employer's tasks or their parts to another employer without a specified period.

The scientific method of deduction helped to identify main differences when comparing European and Czech legal legislation. The method of authors' own experience from professional practice determined final conclusions and commented on provisions of applicable European legislation. Case studies according to model provisions of court gave rise to draft recommendations. The method of description defined and described the most important parts of individual parts of legislation. Legislation regarding human rights and responsibilities in employment legal relations is generally interpreted in European legislation. It would be appropriate to realistically consider adding results of a later European law to relevant EU Directive, which would define and materialize legislation, European legislator does not agree with proposal. He considers it to be an unreasonable and unjustified protection of employee relations and a favouring of existing employers over new employers.

Some decisions of Supreme Court of Czech Republic, but a number of contentious issues remain difficult for employers to grasp. More detailed provisions on transition of human rights and responsibilities in Labour Code and a discussion on possible changes or amendments to legislation with aim of a comprehensive, fair and reasonable final form of agreements for all legal purposes would contribute to improving legal certainty. According to § 339, paragraph 1 of Labour Code, current employer (transferor) and new employer (transferor) are obliged to inform trade union about transfer of human rights and responsibilities from employment legal relations to reach an agreement on specified or proposed date and reason for transfer, legal, economic and social consequences for employee(s) and anticipated measures regarding employee(s). Compared to Directive 2001/23/EC, legislation is more favourable for employees, because unlike § 33, paragraph 1 of Labour Code, Directive 2001/23/EC, in Article 7, paragraph 2, requires compliance with obligation to consult only in relation to measures being prepared against employees, not in relation to above facts. The question remains whether "in time" specification, which refers to obligation to inform trade union or works council and discuss said particulars, means 30 days before transition of human rights and responsibilities and is in accordance with Directive 2001/23/EC.

According to provisions of Article 7 of Directive 2001/23/EC, above obligations must be fulfilled in advance, without setting a minimum period of 30 days. The expression "in due course" could correspond to a longer period of time. It cannot therefore be ruled out that in some specific cases, employees, a trade union or a staff council could demand fulfilment of obligation to inform and discuss within a period longer than 30 days before transfer of human rights and responsibilities arising employment legal relations. The transfer of human rights and responsibilities from an employment relationship does not only apply to relationships established by an employment contract for an indefinite or definite period, but also to legal relationships between employer and employee based on an agreement on performance of work or an agreement on work activities according to § 74 of Labour Code. Human rights and responsibilities arising from collective agreement are transferred to transferee for duration of collective agreement, and no later than the end of following calendar year.

For organizational, financial, competitive and other reasons, many employers use outsourcing as part of strategic company management. According to Code of Civil Procedure, other reasons for transfer of human rights and responsibilities from labour relations include auction of company or bankruptcy of company. A positive step in terms of employee protection is adoption of an amendment to Labour Code with effect from 1 January 2012, which according to § 339a, according to which an employee to whom human rights and responsibilities from employment legal relations are transferred, has right to perform function of an employee who has right to change Labour Code has right to severance pay upon termination of employment. Therefore, issue of transition of human rights and responsibilities from employment legal relations cannot be neglected. In future, together with court's decision, greater attention should be paid to unification of Czech legislation with legislation in European countries. Future research aimed at comparing legislation of other European countries could help this step. The complexity of transferring employment rights underscores importance of robust legal mechanisms that balance employer flexibility with employee security. International comparative studies reveal significant variations in how different European legal systems approach workforce transitions, highlighting need for more harmonized approaches. Particularly crucial is development of comprehensive guidelines that protect employees' fundamental rights during corporate restructuring, mergers and acquisitions. Moreover, the proposed legislative unification should not only focus on procedural aspects but also address broader socio-economic implications of workforce mobility and job security. Implementing such comprehensive legislative reforms would not only align Czech labour law with European standards but also provide a more transparent and equitable framework for managing employment transitions in an increasingly dynamic business environment.

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