

09

WHAT HAS TO BE DEDUCTED FROM YOUR SALARY?

- Income tax
- Social security
- Health insurance
- Distraint – if ordered by court (maintenance for children and other debts)

Your employer is OBLIGED to pay such deductions otherwise they are breaking the law.

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WHAT ARE THE OTHER DEDUCTIONS YOUR EMPLOYER COULD DEDUCT FROM YOUR SALARY (if you both agree upon those!)

- Compensation for the damage, if you caused any
- Payment for accommodation provided by the employer (staff quarters, company flat/apartment)

In case your employer deducts such payment from your salary, this has to constitute part of the written AGREEMENT. Deductions from your salary without written agreement are against the law.

Maximum amount of deductions shall not be over half of your salary. There shall always be a minimum amount calculated on the basis of the number of family members you support (its exact amount is stated by legal regulations).

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WHAT CANNOT BE DEDUCTED FROM YOUR SALARY?

- Payments for working tools
- Payment for working clothes or shoes (not even the cleaning fees!)
- Payment for personal protective equipment (helmet, gloves, etc.)
- Payment for trainings needed for your work

All of the above stated things as well as payments for job training shall be **provided by your employer free of charge!** Upon the beginning of your job your employer is not entitled to require any kind of deposit/ advance payment that would be used by your employer for some possible future damage you cause or for the risk of bad job performance.

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BASE SALARY AND UNCLAIMABLE ISSUES OF WAGE AND DEDUCTIONS

- Base part of your salary and various bonuses, perks and allowances shall be reflected as separate.

Your base salary is stated in your job contract or salary assessment. Base salary shall not be altered by employer. All bonuses, perks and allowances are fully upon the employer whether they will be paid for the given month or not.

In case your employer pays you a lower salary, check whether the base salary has been paid correctly.

There is a possibility that the employer has not paid you any bonuses for the current month. Such act is **not a salary deduction** and in accord with the Labour Code it **does not constitute a fine** either (i.e. for a bad job performance) even if your employer says so.



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Tento leták vznikl v rámci projektu UPGRADE – zvýš svůj potenciál
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DAMAGE TO EMPLOYER'S PROPERTY

Compensation and Sanctions

- Has it happened to you already that you either damaged something at work, lost something that belonged to your employer or you ended up cash short while working at the cash register?
- Are you in doubt about what your material responsibility (liability) at work is?
- Do you know how to compensate your employer for the damage you caused?
- Is your employer entitled to deduct the compensation for damage from your salary without getting your approval?

01

WHAT HAPPENS IF YOU CAUSE DAMAGE TO YOUR EMPLOYER (you damage their property)

- Your employer is entitled to ask you for the **compensation of the damage – either financial** (this is subject to a written agreement between them and you), **repair of the damaged object**, or a complete **replacement of the damaged item with a new one**.



HOW MUCH WOULD YOU PAY? The maximum amount of the compensation for the damage you cause to your employer is 4.5 times your average monthly earnings. The damage could be paid all at once or in several instalments.



ATTENTION: In case you caused the damage **intentionally** or you caused it when **drunk** or after abuse of other **addictive substances**, the limit shall not apply, you shall compensate for the damage in full including the compensation for the loss of profit.



Loss of profit example: you work in a carpenter's workshop, consume alcohol and under the influence of alcohol you damage the milling machine which causes you or other employees a situation when the work cannot be performed because of the broken machine. The production has come to a standstill and your employer is losing profit from furniture production. This loss of profit, i.e. the loss for the time when the machine was out of order, could also be demanded from you from the site of your employer.

- The limit also does not apply in case you were using the property of your employer for private use (not for conducting your work) when the damage occurred.
- In determining the amount of the damage to a certain object, the price of the object at the time of its damage or loss shall be decisive. In case you disagree on the determined amount of the damage, you have to address court.

02 WHAT IS MY LIABILITY FOR THE LOSS OF THING ENTRUSTED TO ME BY AN EMPLOYER?

- You will have to replace the thing or compensate your employer in full (there is no limit set)

There are Conditions to Follow:

- There is a written agreement that you were entrusted the thing from your employer
- In case of things where the price exceeds CZK50,000 the employer is obliged to sign a written **Liability Agreement Concerning the Loss of Entrusted Things** with you. The Agreement restricts the use of the thing solely to you (*i.e. you are not liable for the tool or instrument or machine that is used by other employees on the shift*).
- The loss of entrusted things usually concerns working tools and aids, company mobile, laptop or uniform.

03 WHAT HAPPENS IN CASE YOUR ACCOUNTS DO NOT BALANCE?

i **Note:** Shortfall liability concerns jobs where employees handle employer's cash, *i.e. shop assistants, cashiers, accountants, restaurant workers etc.*

The shortfall has to be compensated in full amount (there is no given limit)

The compensation of shortfall is subject to the following conditions:

- Your employer had signed with you a **Shortfall Liability Agreement**.

! **ATTENTION:** The Shortfall Liability Agreement could be **individual or joint**. In case the employees have a joint liability, the compensation shall be calculated on the basis of their earnings, by the ratio of their gross earnings. What concerns managers, ratio of their earnings shall be calculated in double amount. Musíte mít přímo vy osobně možnost s danou hodnotou nakládat (např. s penězi v pokladně).

- It has to be **YOU who has the opportunity to handle the given finances of a particular value** (*i.e. the cash at the cash desk*).
- In case the shortfall was **not caused by you** (*i.e. someone else stole the money from the till at the time when you were liable for it*) you could be **relieved of responsibility**. You have to prove your employer you could not influence the financial loss. In case of a theft, this could be proved by an official police record. If the above mentioned is not taken into account by your employer and the shortfall not caused by you is still required to be paid by you, you have to go to the court.

04 IS THERE AN INSURANCE COVERING THE LIABILITY FOR DAMAGES?

- Yes, there is an insurance covering employee's **liability for damage to employer's property**, various commercial insurance companies offer this kind of insurance.
- Insurance could be demanded as an obligatory prerequisite from the site of your employer as a condition for getting a job. (*This especially applies to positions where there is a high risk of damage, i.e. crane operator, warehouse manager or professional driver.*)
- This insurance is usually paid by employees, in some companies employers partially contribute, somewhere employers pay the insurance in full – this is taken as a benefit.
- Please carefully review the **insurance contract terms and conditions!** Pay special attention to section specifying the coverage exclusions – *i.e. what is not covered by the insurance.*
- There is another kind of insurance with similar name: **professional liability insurance**. This kind of insurance covers cases when professionals make mistakes and thus cause some damage. Some professions have an obligation to have this kind of insurance (doctor, judge, accountant, civil engineer).

05 IS THERE AN INSURANCE COVERING THE LOSS OF EMPLOYER'S PROPERTY ENTRUSTED TO THE EMPLOYEE?

- Employee's liability for damage to employer's property usually **DOES NOT COVER** the loss of property.
- Some insurance companies, though, enable extension of the employee's liability for damage contract by the loss of employer's property insurance and thus make it possible.

06 IS THERE AN INSURANCE PLAN COVERING CASHING SHORTAGE?

- Insurance companies usually **DO NOT OFFER** such insurance; the cashing shortage is usually stated in the count of damages that cannot be covered, *i.e. insurance exclusions.*

07 COULD AN EMPLOYER MAKE YOU REDUNDANT FOR CAUSING DAMAGE TO THEIR PROPERTY/LOSS OF THEIR PROPERTY/CAUSING THE CASHING SHORTAGE?

- The damage itself is usually not the reason to terminate the job contract. What matters is whether the damage was caused by the breach of working duties. **Serious breach of working duties** could be a reason for an immediate termination of the job contract.
- It all depends on the **extent of your fault or the extent of the damage caused**, whether you were **under the influence of alcohol/drugs and whether the damage** was caused deliberately or by negligence.
- Should you disagree with being fired, make an appeal to the court.

SUMMARY

- The damage caused has to be compensated for – either with identical thing, repair of the damaged thing or financially: all at once or through instalments.
- The employer is not entitled to deduct the instalments for the compensation of the damage from your salary. Nevertheless you can make a written arrangement on the instalments.
- The damage caused to your employer shall be compensated even though you no longer work for the employer.

08 WHAT MORE COULD BE DEDUCTED FROM YOUR SALARY BY YOUR EMPLOYER? WHAT IS A FINE?

- Your employer is only entitled to **give you a fine** in case you break a **non-competition clause**.
- All other fines such as **fine for bad work performance, for your sick leave, for taking a holiday and for many other things are all against the law!**
- **Non-competition clause** is a clause (part of the job contract or an independent contract), that comes into effect **upon the termination of your job contract** (and is valid for a maximum period of 1 year). Such clause is justifiable with certain managerial posts only. Non-competition clause is simply an obligation of the employee not to work for competition after the termination of their job contract. The employer shall pledge to pay their leaving employee at minimum 50% of their previous salary for the whole period. In case the non-competition clause does not contain such information, then it shall be considered invalid. In case when the former employee breaks the non-competition clause that they agreed upon, they are liable to **pay the fine**.
- The job contract could also contain a clause forbidding their employee to work for competition **for the period** of their job contract. **Such part of the contract is not a non-competition clause**. The Labour Code requires the employee to have a written consent from their employer **WHENEVER** he or she would like to work for other company that has the same line of business. If it comes to the company of a different line of business there is no need to have consent, you even do not have the obligation to inform your previous employer on such matters.