



HR Legal Alert

20 March 2020

Weinhold Legal

Assistance for persons affected by crisis measures in connection with coronavirus SARS CoV-2

Support for employers in the payment of wage compensation

Following the emergency measures related to the closure or restriction of the activities of shops and establishments offering services to the public (e.g. Government Resolution No. 211 of 14 March 2020) and the quarantine order related to SARS CoV-2, the Government approved on 19 March 2020 an employer support program called Antivirus, which will provide a contribution through the Czech Republic Labour Office to the reimbursement of employers' eligible costs incurred after 1 March 2020.

The Antivirus program is designed for employers whose activities will be at risk due to the spread of the disease if the following obstacles to work are demonstrated:

QUARANTINE

- ▶ An employee has been or will be ordered to quarantine (this is an obstacle to work on the part of the employee) related to the spread of COVID-19, and the employee has received wage/salary compensation from the employer for the first 14 days (if applicable, from the 15th day of sick leave). The wage/salary compensation paid by the employer to the employee will be **refunded in the amount of 100%**, based on an agreement with the Labour Office of the Czech Republic.

OBSTACLES TO WORK ON THE PART OF THE EMPLOYER WITH A WAGE COMPENSATION OF 100%

- ▶ If the employer cannot allocate work due to an ordered closure as a result of government emergency measures, it should be possible to draw a contribution of 80% of the wage compensation paid. As we have already informed, on

14 March 2020 the Ministry of Labour and Social Affairs issued information on how to proceed in compensation for loss of earnings for employees in connection with the closure of workplaces.

(information can be found [here](#))

Given that this is a contribution from an active employment policy, it cannot be ruled out that its drawing will be subject to the conditions set out in Section 118 (3) of the Employment Act (non-existence of tax arrears, arrears of social and health insurance, etc.).

Cross-border workers and foreigners

Government Resolution No. 267 of 19 March 2020, proclaimed under No. 112/2020 Coll . that:

- ▶ all cross-border workers are to submit, in addition to **confirmation for cross-border workers**, a "**cross-border worker's book**" to be stamped by the Police of the Czech Republic on crossing the state border to prove the regularity and frequency of border crossings ; this regulation is effective from Friday to Saturday night, 21 March 2020. Both necessary documents can be downloaded [here](#). According to a government statement at a press conference, empty books for cross-border workers will also be available at border crossings.
- ▶ - employee card or blue card holders – are to notify the Ministry of Internal Affairs of any **change of employer, at the latest on the day of commencement**, if they are employers carrying out emergency measures or assisting in carrying out emergency measures in state of emergency. The conditions of employment are deemed to have been fulfilled by the notification. The legislation has so far laid down the obligation to notify the change 30 days in advance and to fulfill other conditions. This measure will make it easier for the employers mentioned above to involve foreigners already working in the Czech Republic on the basis of one of the cards.
- ▶ foreigners (blue card holders) are to be allowed to **change**



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employers in the Czech Republic without having to fulfill the condition of 6 months of previous employment in the Czech Republic (Section 42g (7) of Act No. 326/1999 Coll., On the Residence of Aliens). The resolution on this point does not restrict foreigners in changing their employer, i.e. it does not have to be a change of employer, who carry out emergency measures or helps to carry out them.

Nursing benefit for employees

The government approved a change in the conditions for drawing sickness insurance benefit - nursing benefit, which employees can now draw due to the care of children as a result of the closure of school and other children's facilities (obstacle to work on the part of the employee). New:

- ▶ they will be able to draw this benefit for the whole period of school closure (currently 9 days, for single parents 16 days), even if the founder decides to close the institution due to the epidemic;
- ▶ it will concern children up to 13 years (currently 10 years as standard).

This extraordinary extension shall apply only for the duration of the emergency measures. The relevant amendment to the Act should be discussed by the Chamber of Deputies and then by the Senate on Tuesday 24 March 2020. It is planned that the benefit will be possible to apply for retroactively.

Persons living in the same household with a handicapped person and where a facility providing care for the disabled has been closed will also be entitled to nursing benefit and the regardless of age.

Persons who have already applied for nursing benefit may not apply for a new benefit.

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Financial contribution for self – employed persons

The government approved a financial contribution for self-employed persons who are currently staying at home to ensure childcare. The state pays CZK 424 per day, ie almost CZK 14,000 per month, to all self-employed persons who care for children aged 6 to 13 on condition that the second member of the family no longer receives the nursing benefit.

Interest-free loans

The government released CZK 10 billion for interest-free “loans” to entrepreneurs.

Part of this money can be drawn directly through the Czech-Moravian Guarantee and Development Bank (CMGDB) under the Covid and COVID2 program by the Czech-Moravian Guarantee and Development Bank (CMGDB). CMGDB will use the further sums as guarantees for loans from commercial banks and an interest rates subsidy of these loans.

The information contained in this bulletin is presented to the best of our knowledge and belief at the time of going to press. However, specific information related to the topics covered in this bulletin should be consulted before any decision is made. At the same time, the information contained in this bulletin should not be construed as an exhaustive description of the relevant issues and any possible consequences. Furthermore, it should be noted that there are various legal opinions on some of the issues raised in this bulletin due to the ambiguity of the relevant provisions. It cannot therefore be ruled out that in the future an interpretation other than the one we give us will prevail.

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