

Legal Alert

in the field of labour law

8 December 2021

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Antivirus Programme Extension

On 29 November 2021, by Resolution No. [1086](#), the Government of the Czech Republic approved the extension of Mode A of the Antivirus programme until 28 February 2022 on the proposal of the Minister of Labour and Social Affairs, Jana Maláčová. At the same time, Mode B was activated for the period from 1 November 2021 to 28 February 2022. In view of the unfavourable pandemic situation, it will therefore once again be possible to draw financial assistance for wage compensation for employees in quarantine and isolation or on work obstruction related to the COVID-19 epidemic.

Mode A

Under Mode A, a contribution may be made until 28 February 2022 to cover the costs incurred by an employer in paying wage compensation to an employee for the duration of the quarantine or isolation ordered. The maximum amount of the allowance under Mode A of the Antivirus is **80% of the wage compensation paid and the contributions to public health insurance and social security and state employment policy ("insurance premiums"), up to a maximum of CZK 39,000 per employee per month.**

Mode B

From 1 November 2021 to 28 February 2022, it will also be possible to use Mode B, which was originally terminated on 31 May 2021. This means that employers will once again be able to compensate employees for the costs they incur between 1 November 2021 and 28 February 2022 by paying wage replacement to employees who are in the employer's work stoppage regime as a result of the pandemic:

- ▶ quarantine or childcare orders a significant number of employees (30% or more) are absent, so the employer has to limit operations (employees are entitled to compensation equal to 100% of average earnings);
- ▶ reduction in the availability of inputs (raw materials, products, services) not essential to the employer's activities due to the

pandemic (employees are entitled to compensation of 80% of average earnings);

- ▶ reduction of services and products demand as a result of the pandemic (employees are entitled to compensation equal to 60% of average earnings).

For these obstacles to work, the state will reimburse the employer **60% of the amount of the employee's wage compensation, including mandatory insurance premiums, up to CZK 29,000 per month.**

Antivirus will be valid until 30 June 2022

The government has also decided to extend the validity of the entire Antivirus programme until 30 June 2022. During the period of validity of the programme, the government can extend the period of eligibility of expenditure for its individual modes or set new periods.

The government is now allowed to suspend the provision of grants, temporarily, until the funds for the implementation of the programme are secured, in case they are exhausted. Another change is the setting of a new latest date for concluding an agreement on the provision of the contribution from the Antivirus programme between the Labour Office of the Czech Republic and the employer (28 February 2022). The other conditions for the provision of contributions remain the same.

Reintroduction of the crisis care allowance

On 1 December 2021, the Chamber of Deputies passed a bill to reintroduce the crisis care allowance, which will be reintroduced in the wake of a high increase in children testing positive and schools or school districts closing. With this proposal, parents who are at home with their children will be entitled to the nursing allowance for the entire period of school or classroom closure or when an individual quarantine is ordered for a child. Under the proposal, the nursing allowance would again be increased to **80% of the daily assessment base**, with a minimum of **CZK 400** per day paid to parents unless their working hours are reduced (then the minimum amount of the

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allowance would also be reduced proportionately). The crisis nursing allowance will also apply to so-called contract workers, provided that they pay social security contributions.

Proposed parameters for crisis care:

- ▶ Parents will be entitled to nursing allowance when caring for a **child under 10 years of age**, as is the case with standard nursing allowance.
- ▶ The amount of the nursing allowance will be **80% of the reduced daily assessment base** (the standard rate is 60%).
- ▶ The minimum daily amount of the sickness allowance is now set at **CZK 400** (for employees in full-time employment or in a service relationship who have a full-time job but the daily amount paid would be below this limit, while for part-time employees the minimum daily amount will be reduced proportionately).
- ▶ In addition to employees, **persons working under an agreement to perform work** or to work if they pay social security contributions will also be entitled to receive sick pay.
- ▶ **Parents and other relatives will be able to take unlimited turns in caring for the child.** As of January 2022, other relatives besides parents who do not have to live in the same household as the child will be able to care for the child.
- ▶ Entitlement to care will be **available for the duration of a school or class closure or when an individual quarantine is ordered for a child.** Entitlement to it will cease when employment ceases.

In addition to care for children up to 10 years of age, you will also be entitled to a nursing allowance:

- ▶ for dependent older children attending school who are dependent on the care of another person without age limit,
- ▶ dependent older children with special educational needs and severe learning difficulties,
- ▶ persons over 10 years of age dependent on the care of another person using the services of day centres, weekly residential homes and similar facilities.

The proposed adjustment to the crisis allowance will extend the period of payment of the allowance for the entire period of care of the

child due to school or class closure. Parents will no longer have to provide proof of school or class closure. This will be replaced by an **affidavit from the parent** that they must care for the child due to the school closure.

The crisis care is proposed to be in effect **from November 1, 2021, through February 28, 2022.** The Senate must still approve the proposal.

The return of the isolation allowance

With the crisis care allowance, the extraordinary allowance for employees in the event of quarantine, the so-called isolation allowance, whose reintroduction was approved by the Government on 19 November 2021 and by the Chamber of Deputies on 1 December 2021, is returning. An employee who has become entitled to income compensation due to quarantine will be entitled to an allowance of CZK 370 for each calendar day, but no longer than for the first 14 calendar days of the quarantine or isolation. If the sum of the allowance and the income replacement exceeds 90 % of the average earnings for the corresponding number of hours missed, the allowance will be reduced by the difference. The allowance is to be paid until 28 February 2022 at the latest.

The allowance to be provided over and above the wage replacement is intended to ensure that employees do not have to fear a substantial reduction in their income in the event of quarantine or COVID-19 disease and thus be incentivised to report the actual number of epidemiologically significant contacts.

This is similar to the legislation passed this spring, effective from 1 March to 30 June 2021, **except that quarantines ordered after return from abroad are now not exempt from eligibility.**

The allowance will also be payable for calendar days prior to the date of entry into force of the Act if the quarantine was ordered after 30 November 2021 and the quarantine lasts at least until the date of entry into force of the Act.

The cost of the allowance will not be borne by the employer, who will

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be able to deduct the amount paid from social security contributions and state employment policy contributions.

The bill still requires Senate approval. It is expected to come into force on the day of its promulgation.

Minimum wage increase

Government Decree No.405/2021 Coll. of 5 November 2021 increased the minimum monthly wage by CZK 1,000 to CZK 16,200. Along with it, the lowest levels of the guaranteed wage will also increase. The lowest level of the guaranteed wage applies to employees whose wages are not agreed in a collective agreement and to employees who are paid a salary for their work. The lowest level of guaranteed wages shall be set at the basic rate of the minimum wage. Further minimum levels of guaranteed pay shall be set differentially according to the complexity, responsibility and exertion of the work performed, so that the maximum increase is at least twice the minimum level of guaranteed pay. There are eight such levels in total. The lowest wage level currently ranges from CZK 15 200 to CZK 30 400, rising to between CZK 16 200 and CZK 32 400 from 1 January 2022.

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