



NEWSLETTER 3/2020

Coronavirus – first aid legal guidebook
update 20.3.2020

In relation to recent measures adopted by the Government of the Czech Republic in connection with the coronavirus pandemic, the Government approved on 19 March 2020 several resolutions that set new conditions for receiving care allowance, wage compensation or cross-border movement.

I. Care allowance

- The Government proposes a new regulation that should be approved by the Czech Parliament in a shortened regime next week. The main proposed changes are the following:
 - the Czech Social Security Administration will continue to pay the care allowance even after the maximal statutory period (9 days, 16 days for single parents),
 - Care allowance will apply to the care of children under 13 years of age.

- Care allowance will be provided for the whole period of validity of the extraordinary measures adopted in connection with the pandemic, therefore when schools and other children's facilities will be closed. .
 - Care allowance will be paid even if the employer's activity is limited or suspended based on the employer or state decision due to the pandemic.
 - the same rules applies for care of disabled persons without age restriction under condition that the caretaker lives with in a common household and the relevant facility is closed.
 - In the case of self-employed persons, the loss of their income due to child-care will be supported by a program to be accepted by the Ministry of Industry and Trade..
- Care allowance should also be paid retroactively.
 - After the emergency situation ends, the original conditions should apply again.
 - For the self-employed persons staying at home with their children (aged 6 to 13), the Government has approved the financial contribution amounting to CZK 424 per day, i.e. less than CZK 14 000 per month, under the condition that the second member of the family doesn't draw the relevant allowance.

II. Targeted unemployment support program

- The employers whose economic activity is jeopardized due to the measures taken by the Government, shall receive a contribution for whole or partial wage reimbursement for their employees, because of the obstacles to work on the side of the employee (ordered quarantine) or of the employer (suspension of operation in the business premises based on the decision of the Government), but only if the obstacle at work arose as a result of the pandemic or as a result of the adopted measures.
- **Scheme A** - in case of quarantine of employees according to Section 192 of the Labour Code, a sick pay for the first 14 days is due by the employer and from the 15th day by the state (60% of the average assessment base). Under the new measure, the State will reimburse to employers the whole amount they paid to the employees.

- **Scheme B** – In case the employer is not able to assign work to employees due to government emergency measures (closing of shops, accommodation facilities, restaurants, etc.) the regime of the section 208 of the Labour Code (obstacles to work on the side of the employer) remains applied and the employer is obliged to pay to the employees 100% of the wage compensation. However, the State will provide the employer with an allowance equal to 80% of the wage compensation paid for the 10 days of the obstacles in question to the particular employee. Thus, only 20% of wage compensation will be borne by the employer.
- The above described measures do not concern the employers who voluntarily suspend the business operation as a consequence of the given circumstances and market conditions. In our opinion, they can still proceed according to § 209 of the Labour Code (see our Newsletter 2/2020 of 19 March 2020).

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III. Tightening the rules for cross - border work

- As of 21 March 2020, the government ordered all cross-border workers to submit a "cross-border worker's book" when crossing the borders. The sample can be downloaded [here](#).

We continue to closely monitor the situation. The above information is up to date 20.3.2020, please note that due to the rapid evolution of the situation it is possible that some restrictions / proposals may be extended or otherwise modified. Do not hesitate to contact one of our lawyers for more information.

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