



Client Information

Czech Republic
18, March 2020

Effects of the COVID-19 state of emergency on employers and employees

In connection with the measures previously taken by the Czech government and in a situation that changes formally every hour, we have summarized various effects on employers and employees for you.

It is not a complete summary of all regulations regarding work prevention, but we have focused on the effects of the current situation on employees and employers.

Obstacles on the part of the employer

If, according to the government decision, the work place is closed or the company is restricted for a certain period of time and the employer does not assign the worker to work, then this is a so-called other obstacle to work on the part of the employer. In this case, the employee is entitled to **100% of average earnings**.

Closure of sales facilities

Companies whose sales facilities have been closed due to the government's Emergency Ordinance can continue to perform **other activities besides sales** (e.g. cleaning, inventory, construction work). These companies have the right to instruct employees to do other work that is necessary to avert an exceptional event without their consent.

According to the Ministry of Social Affairs, those employees for whom there is no work due to the Emergency Ordinance are entitled to 100% of average earnings.

Due dates of taxes and duties in the wages area

According to the current status, the due date of wage tax, withholding tax, social insurance and health insurance **cannot be postponed**. It remains the obligation that these amounts are credited to the accounts of the institutions concerned by the 20th of the following month at the latest and the withholding tax no later than the end of the following month. In the event of late payment of the charges, default interest is prescribed.

Childcare

If children (younger than 10 years) are looked after at home **because schools and kindergartens are closed due to the government decision**, the employee is entitled to compensation for up to 9 days as in the case of illness. The government is considering extending nursing care for the entire duration of the coronavirus epidemic.

The **benefits are covered by social insurance from the first day**, whereby the employer must submit an application (together with other documents) to the social security authority.



Quarantine

It is a work obstacle on the part of the employee. The employee must inform the employer immediately. For the **first 14 days** of the quarantine, the **employer** pays the employee compensation as in the case of illness. **From the 15th day**, the **social security authority** takes over the benefits.

If an employee was on vacation immediately before the quarantine, the vacation is not interrupted by the quarantine. If the quarantine persists after the employee has returned from vacation, the obstacle to work begins on the part of the employee.

Use up vacation

In principle, the employer can order an employee's vacation, but must notify the employee in writing at least 14 days in advance, unless otherwise agreed between the employer and the employee. In this way, the employer can arrange the vacation up to the amount of the annual vacation entitlement.

Exceptional emergency aid for citizens

People who are demonstrably in financial need can apply to the **Czech Employment Service** for a flat rate of extraordinary emergency help.

Employment protection program

An employment protection program is currently being negotiated in response to the coronavirus epidemic. We will inform you as soon as details are available.

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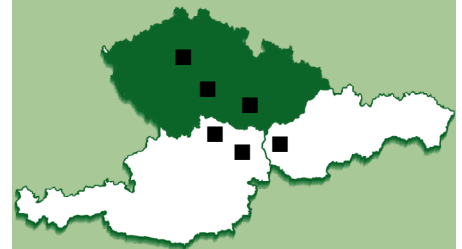
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