

### **Antivirus - support for employment**

On Tuesday, March 31, 2020, the Government has approved **an amendment** to the program Antivirus. It will be easier to request the compensation of wages. The employment protection program Antivirus is designed to help companies to protect jobs. The state will compensate companies – through the Labour Office of the Czech Republic – for wages paid out to employees. This measure will help employers better manage the current situation so that they will not have to resort to layoffs.

# To whom and under what conditions will the compensation be due?

Employers whose economic activity will be at risk due to spread of the infection will be granted a contribution to reimburse in part the wage compensations due to employees because of an obstacle on the part of employees (quarantine) or on the part of employers (obstacle – closure of business due to the Government order to close business operation) if it is proved that the obstacle to work is due to COVID-19 infection.

# Several conditions will have to be met in order to qualify for the compensation:

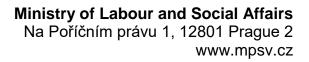
- The employer strictly complies with the Labour Code;
- The employee must not be within the period of notice and must not be given notice;
- It concerns businesses, employees have employment relationships and must participate in sickness and pension insurance scheme;
- The employer must pay a wage compensation and pay the contributions;

#### Who will pay the contribution and how long?

The contribution will be provided by the Labour Office of the Czech Republic. The amount and duration of the provision will depend on the reason for the occurrence of an obstacle at work; for each employee it will be necessary to distinguish the reason for the obstacle to work.

# What concrete measures will be implemented and what situation do they respond to?

The amount of compensation to employers depends on the reasons for the obstacle to work. Employers will be able to submit an application for compensation to the Labour Office in two regimes:





#### **Regime A** — type of obstacle:

- In the event of ordered quarantine the employee receives a wage compensation amounting to 60 % of the reduced average earnings
- In the event of closure of business due to the Government order the employee receives a wage compensation of 100 % of the average earnings

Contribution to the employers will be 80 % of the wage compensation paid, including contributions, up to the amount of 39 000 CZK.

#### **Regime B** — type of obstacle:

- Obstacles to work on the part of an employer due to the ordered quarantine or childcare for a significant proportion of employees (30 % or more) the employee receives a wage compensation of 100% of the average earnings
- Limitation of the availability of inputs (raw materials, products, services) necessary for the activity the employee receives a wage compensation amounting to 80 % of the average earnings
- Reduced demand for services, products and other products of the company the employee receives a wage compensation amounting to 60 % of the average earnings

Contribution to the employers will be 60 % of the wage compensation paid, including contributions, up to the amount of 29 000 CZK.

ANTIVIRUS	WE WILL HELP COMPANIES TO PAY WAGES TO THEIR EMPLOYEES	
PROGRAMME OF THE MINISTRY OF LABOUR AND SOCIAL AFFAIRS FOR SUPPORT FOR EMPLOYMENT	Α.	Forced limitation of business operation and quarantine Closure or limitation of business operation based on the emergency measure or an order of the quarantine by a competent office
	•	In the event of ordered quarantine, the employee receives a wage compensation amounting to 60 % of the reduced average earnings In the event of closure of business due to the Government order, the employee receives a wage compensation of 100 % of the average earnings contribution to the employers amounting to 80 % of the wage compensation paid, including contributions / up to the amount of 39 000 CZK



## Ministry of Labour and Social Affairs

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<ul> <li>B. Connected economical difficulties <ul> <li>Obstacles to work on the part of an employer due to the connected economical difficulties because of the spread of the coronavirus</li> <li>depending on the type of obstacle the employee receives a wage compensation amounting to 60-100% of the average earnings</li> <li>contribution to the employers amounting to 60 % of the wage compensation paid, including contributions / up to the amount of 29 000 CZK</li> </ul> </li> </ul>
Conditions for the entitlement to the
compensation
<ul> <li>it concerns businesses, employees have employment relationships and they must participate in sickness and pension insurance scheme</li> <li>the employer strictly complies with the labour Code</li> </ul>
Labour Code
<ul> <li>the employee must not be within the period of notice and must not be given notice</li> </ul>
<ul> <li>employer must pay the wage and pay the contributions</li> </ul>
Describes situation valid on the 31 <sup>st</sup> of March 2020

## When should the employer apply for compensation?

Programme Antivirus will be applied **from the 6<sup>th</sup> of April**. Since then it will be possible to submit applications. It is estimated that the period from the lodging of the application and the payment of contributions by the Labour Office will be limited to a few days.

### How to apply?

The precise terms and process of submission of application will be published on the website during this week. The submission of applications for the contributions will be entirely electronic and therefore contactless. In this way, employers do not have to call the Labour



Office or go to the focal points of the Labour Office. All the necessary information will be on the websites of the Ministry of Labour and Social Affairs and the Labour Office. On these websites, there is a chatbot, which will be programmed to respond to the questions related to the programme.

### When should the employer apply for compensation?

Implementation of the support is set so that the employer will ask for a refund of the paid wage compensation after the end of the reporting period, i. e. after the end of the calendar month for which it will apply for the contribution. For the month of March, the employer will therefore submit an application at the beginning of April. **Detailed information on the implementation of support, including the application form for support, will be published this week.** 

Press department of the Ministry of Labour and Social Affairs