



Czech Government adopted yesterday – 31.3.2020 new Program to help companies in Corona Crises called ANTIVIRUS

The main issues are:

Principles of functioning of Antivirus program

The Antivirus program is based on partial compensation of total wage costs in the form of wage compensation to employees for periods of work-related obstacles caused by quarantine, emergency measures, crisis measures related to the spread of COVID-19 in the Czech Republic and abroad, and accompanying economic problems of employers. A financial contribution will be paid to affected employers through the Antivirus Program. The Antivirus program is intended for all employers whose wages are not covered by public budgets. This excludes the payment of salary allowances.

Wage costs that are refunded to the employer by the Antivirus Program are incurred when there is no work for the employer. During this period, employees are provided with reduced wage compensation in accordance with the LC (Labour Code).

Target Group of Antivirus Program

It applies to all employers in the wage sphere where at least one of the employees in employment is subject to the conditions of the Antivirus Program A or B. Potentially, the **Antivirus Program can help prevent up to about 3.1 million employees from losing their jobs. Assistance to maintain economic activity can be directed to approximately 280,000 employers.**

Duration of the Antivirus Program

The period of eligibility of costs under the Antivirus Program is provisionally set until 30 April 2020, including the possibility of any extension. According to the current development of the COVID-19 infection, the Ministry of Labour and Social Affairs expects this period to be extended to May 2020. The Antivirus Program may be used to pay a contribution to the reimbursement of eligible costs incurred by employers after 12 March 2020 inclusive (Declaration of emergency).

Other important issues

All possible necessary actions between the employer and Labour Offices in Czech Republic will be realized in a remote way in digital form.

It will not be necessary to demonstrate correlation with coronavirus.

"Given the scale of the measures and the need to maximize the reduction of administrative burdens on both the employer and the Government, it is anticipated that the obstacles to work on the employer 's side are linked to the COVID - 19 infection".

The Labour Office will check what it can remotely (e.g. comparison of the database of insured employees with the social offices databases), most of the things will be proved through subsequent inspection, which can speed up the processing of applications ;

The contribution also applies to Employment Agencies under certain conditions:

Employment agencies

“If the employer is an employment agency pursuant to § 14, article 3 (b) of the Employment Act, the employment of the employee to whom the contribution will be granted had to be negotiated before the Emergency Date of 12 March 2020 and lasted for the entire duration of the Antivirus Program.”

Nepropouštění = Udržitelnost pracovních míst

„Příspěvek se poskytuje výhradně na zaměstnance, kteří jsou v době, kdy zaměstnavatel podává vyúčtování stále jeho zaměstnanci a nebyla jim ke dni podání tohoto vyúčtování dána výpověď, ani nejsou ve výpovědní době, s výjimkou výpovědi dle § 52 písm. g) a h) ZP“.

No redundancies = Sustainability of jobs

“Contribution shall be granted exclusively to employees who, at the time when the employer is still billing their employees and who have not been dismissed as of the date of submission of this statement, are not at notice, with the exception of notice pursuant to Section 52 (b). g) and h) Labour Code”.

Support scale

The support scale per employee is derived from the current average wage in the national economy, including contributions, and is:

Mode A: 80% of the eligible expenditure, however, max. CZK 39,000 per employee *(The maximum amount of the contribution is 39 000, - corresponds to the situation when the employer provides the employee with a wage compensation equal to 100% of his average earnings, while the Labour Office contribution in accordance with the Antivirus Program compensates for 80% of the expenses incurred, including taxes $(36\ 144 \times 1,34 \times 1 \times 0.8 = 38,746)$ rounded to the nearest thousand).*

Mode B: 60% of eligible costs, however, max. CZK 29,000 per employee *(The maximum contribution of 29 000, - corresponds to the situation where the employer provides the employee with a wage compensation equal to 100% of his average earnings, while the Labour Office contribution in accordance with the Antivirus program compensates 60% of the expenses incurred, including taxes $(36\ 144 \times 1,34 \times 1 \times 0.6 = \text{CZK } 29,060)$ rounded to the nearest thousand).*

The limits on the amount of contributions are much higher than the proposal from last week, and it is also compensating to the employer the insurance premium (based on the super-gross wage).