

The epidemiologic situation is unfortunately still not getting better, so our new edition of labour law news is going to be dedicated to the theme of covid-19 and its impact to HR practice again. In the second edition of this year's HR News, we will inform you about the new isolation benefit, which is a financial benefit of up to 370 CZK for employees in case of ordered quarantine or isolation, we will briefly introduce the Pandemic law, one of the practical news according to the amendment of Labour Code related to time off with salary compensation when assisting at an event for children and youth and the new Employment Office's programme supporting flexible employment "FLEXI", which enables employers to get a financial contribution for salary payments for certain groups of employees.

The Randls employment law team wishes you a pleasant reading

"ISOLATION BENEFIT"

Regarding the COVID-19 epidemic, a new law on special benefit for employees in case of ordered quarantine was adopted (law no. 121/2021 Coll.). This financial benefit also known as "isolation benefit" is going to be provided to an employee if he/she is ordered into quarantine or isolation after February 28, 2021. For now, it is in effect only until April 30, 2021.

The proposal is trying to help in a situation, where a number of people is trying to avoid quarantine or isolation because they are afraid of decreased income. In case an employee is ordered into quarantine, he will be entitled to a benefit of up to 370 CZK per day of quarantine paid by the employer, that is per each calendar day for the duration of 14 days. This also applies to cases of isolation. What makes the difference between quarantine and isolation is the employee's manifestation of symptoms. If an employee must not leave "his house" due to precautionary reasons, this means he does not show COVID-19 symptoms, but he had been in contact with an infected person, so it is possible that he spreads the disease or that he will start to exhibit symptoms, he goes into quarantine. In case the employee's disease was proven, he is ordered into isolation.

An employee is entitled to the benefit in case he is a **participant in sickness insurance**, and thus he is entitled to receive salary compensation (agreement reward compensation) from the employer for the duration of his quarantine or isolation. The basic amount is calculated in the same manner as in case of a temporary incapacity for work.

Conditions of "isolation benefit"

1. maximal duration is **14 calendar days** from the quarantine (isolation) order
2. if the sum of the benefit and salary compensation exceeds **90 % of average gross earnings** for the corresponding number of missed hours, the isolation benefit is going to be decreased by the difference (this means, an employee is entitled to a benefit maximally in the amount that together with salary compensation **makes 90 % of average gross earnings**)
3. **it is not going to be provided** to employees, who are ordered into quarantine after their **arrival from abroad** (with the exceptions of work trips).

The Employer pays an employee the benefit together with his salary compensation. The employer will subtract the amount paid for the benefit from social and health insurance contributions and the contribution to state employment policy. Therefore, it will not be necessary to apply for a refund in arrears, you will simply state in the corresponding statement, how much you have paid your employees on isolation benefits, and

you will pay this less for insurance. If, for any reason, you do not do so immediately, you have time until 3 months since the end of quarantine (isolation).

Isolation benefit is exempt from income tax. In practice, this means that **employees with lower and average income will often get higher net income than if they worked**. Isolation benefit cannot be subject to enforcement of judgement or execution.

How do we know an employee is entitled to isolation benefit?

At a request the Czech Social Security Administration (CSSA) sends information about a quarantine (isolation) order received from the doctor in charge to the employer, information about a change or termination of quarantine/isolation. CSSA is obliged to inform the employer about

these actualities. In practice, the employer usually gets the information via eNeschopenka (electronic sick note). From the practical point of view, eNeschopenka should function as a proof of quarantine/isolation and the general practitioner should write isolation/quarantine in the column *profession*. However, not always general practitioners do so, that is why CSSA is now working on optimizing the system of eNeschopenka in a way, so employers can be informed also in cases the general practitioner does not mark quarantine (isolation) in the column, which, unfortunately happens quite a lot. Via so called notifications the information should also be accessible retrospectively.

Regarding this topic, CSSA has issued a practical methodology, in Czech available [here](#) (unfortunately only in Czech). It includes an important statement that **different consecutive combinations of quarantine and isolation are considered as one social event**.

This means that salary compensation and isolation benefit **will be paid only once** (for the first 14 days). If the employee's quarantine is changed to isolation (new eNeschopenka is issued) there is not going to be another first 14 days, during which the employee receives isolation benefit together with salary compensation.

RANDLS TRAINING

Your training with five "P"

We would like to invite you to our current **planned online trainings**:

13.4.2021 Occupational healthcare services – practically and up to date (impacts of COVID-19 included)
Michal Peškar

14.4.2021 Trade unions – and how they work
Nataša Randlová / Lucie Brázdová

More information about individual trainings you can find on www.randlstraining.com.

PANDEMIC LAW

On February 27, 2021, a so called "Pandemic" law (law no. 94/2021 Coll.) came into effect.

Pandemic law enables the Ministry of Health and regional hygienic stations to adopt extraordinary measures e.g., restrict public transport, close or restrict manufacturing or business activities, operation of services, prohibit or restrict public and private events, restrict visits to social facilities and healthcare facilities or order employee testing. By the day of the law's effect, the territory of the Czech Republic is in a state of pandemic emergency. During this state the aforementioned extraordinary measures can be adopted.

The now effective Ministry's of Health **extraordinary measures on obligatory employee testing was adopted** thanks to this law.

Violation of the Pandemic law can result in fines of up to 4 million CZK for juridical persons or entrepreneurs and of up to 2 million CZK for natural persons.

The Pandemic law also regulates **damages** and stipulates that if damage is caused as a result of extraordinary measures according to the Pandemic law, the state is obliged to compensate for the damage. In case support for mitigating impacts of the pandemic has been drawn from the state, the damages are going to be reduced by the financial support and the state is only going to be obliged to pay the difference between real damages and support for mitigating impact of the pandemic. The law specifically states that expenses used for the purchase of protective, cleaning and sanitary products are not considered as damage. **The entitlement shall be applied at the Ministry of Finance within 12 months from the date on which the person became aware of the damage.**

TIME OFF WITH SALARY COMPENSATION WHEN ASSISTING AT AN EVENT FOR CHILDREN / YOUTH

The last big amendment to the Labour Code has touched upon time off with salary compensation for purposes of the employee's assistance at an event for children or youth. Not only this applies to training camps as well, but from January 1 the employee is also entitled to salary compensation. The employer will get the salary compensation refunded from the state budget.

The employee must comply with a few conditions and there must not be any serious operational reasons on the employer's side preventing the employee's absence. The first condition is, that he worked consecutively and without being paid with children (this condition does not apply to events for disabled children). The event must be organized by a juridical person, main activity of which is work with children/youth and the juridical person must have been entered in a public register for at least 5 years. Time off for the purposes of an event for children/youth is provided maximally in the length of 3 weeks in the calendar year, however salary compensation is provided only for one week. The exact meaning of 1 week has been subject to many discussions. According to our information, **CSSA means by 1 week any 7 consecutive calendar days. The week can also be drawn in parts.** Salary compensation will be provided for working days (shifts) that falls within this period of time.

Example: The employee works from Monday to Friday. In May 2021 he is going for a two-day training camp (Monday and Tuesday) and in July he is going for another one for 2 weeks from Monday to Sunday. Thus, he will receive salary compensation for 7 working days

(shifts), because all of the first 7 calendar days he missed were his working days.

However, if he went for the 2 weeks camp first and then for the 2 days one (reverse situation), 1 week in this case (the first 7 cal. days) would mean just 5 working days from Monday to Friday.

Maximum total amount of salary compensation for the **year 2021 is limited to 34,611 CZK.**

You can apply for the salary compensation refund within 3 years since paying the salary compensation to the employee at the competent regional social security administration. It is necessary to attach documents showing evidence that the employee met all requirements regarding the entitlement (described above) and showing that the salary compensation was paid to the employee to the application.

PROGRAMME FLEXI

The programme will support employment of persons, which cannot be employed full-time for various reasons. The support is going to be provided in the form of financial contribution for shared work positions, generation tandem and initial training of a new employee. Individual employees can draw the support for example for travel expenses, babysitting or for initial occupational medical examination fees.

Generation tandem

Generation tandem is based on experience transfer from a senior employee onto a junior employee. A senior employee is an employee, who is going to be entitled to regular retirement within 3 years, is in danger of losing his job and he is giving initial training to a newly hired colleague under 30 years, who had been in the Employment Office's registration before hired. The employer can get contributions to salaries for generation tandem for the duration of 6-12 months under the condition, that the employment relationships are in concurrence and the employer keeps the senior employee employed for at least half a year after the contribution provision is over.

Shared work position

The Employer can offer a shared position to two or more employees, without regard to their age, that is as part-time work for at least 10 hours per week. The main idea is to offer these positions primarily to parents of young children, disabled persons or persons approaching retirement age.

More information

The project shall be active until June 30, 2023 and should support up to 4,000 persons. Those interested in taking part in the project can reach out to any bureau of Employment Office, or send an email to flexi@uradprace.cz. More information can be found in the Ministry's of Labour and Social Affairs press release [here](#) and on the Employment Office [here](#) (unfortunately only in Czech).

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