

While compensation and benefits may not be the first items on your list, they're important to your employees. Providing the statutory minimums — then going above and beyond — will attract the right kind of talent to your positions and encourage them to stay for years to come. Plus, meeting Czech Republic compensation laws will ensure that you remain compliant without any fines or delays.

Globalization Partners understands that sourcing benefits is a time-consuming, expensive, complex process. We provide Czech Republic benefits and compensation outsourcing to help companies expand without worrying about compliance. When you choose us, you can run your company and feel confident knowing your employees are getting the best benefits.

Czech Republic Compensation Laws

The Czech Republic's compensation laws changed in January 2021 to raise the minimum wage to CZK 15,200 per month. However, these laws could differ if your industry or company is under a collective bargaining agreement (CBA). Employees typically work 40 hours a week but can work overtime if you have serious operational reasons. Overtime can't exceed eight hours a week or 150 hours per calendar year and must get paid at a rate of at least 25% over the employee's regular salary.

Guaranteed Benefits in the Czech Republic

Your Czech Republic benefits management plan needs to include paid time off for the country's 12 public holidays, plus a minimum of four weeks of paid vacation each year. Female employees should get 28 weeks of maternity leave for one birth and 37 weeks for multiple births. The Social Security Administration must pay maternity benefits up to 70% of an employee's assessed salary.

Other statutory benefits include:

- Parental leave: One parent can receive parental leave until a child turns three.
- Care leave: Employees should get up to nine days of care leave if they're responsible

for a child under 10 or a sick family member.

- Parental allowance: The Labor Office pays a maximum benefit claim of 220,000 CZK per child until they're four, regardless of income. The parental allowance is designed to support families caring for small children full time.

Czech Republic Benefits Management

When you're ready to disperse the benefits involved in your Czech Republic benefits management plan, we recommend adding other benefits to this plan that employees may expect. For example, a 13th-month bonus isn't required by local law, but it's considered a gratuity. Performance-based bonuses are also common.

The Czech health care system is considered high-quality, but some employers still choose to offer private health insurance. If you don't want to source a private health care plan, you can always offer employees a stipend. Another common benefit employers provide is meal vouchers.

Restrictions for Benefits and Compensation

You can't create a Czech Republic benefits management plan until you set up a subsidiary in the country or work with a [global PEO](#). We have subsidiaries around the world that we can use to help you start working faster. Plus, we'll be the ones responsible for compliance instead of you.

Choose Globalization Partners Today

Globalization Partners can help make your expansion quick and successful. [Contact us today](#) to learn more about Czech Republic compensation and benefits outsourcing.