Short Time Work Measures Across Europe

Throughout Europe trade unions are negotiating short time work schemes with both employers and governments so that workers are not let go during the COVID-19 lockdown but instead continue to receive their wages or a percentage of their wages.

Short time work schemes are essential, they support workers and businesses to cooperate during and live through the lockdown period without the fear of unemployment or being unable to meet their bills.

Decisions that are made now will determine if the EU can avoid the COVID-19 crisis becoming a great recession and unemployment crisis. The EU and Member States need to work with unions and employers to develop policies and, importantly, to mobilise resources that will keep businesses afloat and protect as many jobs and livelihoods as we can. This means adopting policies and financial packages that keep the real economy, businesses, including small business afloat in a way that guarantees they can pay their staff and wait out the coronavirus crisis without making workers unemployed.

Maintaining workers in employment is essential. Policy makers often fail to understand that companies that close down in a crisis don't always open up again and even when they do the tendency is to take on different workers, often on more fragile contracts with worse pay, terms and conditions. In addition, for the workers concerned being unemployed and applying for benefits is entirely different situation both economically and psychologically than remaining in employment even though their wages may be partly reduced.

Trade unions have concluded a number of far-reaching agreements that achieve the triple objective of protecting business, maintaining employment and ensuring that when we come out of lockdown we are in the best position torestart our economies and societies. There are different types of short-time work schemes and there are numerous arguments in favour:

(1) Short time work schemes reduce dismissals in a situation of crisis
(2) Short time work schemes mean that employees retain employment and income which helps them to broadly keep up their standard of living - provided that benefits cover a sufficient percentage of their wages.
(3) From a macro-economic perspective Short time work schemes help to stabilize the economy because workers retain and are able to spend a large part of their wages
(4) the state saves money because usually it is less expensive to pay Short time Work Schemes support than to pay unemployment benefits for the workers who otherwise would have been made redundant.
(5) Short time work schemes help employers to retain their workers who are readily available when the economy recovers; employers therefore save a lot of costs in hiring people when the economy recovers
(6) Short time work helps employers to adjust working hours to actual demand in situation of cyclical fluctuations
The following table provides you with an overview of short time work measures adopted during the current COVID-19 crisis. The table not only includes information on crisis-related measures but also basic information on how STW schemes work in the EU countries which we hope helps to better understand the current crisis-related measures. One note of caution, the table captures a dynamic situation which is subject to ongoing change. We therefore kindly ask the affiliates to provide us with further information on crisis-related measures that have been introduced in your country so that we can update the table.
<table>
<thead>
<tr>
<th>Eligibility</th>
<th>Level of support</th>
<th>Length of support</th>
<th>Corona-induced measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AT</strong></td>
<td>The STW scheme (Kurzarbeiterhilfe) applies under the following circumstances: (1) other options need to be used (reduction of overtime, vacation entitlements and working time accounts); (2) A social partner agreement must be established for each company addressing: terms and conditions of the STW arrangement such as the section of the company that has been affected, duration of STW, the maintenance of the number of employees, the extent of STW payments, the level of decreased working time, and educational measures; (3) Working time must range from at least 10% to a maximum of 90% of normal working hours. (4) Companies must apply for STW support six weeks before they initiate the measure (or four weeks before extending it). (5) Companies must consult employee reps (involving the works council) with the aim of identifying potential alternatives to STW.</td>
<td>Level of unemployment benefits (including social security contributions) for the non-worked hours (about 55% of the net wage) – also depending on the number of children.</td>
<td><strong>Collective Agreement</strong> between WKO and ÖGB increasing the amount of STW support: ➢ 90% of the net wage if the gross was 1,700 EUR or less ➢ 85% of the net wage if the gross wage was between 1,700 and 2,685 EUR ➢ 80% of net wage if gross wage between 2,685 and 5,370 EUR. Overall, the maximum is set to 24 months.</td>
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<td><strong>BE</strong></td>
<td>The temporary unemployment scheme (Tijdelijke werkloosheid) applies to employees during an economic downturn, and to those whose employability has been impacted by bad weather or an unforeseen event if the following conditions apply: (1) all recuperation days need to be used up (2) a collective agreement must exist</td>
<td>Since January 2016, workers receive 65% of their salary regardless of their family situation. The calculation is based on the worker’s last monthly wage and cannot exceed a maximum of €2,754.76 per month.</td>
<td><strong>Legislative measures:</strong> (1) Increase of STW payment from 65 to 70% until 30/06/2020. The government adds an additional 5.63 EUR a day on top of this for temporary unemployed workers. Due to large number of applications, everyone asking for it will receive a fixed amount of 1,450 EUR per month. (2) Payment of social security contribution for companies and self-employed (due for the first two quarters of 2020) for 18 months and exemption of interest in case of late payment.</td>
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</tbody>
</table>
### COVID-19 WATCH

**ETUC BRIEFING NOTE**

**SHORT TIME WORK**

**24 MARCH 2020**

<p>| BG | In the case of insolvencies, there is a <strong>Guarantee of Claims Fund</strong> to secure the payment of parts of the unsettled claims of the workers affected, including wages, social security contributions and other compensations, and the employee must have been in employment with the same employer for at least three months. During the crisis in 2009 / 2010 a temporary STW measure was introduced to provide financial support for workers affected by involuntary short-time working. In case of business reasons, employers were given the right to introduce reduced working time for a period of 6 months in one calendar year. Employees on reduced working time had the right to apply for wage compensation for 4 months equal to half the minimum wage. Employees were eligible for compensation if they continued to work at least 50% of the legally guaranteed support from the <strong>Guarantee of Claims Fund</strong> amounts to the last six accrued but unpaid monthly wages and cash benefits in the last 36 calendar months preceding the month in which the decision of insolvency is entered. The amount cannot be more than the maximum amount of guaranteed claims decided by the law in the annual State budget. | The guaranteed support from the <strong>Guarantee of Claims Fund</strong> amounts to the last six accrued but unpaid monthly wages and cash benefits in the last 36 calendar months preceding the month in which the decision of insolvency is entered. The amount cannot be more than the maximum amount of guaranteed claims decided by the law in the annual State budget. | (3) Right for self-employed in the event of cessation of activities (1,614.10 EUR for self-employed with family responsibilities). <strong>At regional level</strong> (Flanders): (4) Flemish companies that are obliged to close their business due to corona virus receive a flat-rate subsidy of 4,000 EUR. The fixed subsidy for companies with a mandatory weekend closure is 2000 EUR. If the company still has to close all or part of its business 21 days after 13/03/2020, it will receive 160 EUR per day. (5) Payment of energy bill by the government in case of temporary unemployment (6) Incentive bonus for those who switch to part-time work (on the top of unemployment benefits) <strong>Temporary measure</strong> still being discussed: The short term wage support will be up to three months and cover 60% of the employee’s salary and will also cover the social security contributions. <strong>CITUB proposals:</strong> (1) Provision should be made for guaranteeing the earnings of temporarily unemployed workers through compensation from the state as benefits, or from the state budget, or from the Guarantee of Claims Fund, extending the possibility of reduced-income for companies to receive money from the fund. (2) In case of termination of work due to a state of emergency, employees should receive a monthly compensation 60% of their gross remuneration. |</p>
<table>
<thead>
<tr>
<th>Country</th>
<th>Scheme Description</th>
<th>Eligibility Criteria</th>
<th>Duration</th>
<th>Temporal Improvements/Extension</th>
<th>Legislative Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>DE</td>
<td>Short-time work scheme (Kurzarbeit)</td>
<td>According to the German Social Code III (SGB III, §95–§111) STW compensation can be paid if (1) there is a substantial loss of working hours with loss of pay due to economic reasons or an unavoidable event and if it is temporary. (2) in the respective calendar month (entitlement period) at least one third of the workforce in the enterprise is affected by a loss of remuneration of more than 10% of their monthly gross remuneration in each case. STW needs to be based on a collective agreement, a works agreement or an individual employment contract. In companies with a works council, the latter has to agree to the use of STW in a works agreement (Betriebsvereinbarung).</td>
<td>STW compensation amounts to 60% of the net pay which the employee loses due to the working time reduction (or 67% if the worker has at least one child). In 2018, STW allowance was provided for monthly wages that do not exceed €6,500 in western Germany and €5,800 in eastern Germany. In some sector there are collective agreements in place to raise the level of STW support up to 90% of the net wage lost due to working time reductions.</td>
<td>STW limited to a period of 12 months. Until 2015, the basic duration was 6 months. However, if exceptional circumstances on the labour market exist, the maximum duration can be extended to up to 24 months by statutory order. The latter was used during the crisis in 2009.</td>
<td>Legislation adopted in March 2020 and valid until December 2021 contains the following temporary improvements and extension of the regular STW scheme: (1) STW compensation will be paid if already 10% of the workforce is affected (in contrast to one third in normal times) (2) a partial or even full payment of social security contributions by the Federal Employment agency (not by the employer) (3) the extension of STW to temporary agency workers (which are excluded from the regular scheme).</td>
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<td>DK</td>
<td>The work-sharing scheme (Arbejdsfordeling)</td>
<td>Providing unemployment benefits during periods of temporary unemployment applies under the following conditions: (1) Firms need to be covered by a collective agreement; (2) Companies must be in risk of dismissing a substantial part of their staff (minimum 30% or more than 50 employees). (3) Employers and employees must agree on reducing working hours, within a limited, low-</td>
<td>Work-sharing can take place over a maximum of 13 weeks. The employees can receive unemployment benefits for a minimum period of two days. Employees can work for one week and receive the unemployment benefit the following week, and so on. They could also, for instance, spend six weeks at work followed by seven weeks on benefits or vice versa.</td>
<td>None</td>
<td>More flexible arrangements for the use of work-sharing scheme: it can now be launched as soon as the job centre has been notified and there is now the possibility for companies to alternate between the types of working time distribution once a cycle of working time distribution has ended.</td>
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<td><strong>ES</strong></td>
<td>Temporary lay-off scheme (Expediente Temporal de Regulación de Empleo) allows all companies to temporarily dismiss workers or to reduce the working time. In those cases, working time can be reduced between 10% and 70%. Once the measure is over, workers return to their jobs according to their previous contractual conditions. Employers need to: (1) notify the public employment services about the initiation of the layoff process; (2) notify the employees’ representative in writing about the opening of the consultation process. The workers are entitled to unemployment benefits, while the enterprise must continue paying social security contributions. In the case of working time reduction, workers are entitled to partial unemployment benefits. The benefit may under no circumstances be less than 75% or more than 220% of the national inter-professional minimum wage applicable when eligibility to compensation begins. The benefit may be paid out for a maximum period of 2 years. For the emergency measures no time limit was specified.</td>
<td><strong>Legislative measures:</strong> On 17 March, the government adopted a new law making many STW provisions more flexible: (1) simplifying the implementation procedure temporary lay-off scheme and shortening the employee consultation time to 7 days; (2) Covid-19 related temporary lay-off scheme will be considered as a ‘force majeur’ and as such employees will receive full unemployment benefits up to 70% of the gross salary which is capped at 1,098 EUR per month. (3) For reduced working situations, companies</td>
<td>Tripartite agreement on 14 March 2020 between government, FH and employers (DA) on the introduction of a temporary wage compensation scheme for companies with employees who are at risk of redundancy. Key themes are: (1) the scheme will be effective from 9 March-9 June 2020 (2) State wage compensation for the companies will cover 75% of the wage but not more than 23,000 DKK (approx. 3,000 EUR) per month and full-time employee; for non-salaried employees the wage compensation is 90% of the wage but not more than 26,000 DKK (approx. 3,500 EUR) a month per full-time employee. (3) for the duration of the wage compensation period, the company refrains from dismissing employee for economic reasons. (4) The individual worker for whom the company seeks wage compensation retains his/her full monthly wage but must take holiday or time off in lieu amounting to a total of five days in connection with the compensation period.</td>
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</table>
### COVID-19 WATCH
#### ETUC BRIEFING NOTE
#### SHORT TIME WORK
#### 24 MARCH 2020

<table>
<thead>
<tr>
<th>notification must contain the following information: number and professional categories of the workers affected by the redundancy, number and professional categories of the workers normally employed during the last year, justification of the measure according to the concurrence of economic, technical, organisational or productive causes</th>
<th>will pay the salary for the time worked, and the public employment services will pay the rest; (4) Public schemes will fully cover social contributions for small businesses (independent workers with a small number of employees) and SMEs, and they will cover 75% of the contributions for companies with 50 or more staff (5) A precondition for the state to cover social contributions is that the company retains at least the same level of employment for the six months after having resumed economic activities</th>
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| FI Temporary lay-off scheme (Lomautus) Applies to situation in which:
(1) the employer could (as an alternative to the temporary layoff) dismiss the employee because the work to be offered has diminished substantially and permanently due to financial or production-related reasons, or for reasons arising from reorganisation of the employer’s operations; or
(2) the work or the employer’s potential to offer work has diminished temporarily (expected duration maximum 90 days);
(3) the employer cannot reasonably provide the employee with other suitable work or training. The temporary layoff can be either on a full-time basis, or it can involve a reduction in regular working hours.
Persons who work more than 80% of normal full-time hours in the sector during a review period are not entitled to adjusted unemployment allowance | Employees receive basic or earnings-related unemployment allowance (the latter only for members of unemployment funds). The average amount of the earnings-related benefit is about 50% of the income. Earnings-related unemployment allowance is paid for a maximum of 400 days. |
| Legislative measures: (1) The government will allow self-employed and freelancers access to unemployment benefit during the crises. (2) Part of the social security contributions are borne by the State budget |
| FR The partial unemployment scheme (Activité partielle) applies if the reduction or the temporary suspension of activity is due to:
- the economic situation | (1) Workers receive 70% of their gross hourly wage (approximately 84% of the net hourly wage); | Partial activity is allowed for a maximum period of 6 months, with the option to renew it once. |
| Legislative measures: In addition to the ‘Emergency bill to deal with the Covid-19 epidemic’ of 18 March a new decree on partial unemployment was published on 26 |
### COVID-19 WATCH

**ETUC BRIEFING NOTE**

**SHORT TIME WORK**

**24 MARCH 2020**

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<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td><strong>GR</strong></td>
<td>A temporary lay-off scheme was introduced in 2010. (1) The temporary lay-off cannot be longer than three months annually and at the end of the three-months period, the same employee cannot be temporarily laid off for at least another 3 months; (2) The relevant employee representation structures must be consulted; (3) The relevant departments of the labour inspectorate (SEPE), the Social Insurance Foundation (IKA) and the Labour Force Employment Organisation (OAED) must be notified. During the period of temporary layoff, salaried employees receive 50% of the average of their full employment earnings for the previous two months. When the employer temporarily dismisses salaried employees, OAED pays those who remain unemployed while dismissed 10% of the average of their regular full employment earnings for the previous two months. These allowances are paid for a maximum of three months every year.</td>
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<td><strong>HU</strong></td>
<td>In the context of the economic crisis 2009 / 2010 the Hungarian government set up three STW schemes for employees of firms hit by the downturn working reduced hours. A precondition for participation in STW schemes was that the employers were reimbursed social security contributions and up to two times the minimum wage for hours not worked. Support in all schemes was available for up to 12 months.</td>
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**March which contains the following changes:**

1. The state will cover 100% of the companies’ wage bill up to a ceiling of 4.5 times the minimum wage. This rule replaces the previous calculation of the companies’ allowance based on a single hourly rate depending on the number of employees.
2. Employees who work on an annual fixed day or fixed hour basis (forfait jours) will now be eligible for partial unemployment, if the number of hours they work is lowered;
3. The duration of partial unemployment is doubled from 6 to 12 months.

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**Legislative measures:**

1. On 18 March the government announced the following measures providing support for SMEs and maintaining employment:
   - (1) It will cover 100% of the companies’ wage bill up to a ceiling of 4.5 times the minimum wage. This rule replaces the previous calculation of the companies’ allowance based on a single hourly rate depending on the number of employees.
   - (2) Employees who work on an annual fixed day or fixed hour basis (forfait jours) will now be eligible for partial unemployment, if the number of hours they work is lowered;
   - (3) The duration of partial unemployment is doubled from 6 to 12 months.

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<table>
<thead>
<tr>
<th>Country</th>
<th>Measures and Support Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>IE</td>
<td>A STW support scheme was already in place for employees who are on short-time work as a consequence of a reduction in business activity. To qualify for the STW support the employee must work 3 days per week or less. In addition, on 24 March 2020 the government adopted the new National Covid-19 Income Support Scheme applying to employees whose work has been fully suspended. Any company can apply for the wage subsidy if the following conditions are met: (1) Employers must self-declare to Revenue that they have experienced significant negative economic disruption due to Covid-19 with a minimum of 25% decline in turnover; (2) an inability to pay normal wages and other outgoings; The amount of STW support paid depends on the social security contributions paid by the employee but ranges from 81.2 to 391.76 EUR per week; STW support is paid for a maximum of 234 days. Legislative measures: Introduction of National Covid-19 Income Support Scheme on 24 March 2020. The new income support scheme includes: (1) a temporary wage subsidy to companies of 70% of the net wage up to a maximum weekly tax-free amount of €410 per week (38,000 EUR net per year) and up to 350 EUR for annual net wage between 38,000 and 76,000 EUR; (2) Employees are expected to receive 100% of their normal wages for the time of the wage subsidy; (3) workers who have lost their jobs due to the crisis receive an enhanced emergency Unemployment Pay of €350 per week (an increase from €203); (4) the same emergency Unemployment Pay of €350 per week applies to self-employed; (5) The National Covid-19 Income Support scheme is foreseen to be running for 12 weeks.</td>
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<tr>
<td>IT</td>
<td>There are different measures in place for short-time work allowances: (1) Ordinary Wages Guarantee Fund – CIGO (Cassa integrazione guadagni ordinaria) (2) Extraordinary Wages Guarantee Fund – CIGS (Cassa integrazione guadagni straordinaria) The CIGO can be activated in case of suspension of, CIGO provides for 80% of previous earnings for hours not worked between 24 and 40 hours a week, with a fixed maximum decided each year by the National Institute for Social Protection (INPS). CIGO measures have a maximum duration of 13 weeks, which can be extended up to 52 weeks. CIGS allowances are paid for a maximum period of 12 months in case of company crisis, 24 months for reorganisation, restructuring and legislative measures: On 16 March 2020, the government adopted a bill which includes the following key issues: (1) Extension of the scope of CIGO and CIGS to all workers, all sector and all regions and it will also include companies with fewer than five employees. Affected companies will be able to</td>
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or reduction in working activities due to temporary events that cannot be ascribed to the company. The CIGS can be activated under the following conditions:
(a) business restructuring for a maximum period of 24 months over a five-year period;
(b) business crisis for a maximum of 12 months;
In addition to this legal measures there are bilateral measures put in place by an agreement between trade unions and employers:
(1) **Solidarity contracts** as wage guarantee instruments with the aim to avoid, in whole or in part, staff reductions through a reduction in employees’ working hours.
(2) **Solidarity funds** to cover those sectors, types of companies or types of workers (such as craft and temporary agency workers) not covered by CIGO and CIGS. They aim at protecting workers’ income in case of suspension or termination of working activity.

| CIGS also amounts to 80% of total pay for hours not worked, from 0 to 40 hours per week, The benefit is capped in the same way as the CIGO In the case of Solidarity contracts the income support disbursed by the State (via the INPS) is equal to 60% (up to 75%) of the pay lost because of the reduction in working hours | industrial reconversion, 18 months in case of bankruptcy. Solidarity contracts usually run for a maximum time span of 24 months, which can be extended up to 36 months | access this provision for a maximum period of nine weeks. (2) **Extraordinary parental leave** of two weeks paid at 50% of salary for one parent and only for children under 12 years of age. For children aged 12-16 the leave can still be taken but will be unpaid. Alternatively families are entitled to €600 for child care (up to €1,000 for front line medical and law enforcement staff and public order services). These measures also apply to independent workers registered with their specific INPS scheme (gestione separata).
(3) **Compensation for independent workers** of €600 tax-free for March. A specific €300 million fund is also being set up for those not eligible for the €600, such as those in liberal professions (freelance workers).

**Collective Agreement:**
On 14 March 2020, trade unions and employers adopted a 13-point joint protocol, which defines procedures and operational guidelines to combat and contain the spread of the coronavirus and to protect workers at the workplace. On 16 March trade unions and employers in the banking sector concluded a similar agreement to protect workers.

| LT There is a *guarantee fund* which in the case of the employer’s insolvency provides compensation for workers. During the crisis in 2009 / 2010 an amendment to the Law on Employment Promotion provided for the possibility to combine STW and public works | The compensation from the *guarantee fund* in case of insolvency are:
(1) wage compensation up to three average wages;
(2) cash compensation for an unused annual holiday, equal to the minimum monthly wage; | **Legislative measures:**
(1) Self-employed or freelancers will get a payout 257 euros a month, if a person has paid social insurance fees at least 3 months in the last year (and does not work elsewhere by a traditional contract);
(2) Working remotely is encouraged. Where
| NL | The existing **short-time work scheme (werktijdverkorting)** applied in situations outside the normal entrepreneurial risk such as fire, epidemics and floods. Companies are eligible if there is at least 20% less work for a period of 2 to 24 weeks. | During STW the employee remains employed and the income usually remains the same. The employers pay for the actual hours worked and the state pays the wages for the reduced hours directly to the employer. The pension contributions continue as usual, so pension accrual is not disrupted. | Maximum of six weeks. Extension for another six weeks is possible after the Ministry of Social Affairs and Employment checked whether the situation has improved in the meantime. Three six-week extensions are possible to an overall maximum of 4 periods and a total of 24 weeks. | Legislative measures: Since 17 March 2020, the existing STW scheme has been replaced by a new Temporary Emergency Bridging Measure for Sustained Employment (**NOW, Noodfonds Overbrugging Werkgelegenheid**). NOW includes the following: (1) Employees’ wages stay the same; (2) Eligible are companies which expect a loss of turnover of at least 20%; (3) The actual wage support for companies depends on the size of the loss of turnover: - 90% of salary if the loss is 100%; - 45% to cover a 50% loss; - 22.5% of salary if the loss is 25% Upon application, the unemployment insurance agency (UWV) will pay an advance of 80% of the expected compensation and the actual loss of turnover will be determined subsequently, so any adjustments can be made. (4) NOW also applies to temporary workers and | **COVID-19 WATCH**  
**ETUC BRIEFING NOTE**  
**SHORT TIME WORK**  
**24 MARCH 2020**  
  
During idle time. Under these measures, those companies which announce reductions in working time were able to organize public work for their employees and receive wage subsidies from the state up to 100% of the remuneration for public works (based on the minimum hourly wage) and reimburse the associated social security contributions. Part-time employees of companies facing temporary economic difficulties can also participate in public works organised outside their company. Workers placed in part-time work as a result of economic difficulties can also receive vocational training. | (3) severance pay, equal to two minimum monthly wages; (4) payment for idle time up to the minimum monthly wage; | workers cannot work remotely but are prohibited to go to a workplace due to safety reasons, a downtime is compensated by a guaranteed minimum monthly wage (40% by an employer + 60% by the state). Additionally, there is a newly confirmed list of special sectors, for which the state compensates 90% and the employer 10% of the minimum wage. Minimum wages are therefore guaranteed for ALL workers. |
| **NO** | **Temporary lay-off scheme (Permittering)** | **Employees are entitled to unemployment benefits in accordance to the National Insurance Act. In case of part-time layoffs, if working hours are reduced by less than 50%, the employee will not be entitled to unemployment benefits.** | **The temporary lay-off can be applied for 52 weeks during a period of 18 months** | **Legislative measures:**  
(1) Reduce the number of days that employers are obliged to pay salary to workers at temporary lay-offs, from 15 to 2 days.  
(2) At the same time temporary full pay from the date of layoff for a minimum of 20 days will be secured, the government covers the costs from day 3 to 20.  
(3) The threshold to receive unemployment benefits was reduced from 150.000 NOK to 75.000 NOK.  
(4) Introduction of a scheme that guarantees people a decent income by increasing the unemployment benefits to 80% for salaries up to 300.000 NOK and 62.4% for salaries between 300.000 and 600.000 NOK after the end of the 20 day full-pay lay off period.  
(5) Temporary agreement that self-employed and free lancers are entitled to a compensation of 80% following a calculation where the income from the past 3 years is taken into account (up to 600.000). The compensation will be valid from day 17 of the day of registered lost income.  
(6) Regardless of whether the employee is laid off, sick, at home with children or in quarantine, rights regarding salary, pay and benefits will therefore be secured. A doubling of the amount of home care compensation and at the same time reduce the days to be covered by the employer is secured to this effect. |

staff employed on zero-hour contracts;  
(5) The wage support is for three months with the possibility of an extension for another three months.
At the same time a temporary rule entitles self-employed and freelance workers to care benefits from day 4 pursuant to the same rules as for wage earners, on sick pay level for self-employed.

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| In the context of the economic crisis 2009 / 2010 the government adopted the “Act on the alleviation of the impact of the economic crisis on employers” to provide support for short-time working and temporary layoffs. In the event of an employer suffering temporary financial problems, working time of employees may be reduced by up to 50% of normal working time for a period of up to 6 months. Employers can then apply for temporary state assistance covering part of the employees’ remuneration. There is furthermore the Guaranteed Employee Benefits Fund (Fundusz Gwarantowanych Świadczeń Pracowniczych) which guarantees all claims of employees in the case of the employer’s insolvency. According to the first Crisis Act an employee shall receive a salary of at least 50 per cent of the current remuneration, but no less than the applicable minimum wage. | Legislative measure: New law has been adopted on 8 March 2020: (1) Should business revenues fall by at least 25% since January 2020 compared to the previous month, then the state will cover 40% of the average salary and the employer has to cover the other minimum 40% (2) For independent workers (with service provision contracts) the State will pay a one-off allowance of 80% of the minimum wage (PLN 2,080, €455). 2.2 million workers are expected to be impacted by this measure. | (7) |}

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<th>PT</th>
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<td>The scheme for the temporary reduction of working time / suspension of employment contracts (Redução dos períodos normais de</td>
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**trabalho/suspensão dos contratos de trabalho**

applies to companies in economic crisis in order to ensure the companies’ economic viability and the maintenance of jobs.

(1) the company must notify the worker representatives, but no longer requires their agreement;
(2) the written notice period is 5 days.

| **would receive if they were working normally;** | **the employer notifies, in writing and in a substantiated manner, the worker representatives, and they do not oppose** | **(1) companies in temporary economic difficulties (i.e. that cease their activity due to a break in the supply chain as well as those whose business records a 40% drop in turnover compared to the same period in 2019) are eligible for the new STW scheme.**
(2) the measure is treated as a reduction of working time to 0 rather than as previously a termination of the employment contract;
(3) Workers will receive 66% of their salary up to a limit of €1,905 (i.e. three times the minimum wage). 70% of this reduced salary will be covered by social security, and the remaining 30% by the employer.
(4) Workers can be taken off work for one month, which can be renewed six times, for a maximum of six months |

| ** applies to companies in temporary economic difficulties (i.e. that cease their activity due to a break in the supply chain as well as those whose business records a 40% drop in turnover compared to the same period in 2019) are eligible for the new STW scheme.** | **The allowance for technical unemployment according to option two should not be less than 75% of the usual salaries** | **Legislative measures**

On 18 March 2020, a multilateral working group at governmental level involving trade unions agreed a first plan of economic measures for the 30 days of the current state of emergency. This plan includes the following measures:
(1) Establishing part-time work, with the agreement of both parties. The employees will be remunerated in proportion to the time worked or according to the volume of work done;
(2). In case the work/production needs to be stopped, with the exception of the case of technical unemployment, remuneration is at least 2/3 of the basic salary per established time unit, but not less than the minimum wage;
(3) In case of temporary impossibility of continuing the production activity by the unit or |

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In 2011, Romania introduced a scheme for the temporary reduction of activity *(Reducerea temporara a activitatii)* to be used in cases of temporary business slowdown for economic, technological, structural or other similar reasons.

There are essentially two options:
(1) After consultation with the trade unions or workers’ representatives, the employer may reduce working time from five to four days per week, in case of business slowdown over periods exceeding 30 working days. This may come with a corresponding reduction of salary.
(2) During business slowdown and/or temporary interruption of operations, employers may suspend the employment contract of workers. In this case, the employees who are affected must receive an allowance for technical unemployment paid by the employer.

The allowance for technical unemployment according to option two should not be less than 75% of the usual salaries.
employer. During this period, the employees must remain available for the employer. All social contributions have to be paid, except contributions to the unemployment insurance system.

by its internal subdivision for objective economic reasons, the employer may announce technical unemployment, with the payment of an allowance that cannot be less than 75% of the base salary, but not more than 75% of the gross average wage stipulated by state social insurance budget for 2020;
(4) Exemption from the payment of social and healthcare contributions for a period of 3 months for employees of companies active in the fields of tourism, transport and entertainment. Normally these contributions are paid by the employee and not the employer.
(5) For the people in quarantine, the payment of the utility bills and the suspension for 3 months of their monthly loan payments to banks will be ensured

| SE | Introduction of a short-time working scheme in 2013 in the aftermath of the crisis | (1) employees working 80% of their usual hours receive 90% of their usual wage, 80% of this to be paid by the employer and 10% by the government; (2) employees working 60% of their usual hours receive 85% of their wage, 65% paid by the employer and 20% by the government; (3) those working 40% of usual hours receive 80% of their wage, 50% paid by the employer and 30% by the government. | Maximum of 12 months | Legislative measures:
On 7 April 2020, the Swedish government introduced legislation on a short-term layoff scheme: This model is similar to short-time work, but the subsidy level is significantly increased. The level of employees’ pay depends on the size of the working time reduction
(1) 96% with a 20% reduction of working time
(2) 94% with a 40% reduction of working time
(3) 92,5% with a 60% working time reduction
The employers’ pay costs can be reduced by half, while 75 % of the costs will be covered by the state. The proposal has been applied from the 16th of March and it runs throughout 2020.

Collective agreements
Several collective agreements on short-term work
| **SI** | There exists a guarantee fund to protect claims of employees whose employment has been terminated due to bankruptcy. In addition and in response to the COVID 19 crisis the government adopted a temporary lay-off scheme. | have been signed since the 16th of March, e.g. by the social partners in the hotel and transport sectors and for white-collar workers. |
| **UK** | There was no STW scheme in the UK – In March 2020 a Coronavirus Job Retention Scheme (CJR Scheme) has been introduced. The wage support is claimed by companies which are not in a position to cover their wage costs. If the company does not apply for support under the CJR Scheme the employee is still entitled to guarantee pay during lay off or short-time working. | Legislative measures: The new temporary lay-off scheme includes the following elements:
(1) in case of a temporary lay-off workers receive 80% of their wage calculated as the average of the last three months-
(2) 60% of wage costs are covered by the employer and 40% by the state.
(3) the maximum length of the lay-off is 3 months |

| **legislative measures:** |
| The new temporary lay-off scheme includes the following elements: |
| (1) in case of a temporary lay-off workers receive 80% of their wage calculated as the average of the last three months-
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| (3) the maximum length of the lay-off is 3 months |

| The guarantee pay amounts to a maximum of £29 a day for 5 days in any 3-month period - so a maximum of £145. If the employee usually earns less than £29 a day he/she will get the normal daily rate. Part-time workers’ entitlement is worked out proportionally. |
| Guarantee pay is paid for a maximum of 5 days in any 3-month period |

| Legislative measures: |
| Introduction of the Coronavirus Job Retention Scheme which is applicable to all UK businesses in order to pay part of the employees’ salary for those employees that would otherwise have been laid off during this crisis. Preconditions: |
| (1) company needs to designate affected employees as ‘furloughed workers,’ and notify the employees of this change |
| (2) submit information to HMRC about the employees that have been furloughed and their earnings through a new online portal (HMRC will set out further details on the information required) |
| (3) The state will reimburse 80% of furloughed workers wage costs, up to a cap of £2,500 per month. |
| (4) The scheme is initially intended to be run for three months can be extended. |
| (5) On 26 March, the government announced to also cover 80% of the earnings of self-employed up to a cap of £2,500 per month. This applies |
## COVID-19 WATCH
#### ETUC BRIEFING NOTE
### SHORT TIME WORK
24 MARCH 2020

| From June 2020 for three months to all self-employed earning up to £50,000 a year |

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Sources:


