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 to restart 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 first two columns of the table outline some basic information on how STW schemes or other schemes to protect workers' wages work in the EU countries, while the third column includes information on recent 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.

This briefing note was originally produced on 25 May 2020 and updated on 27 November 2020 to take account of recent developments in the context of the second Corona wave. This update takes account of recent developments in the following 19 countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Ireland, Italy, Netherlands, Portugal, Romania, Slovakia, Spain and the United Kingdom.
## COVID-19 WATCH
**ETUC BRIEFING NOTE**
**SHORT TIME WORK**
**27 NOVEMBER 2020**

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<table>
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<tr>
<th>Existing System</th>
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<tr>
<td><strong>Eligibility</strong></td>
<td><strong>Level and duration of support</strong></td>
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<tr>
<td>The STW scheme (Kurzarbeiterhilfe) applies under the following circumstances</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. The duration is limited to six months, but if the overall situation of the company has not changed, the eligibility time can be extended for another six months. Overall, the maximum is set to 24 months</td>
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<td>(1) other options need to be used (reduction of overtime, vacation entitlements and working time accounts)</td>
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<td>(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</td>
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<td>(3) Working time must range from at least 10% to a maximum of 90% of normal working hours.</td>
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<td>(4) Companies must apply for STW support six weeks before they initiate the measure (or four weeks before extending it).</td>
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<td>(5) Companies must consult employee reps (involving the works council) with the aim of identifying potential alternatives to STW</td>
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### Corona-induced measures

**Corona measures**

On the basis of a collective agreement a Corona STW scheme was introduced in March 2020. Since then the Corona STW scheme has been extended twice. The last extension of the STW II scheme which was scheduled to expire on 1 October 2020 took place on 29 July 2020.

**Duration:** 6 months (compared to 3 months previously) – applications for STW are now possible until 31 March 2021;

**Level:** No changes were added to the level 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 the net wage if gross wage between 2,685 and 5,370 EUR.
- Apprentices get 100% of the net wage

Calculation of support is based on average net wage of the last 13 weeks / 3 months before the start of STW (including all wage supplements)

**Eligibility:** In order to receive STW support the following three steps need to be fulfilled:

1. Explanation of the economic difficulties and presentation of a plausible link with the corona virus
2. Conclusion of a social partner agreement which regulates the framework conditions for STW in the company and must be approved by the respective bodies capable of concluding collective agreements (typically trade unions and chambers of the economy)
3. Application for COVID-19 short-time work allowance to the AMS

**Financing:** the state covers 100% of the STW allowance.

**Protection against dismissal:** depends on the duration of the STW allowance:

1. up to 2 months STW = three months protection from dismissal;
2. up to 4 months STW = six months protection from dismissal;
3. up to 12 months STW = 15 months protection from dismissal;
**New elements of the STW III scheme:**

1. The minimum and maximum time to be worked to be eligible for STW support has been changed from 10-90% of the regular working time to 30-80%. Further working time reductions need to be agreed in company agreements.

2. The STW III scheme foresees an obligation for workers on STW to undertake any training courses that employers may offer.

In view of the renewed lockdown measures in November 2020 the following sector-specific measures have been agreed by trade unions and employers:

3. Companies that are directly affected by the second lockdown (e.g. restaurants and hotels) can reduce working hours to 0 in November 2020 or for the duration of the lockdown. Employees in the HORECA sector, as well as in the cosmetics, hairdressing and massage sector will receive an additional 100 euros net per month as a tip for November 2020 or for the period of the lockdown.

**Corona measures**

The original Corona STW scheme which expired in August 2020 has been extended for another 4 months starting on 1 September 2020. **Duration:** The STW scheme was extended for another 4 months from 1 September 2020 to 31 December 2020.

**Eligibility:** The extended scheme distinguishes between companies that need to prove that they are severely hit by the Corona crisis and companies that belong to certain sectors which are automatically recognised as severely affected by the crisis such as the taxi sector, the audiovisual sector, the hotel industry, entertainment companies, the socio-cultural sector, and tourism.

The first category of companies need to demonstrate that in the second quarter (April-May-June 2020), 20% of the total number of working days declared were days of temporary unemployment (force majeure due to Corona or economic unemployment).

**Level:** Employees receive 70% of the original wage. The government adds an additional “Corona supplement” of €5.63 per day on top for temporarily unemployed workers.

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**BE**

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

**Level:** 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.

**Duration:** In case of a total suspension of employment: four weeks at a time. After the period of 4 weeks it is obligatory to have at least one working week before starting a new period of suspension.

In the case of a small partial suspension the employee is obliged to work either at least 3 days per week or at least one week every two weeks. With large suspension he/she works less than 3 days a week or less than 1 week every two weeks. The maximum duration of a small suspension is 12 months; for large suspension it is 3 months.

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(4) more than 12 months STW = 4 additional months of dismissal protection.

**Exceptions:** workers of public institutions
**Cap:** The maximum amount of STW allowance is €2,754.76 per month.

**Financing:** The state covers 100% of the STW allowance.

**Protection against dismissal:** There is no protection against dismissal.

**Exceptions:** Workers of public institutions.

**Other measures:**
1. 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.
2. Right for self-employed in the event of cessation of activities (1,614.10 EUR for self-employed with family responsibilities).

The measures at federal level are complemented by a range of additional support measures at regional level.

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**BG**

In the case of insolvencies, there is a **Guarantee of Claims Fund** 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 defined regular working time as stipulated by the Labour Code.

The guaranteed support from the **Guarantee of Claims Fund** 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.

**Corona measures**

In July, the so-called “60-40” STW scheme set up in March 2020 and supposed to expire on 30 June 2020 has been extended for another 3 months until the end of September 2020.

**Duration:** The duration of the STW allowance is linked to the state of emergency with a maximum duration of 3 months with the possibility of further extensions.

**Eligibility:** The extended scheme increased the scope by including companies in sectors previously left out of the scheme and by dropping the requirement that firms have to be up to date on their tax and mandatory contribution payments. Under this scheme, companies and self-employed individuals receive a monthly subsidy of 290 leva for each job preserved, starting July 1 for a period of up to six months.

**Level:** The STW allowance is 100% and ensures that workers receive their full original salary.

**Financing:** The state will cover 60% of the STW allowance plus 60% of the social security contributions normally covered by the employer. The other 40% of the STW allowance are covered by the employer.

**Protection against dismissal:** The duration of the protection against dismissals is double the period of the STW allowance.
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<tr>
<th>Country</th>
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<tr>
<td>CY</td>
<td>Cyprus has a special instrument of income support called “suspended employment” for workers in the tourism sector (hotels and restaurants) as well as tourism related activities. The scheme provides partial unemployment benefits to employees whose employment has been temporarily suspended due to seasonality reasons. Its objective is to retain employment over the idle winter months when companies suspend their activities fully or partially from 1 November until 31 March. During the suspension period, the employer pays 2.8% of the basic wage (including a cost of living allowance) to the employee. The employee is entitled to unemployment benefits from the state during the suspension period, reduced by the amount received from the employer. <strong>Corona measures</strong> In the context of the crisis the government introduced rules for a “special unemployment benefit” in case of partial or complete suspension of business activities. This includes the following measures: <strong>Duration</strong>: The scheme has been extended until 31 March 2021 in the hotel industry and in sectors that are linked with hotel industry. For other sectors that are still significantly affected from the current crisis, the scheme has been extended until 31 December 2020. <strong>Level</strong>: The special unemployment benefit amounts to the value of 60% of the social insurance units (which amounts to 60% of the original wage). In case of a complete suspension, companies employing more than 9 employees, 90% of employees receive this special benefit. In case of a partial suspension different rules apply: Businesses employing up to 50 employees may apply for 75% of their total workforce and businesses employing more than 50 employees may apply for support of 60% of their total number of employees. <strong>Cap</strong>: The maximum amount paid in case of both complete and partial suspension is €1,214. <strong>Protection against dismissal</strong>: It is a precondition for the employer to participate in the scheme not to dismiss any employees for the period of receipt of the benefit. In case of a partial suspension, the duration of protection against dismissals is one month longer than the period of receiving the benefit. <strong>Exceptions</strong>: Management shareholders, general managers and senior executives are excluded from the scheme. In the case of a partial suspension employees of public sector organizations and companies in a range of specified sectors that have not actually reduced their turnover are also excluded from the scheme.</td>
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<td>CZ</td>
<td>Czechia has a STW system that covers all companies in the private sector regardless of company size or sector. State-funded organisations are excluded. The scheme applies to situation in which companies face a reduction of their production due to negative economic developments or are affected by natural disasters that would result in dismissals. To be eligible the employer that he/she is unable to provide work for more than 20% of the weekly Level: The wage support for employees covers at least 70% of the original wage. Up to 20% of the employee's wage is paid by the labour office (but not exceeding 12.5% of the national average wage for the first to third quarters of the previous calendar year) and the remaining 50% is covered by the employer. The wage support is determined by a collective agreement between <strong>Corona measures</strong> The special “Anti-Virus” STW scheme introduced during the first wave of the pandemic has been extended by the “Anti-Virus Plus” STW scheme in October and runs until the end of 2020. <strong>Duration</strong>: The Anti-Virus Plus scheme runs for 3 months from October to end of December 2020. <strong>Level and Cap</strong>: The level of the STW allowance varies depending on the reason, STW pay can range from 60% in the case of economic difficulties resulting from the</td>
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Working time. While receiving state support the company is not allowed to dismiss any employees.

The wage support can be provided for a maximum of 6 months. The time period and conditions under which it is possible to apply for the contribution are set by the government.

COVID-19 crisis and 100% in the event of a business closure due to a government order. More specifically there are the different sub-schemes:

1. Antivirus A: in the case of forced quarantine 80% of the original wage with a maximum cap at 39,000 CZK (approx. €1,430);
2. Antivirus A Plus: if the establishment is ordered to close or significantly restricted by authorities 100% of the original wage with a cap at 50,000 CZK (approx. €1,900);
3. Antivirus B: in case of economic difficulties 60% of original wage with a cap at 29,000 CZK (approx. €1,060).

Financing: The support is completely covered by the state.

Protection against dismissal: While receiving state support the employer cannot dismiss employees.

## Short-time work scheme (Kurzarbeit)

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).

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 some sectors 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. Such agreements mainly exist in manufacturing branches such as metals or chemicals where wages are relatively high. By contrast, most low wage sectors do not have such agreements.

STW is 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.

### Coronavirus measures

Legislation introduced new rules the existing STW scheme. In September 2020 the Corona STW scheme has been again extended until 31 December 2021.

Access to STW support has been facilitated under the specific Coronavirus measures:

1. STW compensation will be paid if already 10% of the workforce is affected by work stoppages (in contrast to one third in the normal scheme).
2. the scope of the scheme has been extended to temporary agency workers (which are excluded from the regular scheme).

The duration of the specific measures is 21 months and the deadline for application has been extended from 31 December 2020 to 31 December 2021.

On 23 April new legislation was adopted which increases the level of statutory STW allowance depending on the duration of STW pay:

- First three months of STW: 60% (without children) and 67% (with children) of net wage;
- Between fourth and sixth month of STW: 70% (without children) and 77% (with children) of net wage;
- Between the seventh and twelfth month of STW: 80% (without children) and 87% (with children) of net wage;

The higher rates after the fourth month only apply if working time is reduced by 50% or more.
**COVID-19 WATCH**

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<th>DK</th>
<th>The work-sharing scheme (Arbejdsfordeling) 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).</th>
<th>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.</th>
<th>Corona measures Based on a tripartite agreement concluded on 31 August and a new law which entered into force on 14 September, the more flexible arrangements for the use of the work-sharing scheme have been extended until 31 December 2020. The Corona scheme which was originally based on a tripartite agreement concluded on 14 March 2020 between government, FH and employers (DA) introduces a temporary wage compensation scheme for companies with employees who are at risk of redundancy. Key themes are: Duration: The scheme has been extended for 4 months until 31 December 2020.</th>
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<tr>
<td>Cap: The maximum amount of the monthly gross wage taken into consideration for the calculation of the STW allowance is €6,900 in West Germany and €6,450 in East Germany</td>
<td>Financing: The state covers 100% of the STW allowance</td>
<td>Protection against dismissal: There is no protection against dismissal; some industry-level collective agreements provide protection against dismissal.</td>
<td>The extended Corona measures include the following changes: Social security contributions (SCC): full payment by the state extended from 31 December 2020 until 31 June 2021; after that the state only covers 50%; unless the employee spends the time off work in training measures – in this case the state continues paying 100% of the SCC.</td>
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**Collective Agreements:** Since 17 March 2020, several industry-level collective agreements have been concluded between trade unions and employers’ associations increasing the statutory STW allowance. Examples include:

- Film industry (100% of net wages);
- metalworking (80-97%);
- local government (90-95%);
- chemicals (90%);
- automotive craft (Kfz-Handwerk) (90%);
- systems-based food catering sector (Systemgastronomie) (90%);
- textiles services (80%);
- wood and plastics industry (75%)

There are furthermore a whole range of company-level agreements improving the statutory STW allowance. Examples include:

- Winterhall DEA (100%),
- Volkswagen (78-95%),
- Eurowings (90%),
- Deutsche Telekom AG (85%), and Deutsche Bahn AG (80%).

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**Financing:** The state covers 100% of the STW allowance

**Protection against dismissal:** There is no protection against dismissal; some industry-level collective agreements provide protection against dismissal.

**The extended Corona measures include the following changes:** Social security contributions (SCC): full payment by the state extended from 31 December 2020 until 31 June 2021; after that the state only covers 50%; unless the employee spends the time off work in training measures – in this case the state continues paying 100% of the SCC.
(3) Employers and employees must agree on reducing working hours, within a limited, low-demand period, in order to avoid redundancies. 

(4) According to the Law on Supplementary Unemployment Benefit, the employees must qualify as active job seekers.

Eligibility: The scheme applies to private companies that are severely affected by the Corona crisis and therefore face notice of redundancies for at least 30% of staff or more than 50 employees. The scheme also applies to private foundations, associations and self-governing institutions if they receive less than half of the institutions’ ordinary operating expenses in public grants. Working time must be reduced by an average of at least 20 per cent. and a maximum of 50 per cent. measured over four weeks in relation to the agreed working hours. To benefit employees must be affiliated to an unemployment fund, but can register extraordinarily with an unemployment fund and be eligible for an allowance after paying 3 months of contributions. The new scheme provides for better training opportunities during periods of inactivity.

Level: While in STW the employee receives 100% of the original wage.

Financing and Cap: For salaried employees the state will cover 75% of the original wage but not more than 30,000 DKK (approx. €4,000) per month and full-time employee; for non-salaried employees the state will cover 90% of the original wage but not more than 23,000 DKK (approx. €3,100) per month and full-time employee. The remaining 25% and 10% respectively have to borne by the employer.

The individual worker for whom the company seeks wage compensation retains his/her full monthly wage but must take unpaid holiday or time off in lieu amounting to a total of five days in connection with the compensation period. However, this does not apply to companies where there is an agreed pay cut in connection with COVID-19.

Protection against dismissal: for the duration of the wage compensation period, the company refrains from dismissing employee for economic reasons.

EE

Estonia has a scheme to support workers in the case of insolvency of a company. In case of a company’s bankruptcy the Unemployment Insurance Fund pays the employer insolvency benefits which include:
(1) pending salaries; 
(2) pending holiday pay; 
(3) benefits from the period before or after the insolvency.

In case of unpaid wages, the amount of benefits paid can be up to the employee’s gross wages for the last three months but not more in total than the amount equal to three average monthly gross wages in Estonia during the quarter preceding the declaration of the employer as insolvent.

Eligibility: The scheme applies to companies which...

Corona measures

In the context of the COVID 19 crisis the government adopted a set of crisis-related measures including a temporary short-time working scheme supporting employees and companies to avoid layoffs. Its key features are:

Duration: The wage support may be paid for two months out of a period of three months from March-May 2020. The scheme ended in June 2020 and was not extended.

Eligibility: The scheme applies to companies which...
| Declaration of the employer as insolvent which were not received at the time of cancellation of the employment contract. | - experienced a decline in turnover or income of 30% or more for the month in which it seeks government assistance, compared to the same month last year.  
- are unable to provide work for at least 30% of its employees.  
- reduced the wages of at least 30% of its employees by at least 30% or to the minimum wage level.  
**Level:** The STW allowance covers 70% of the employee’s average monthly wage, up to a maximum of €1,000. The employee must receive at least the minimum wage of €584 by adding the employer’s €150 contribution and the allowance from the unemployment insurance fund.  
The unemployment insurance also covers social security contributions, compulsory unemployment insurance contributions, and income tax from the employee’s allowance.  
**Cap:** The maximum amount of the STW allowance is €1000  
**Financing:** The state covers STW allowance and the employer has to pay at least €150.  
**Protection against dismissal:** There is protection against dismissals during receipt of the STW allowance  
**Exceptions:** workers on civil contracts are excluded from the scheme |
| --- | --- |
| **ES** 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 notification must contain the following information: number and professional categories of the workers affected by the redundancy, number and level.  
**Level:** Workers are entitled to unemployment benefits of 70% of the gross salary, 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  
**Duration:** The benefit may be paid out for a maximum period of 2 years.  
**Corona measures**  
On 30 September 2020, the extraordinary STW scheme (ERTE) has been extended for the fourth time until 31 January 2021.  
**Duration:** The duration of the extended scheme is 4 months and will be in force until 31 January 2021.  
**Level:** Employees receive an STW allowance of 70% of the gross salary;  
In the extended scheme, the coverage of companies’ social security contributions (SSC) depends on whether the temporary lay-off is based on force majeure, on impediment to activity, or on limitation of activity.  
**Force majeure** concern those sectors that have been severely affected by the crisis such as the catering and tourism sector, transport, leisure and entertainment management, the press, events organization and certain commercial activities. In these sectors companies with fewer than 50 employees which have taken at least 65% of their staff on STW receive an 85% reduction in SSC. Companies with 50 or more employees will benefit from a 75% reduction. These contribution reduction... |
| 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 | benefits also apply across the value chains by which is meant all companies for which at least 50% of their revenues directly depended on these sectors in 2019. These partial exemptions may also apply to ERTEs based on economic, technical, organizational or production reasons in the sectors directly or indirectly concerned. **Impediment to activity:** Applies to all companies which are forced to close down as a consequence of an ad-hoc local administrative decision. Companies with fewer than 50 employees receive a 100% exemption from SCC; companies with 50 or more employees receive a 90% exemption from SCC. **Limitation of activity:** Applies to companies whose activity is altered by a municipal, regional or national authority, and in particular as regards time and capacity constraints. SCC is reduced for employees on STW as well as those who continue to work. For SMEs with fewer than 50 employees, the SCC is reduced by 100% in October, 90% in November, 85% in December and 80% in January 2021. For companies with 50 or more employees, SCC is reduced by 90% in October, 80% in November, 75% in December and 70% in January 2021. **Cap:** There are various caps depending on the family responsibilities of the affected worker: for workers without children the amount paid is €1,098.09; for workers with one child the maximum amount is €1,254.96; and for workers with two children or more the cap is €1,411.83. **Financing:** The STW allowance is fully paid by the state. **Protection against dismissal:** 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. **Special conditions for state support:** • When having workers on STW companies are not allowed to make their employees work overtime, hire new workers or outsource activities performed by workers on STW; • Companies operating from tax havens are not eligible and the same applies to companies paying out dividends. |

| FI | Temporary lay-off scheme (*Lomautus*) | Level: Employees receive basic or earnings-related unemployment allowance (the latter only for members of unemployment funds). The |
| FI | Applies to situation in which: (1) the employer could (as an alternative to the temporary layoff) dismiss the employee because | Corona measures: During the COVID-19 pandemic the permanent temporary lay-off scheme has been made more flexible. Most of the changes are in force until 31 December 2020. The main changes to the permanent scheme include: |
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); or
(3) the employer cannot reasonably provide the employee with other suitable work or training.

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 average amount of the earnings-related benefit is about 50% of the income.  
**Duration:** Earnings-related unemployment allowance is paid for a maximum of 400 days.

1. The government allows self-employed and freelancers access to unemployment benefit during the crises. There are plans to extend this rule until 31 March 2021.
2. The 5-day waiting period before one begins to receive unemployment security has been removed.
3. Any unemployment benefit paid for days between 1 July and 31 December 2020 will not count towards the maximum benefit payment period (300/400/500 days), irrespective of when the claimant began receiving benefit or the basis for such payment.
4. The condition regarding previous employment is reduced from 26 weeks to 13 weeks. A further condition of receiving earnings-related daily allowance is that the employee must have been a member of an unemployment fund over the same period.
5. The employment condition for a family member of a self-employed person is shortened from one year to six months.

Concerning the other aspects of the STW allowance (level and duration) the usual rules apply.

In addition to these rules the following Corona-related temporary changes to the Temporary Lay-Off Scheme are in force until the 31st of December 2020.

1. Shortening Lay-Off procedure from 14 days or six weeks to 5 days
2. Shortening Lay-Off notice period from 14 to 5 days
3. Full right to temporarly lay-off fixed-term employees
4. Clarifying the possibility to use legal emergency clause to lay-off during Covid-19
5. Government to secure the funding of unemployment benefits for laid-off

---

<table>
<thead>
<tr>
<th>FR</th>
<th>The partial unemployment scheme (Activité partielle) applies if the reduction or the temporary suspension of activity is due to:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>- the economic situation</td>
</tr>
<tr>
<td></td>
<td>- supply difficulties</td>
</tr>
<tr>
<td></td>
<td>- a disaster or weather conditions of an exceptional nature</td>
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<tr>
<td></td>
<td>- the transformation, restructuring or modernisation of the company</td>
</tr>
<tr>
<td></td>
<td>- or any other exceptional circumstance</td>
</tr>
<tr>
<td>Level:</td>
<td>(1) Workers receive 70% of their gross hourly wage (approximately 84% of the net hourly wage);</td>
</tr>
<tr>
<td>Level:</td>
<td>(2) The remuneration cannot go below the statutory minimum wage;</td>
</tr>
<tr>
<td>Level:</td>
<td>(3) Workers in training receive 100% of the net hourly wage.</td>
</tr>
<tr>
<td>Level:</td>
<td>(4) The employer receives an allowance jointly from the state and the unemployment insurance</td>
</tr>
<tr>
<td>Corona measures</td>
<td>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 March which introduced specific crisis measures to the partial unemployment scheme. In addition to the existing partial unemployment scheme, on the 28th of July 2020, a new so-called long-term partial activity scheme (APLD) has been introduced.</td>
</tr>
<tr>
<td>Corona measures</td>
<td><strong>Duration:</strong> The duration of the STW allowance in the partial unemployment scheme is 12 months and applications can be submitted until 31 December 2020. The duration of the APLD scheme is <strong>24 months</strong> which do not have to be taken</td>
</tr>
<tr>
<td>Level:</td>
<td>(1) Workers receive 70% of their gross hourly wage (approximately 84% of the net hourly wage);</td>
</tr>
<tr>
<td>Level:</td>
<td>(2) The remuneration cannot go below the statutory minimum wage;</td>
</tr>
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<tr>
<td>Level:</td>
<td>(4) The employer receives an allowance jointly from the state and the unemployment insurance</td>
</tr>
</tbody>
</table>
Before placing its employees under partial activity, the company must ask the labour inspectorate for authorisation. The labour inspectorate has 15 days to answer.

<table>
<thead>
<tr>
<th>Duration</th>
<th>Partial activity is allowed for a maximum period of 6 months, with the option to renew it once.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Level</td>
<td>The STW allowance covers 70% of the original gross wage which amounts to approx. 84% of the original net wage. The STW allowance will at least cover the minimum wage. From 1 January 2021, the STW allowance will only cover 60% of the original gross wage. The employer receives a wage subsidy of 60% of the gross wage with an upper limit of 4,5 times the minimum wage and a minimum floor of 7,23€ per hour. From 1 January 2021 the wage subsidy will be reduced to 36% of the gross wage with an upper limit of 4,5 times the minimum wage and a minimum floor of 7,23€ per hour (employers within certain sectors affected by specific legislation or regulation within the context of the sanitary crisis would still receive an allocation with a rate of 70%)</td>
</tr>
<tr>
<td>Level (2)</td>
<td>No redundancies during STW otherwise the state can claim back the subsidy;</td>
</tr>
<tr>
<td>Level (3)</td>
<td>Companies are encouraged to provide vocational training in times off work</td>
</tr>
<tr>
<td>Level (4)</td>
<td>Capacité : The maximum amount of the STW allowance is 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.</td>
</tr>
<tr>
<td>Financing</td>
<td>The state and the French Public Unemployment Insurance (Unedic) will cover 100% of the company’s wage bill.</td>
</tr>
<tr>
<td>Scope</td>
<td>The scope of the partial unemployment scheme has been extended to almost all categories of workers including white-collar employees, employees from certain public companies. In addition, part-time workers enjoy the same rights to a monthly remuneration as full-time employees and apprentices will be compensated with 100% of their usual remuneration. Employees who work on an annual fixed day or fixed hour basis (forfait jours) will be eligible for partial unemployment, if the number of hours they work is lowered. The only category of workers excluded from the scheme are employees from “private” (individuals – for housekeeping as example) employers and maternal assistants. Special provisions:</td>
</tr>
<tr>
<td>Special provisions (1)</td>
<td>Under APLD scheme working time can be reduced by up to 40% (in exceptional circumstances by up to 50%) under the condition that the employment level is maintained;</td>
</tr>
<tr>
<td>Special provisions (2)</td>
<td>No redundancies during STW otherwise the state can claim back the subsidy;</td>
</tr>
<tr>
<td>Special provisions (3)</td>
<td>Companies are encouraged to provide vocational training in times off work.</td>
</tr>
</tbody>
</table>
**COVID-19 WATCH**
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| **GR** | **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. | **Level:** 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.  
**Duration:** These allowances are paid for a maximum of three months every year. | **Corona measures**
**Legislative measures:**
On 18 March the government announced the following measures providing support for SMEs and maintaining employment:

**Level:** STW allowance of €800, at the start of April (in compensation for March) for all workers whose employment contracts have not been renewed, and for those being placed on partial unemployment;

**Duration:** The duration of the STW measures is 1 month (with the possibility of extension);

**Financing:** The state pays 100% of the STW allowance and also covers social security benefits, pensions, and health care costs for these employees as well as their social contributions; For all those in quarantine and self-isolation, tax payments will be suspended for four months.

**Scope:** All these measures will also apply to freelance professions and self-employed.

**Protection against dismissal:** when receiving state support it is not possible to dismiss employees.

| **HR** | Croatia has a Fund for Insurance of Workers’ Claims which in the case of the employers’ bankruptcy guarantees the payment of workers’ wages for three unpaid, monthly gross salaries. The Fund also covers other claims arising from the employment contract for the last three months prior to the initiation of a bankruptcy process. | The Fund guarantees payments up to the level of the minimum national average monthly salary for each month for which the salary has not been paid. It furthermore guarantees up to half of the minimum salary for severance pay; up to a third of non-appealable remuneration for indemnification. | **Corona measures**
**In April the government introduced an income support scheme providing a wage subsidy to companies (a) in sectors that were most affected by the crisis (such as hospitality, tourism, transport, textiles&clothing, wood&furniture); (b) which had to suspend their activities due to a decision of disease control centres; (c) all other employers who suffered a reduction of income of more than 20 % due to the special circumstances of the pandemic. A specific STW scheme was introduced in June 2020.**

There are three other schemes of income compensation addressing specific sectors, microenterprises and workers with disabilities. They will also run until 31 December 2020. The final deadline for application was 26 October 2020. The scheme contains the following provisions:

**Duration:** The STW scheme runs until 31 December 2020. Companies need to apply by the end of the month to qualify for the scheme in the next month and onwards. Therefore, the deadline for applications is 30 November 2020.

**Level:** Workers are entitled to their original wage, provided that there’s no change in contract. The level of the wage subsidy for employers was amended in October. |
### COVID-19 WATCH
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<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<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 company has to retain its employees (or at least the number of its employees) for at least twice of the period of the support.</td>
<td>Employers were reimbursed social security contributions and up to two times the minimum wage for hours not worked. Training costs were also supported up to 80% of the expenses and 80% of the lost wages Support in all schemes was available for up to 12 months.</td>
</tr>
<tr>
<td><strong>IE</strong></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</td>
<td>Level: 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.</td>
</tr>
</tbody>
</table>

**Corona measures**

**Legislative measures**

**Level:** The STW allowance covers 70% of the wages lost due to the working time reduction in companies that lost 9-75% of their activities/revenues due to the crisis.

**Cap:** Only the part of the wage up to HUF 214,300 net (twice the minimum wage - €612 as of 15 Apr) per month is eligible, wages above this threshold are not subsidised. The employer must provide training to the employee concerned in 30% of the reduced hours.

**Duration:** The STW crisis scheme will last for three months.

**Financing:** The state covers 100% of the STW allowance.

**Protection against dismissal:** The protection against dismissal extends one month beyond the end of the payment of the STW allowance.

**Special measures:**

1. Exemption from social security contributions during this period for the sectors most affected by the pandemic, such as tourism, restaurants, entertainment venues, sports, cultural services and transport;
2. Wage subsidy of 40% for workers in engineering and research & development.

**Corona measures**

The Temporary Wage Subsidy Scheme (TWSS) introduced on 26 March 2020 was replaced by the Employment Wage Subsidy Scheme (EWSS) from 1 September 2020.

**Duration:** The EWSS is scheduled to run for 7 months until 31 March 2021.
### Duration

STW support is paid for a maximum of 234 days.

### Eligibility

The EWSS is available for employers who keep staff on their payroll during the pandemic and whose employees are temporarily not working or on reduced hours or reduced pay (or both). The current eligibility rules require employers (1) to have a valid tax clearance certificate and to maintain tax clearance for the duration of the scheme, and (2) to have seen a minimum 30% decline in turnover or customer orders between July and December 2020 compared to the same period in 2019, (3) the disruption must be caused by COVID-19.

**Level:** Whereas in the previous TWSS scheme, the Ireland’s Revenue Commissioners’ guidance stated that an ‘employer is expected to make best efforts to maintain the employee’s net income as close as possible to normal net income for the duration of the Subsidy period’, this is not contained in Revenue’s guidance for the EWSS.

The wage subsidy for companies depends on the employees’ earnings. The current levels of weekly wage subsidies for companies from 20 October 2020 to 31 January 2021 (i.e. two months before current planned expiry) are:

- **Gross pay of less than €151.50 a week** – no subsidy.
- **Gross pay of €151.50 to €1,462 a week** – varying subsidy of €203 to €350.
- **Gross pay above €1,462** – no subsidy

### Protection against dismissal

While receiving STW allowance companies are expected to keep the same level of employment.

### IT

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, 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**

**Level:** 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). 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.

**Corona measures**

**Legislative measures:**

In the context of the crisis, the government adopted the following measures concerning STW:

- **Duration:** The special crisis measures have been extended until 31 March 2021.
- **Scope:** The scope of the STW scheme was extended to all workers, all sectors and all regions and it will also include companies with fewer than five employees.

**Level:** The STW allowance is 80% of the original wage.

**Cap:** For monthly gross wages below €2,159.48 the maximum amount paid is €939.99 and for monthly gross wages above €2,159.48 the cap is €1,129.66.

**Financing:** The state covers between 92 and 96% of the STW allowance; the employer covers between 4 and 8%.
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| 24 months over a five-year period; |
| Duration: CIGO measures have a maximum duration of 13 weeks, which can be extended up to 52 weeks. |
| Protection against dismissal: There is protection with the exception of collective dismissals. |
| (b) business crisis for a maximum of 12 months; |
| CIGS allowances are paid for a maximum period of 12 months in case of company crisis, 24 months for reorganisation, restructuring and industrial reconversion, 18 months in case of bankruptcy. |
| Other measures: 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). 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). |
| 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. |
| (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. |
| Corina measures |
| Legislative measures: |
| Level: The level of the STW allowance is 60% of the original wage; in some specific sectors subject to government restrictions during emergency or quarantine the STW allowance covers 90% of the original wage. |
| Cap: The maximum amount paid is the minimum wage of €607. |
| Duration: The duration of the STW allowance is 3 months |
| Financing: The state covers 100% of the STW allowance. |
| Protection against dismissal: The protection against dismissal is double the period of the STW allowance. |
| Other measures: |
| (1) Self-employed or freelancers will get a pay-out of €257 per month, if a person has paid social insurance fees for at least 3 months in the last year (and does not work elsewhere by a traditional contract) |

| 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 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. |
| 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; |
| (3) severance pay, equal to two minimum monthly wages; |
| (4) payment for idle time up to the minimum monthly wage; |

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Workers placed in part-time work as a result of economic difficulties can also receive vocational training.

| LU | Luxembourg already had a STW scheme to avoid redundancies and to support workers’ income in different circumstances: economic difficulties, companies facing structural difficulties and problems due to a ‘force majeur’. A precondition for support under the three circumstances is that the employer exhausted all other possibilities to cope with the economic difficulties. These include: reduction in the use of temporary agency workers, time off in case of overtime, the use of remaining holiday entitlement, and internal redeployment. | Level: The STW allowance for the hours not worked covers 80% of the original wage – except for the first 16 hours per month for full-time workers, or the first eight hours per month for part-time workers. The maximum amount paid is 250% of the statutory minimum wage. Duration: The duration of the STW allowance can vary depending on the reason for STW. However, in case of STW due to economic reasons: 6 months over a period lasting 12 months. The hours involved per month cannot exceed 50% of the employee’s normal working hours. In the other cases the duration is individually fixed. | Corona measures  
Legislative measures  
In the context of the COVID-19 crisis the government adopted new rules for STW in case of ‘force majeur’ which ease access to the scheme and contain the following provisions:  
Level: The level of the STW allowance covers 80% of the original wage and the minimum amount paid is the statutory minimum wage for unskilled workers. The STW allowance covers 90% if the employee is in a training measure.  
Cap: The maximum amount paid is 250% of the statutory minimum wage for unskilled workers.  
Duration: The special rules apply for 3 months.  
Financing: The state covers 100% of the STW allowance.  
Protection against dismissal: A company that receives wage support in the case of a ‘force majeure’ is not allowed to dismiss employees for economic reasons as long as the relevant government decisions remain in force. |
| LV | Latvia has a Employee Claims Guarantee Fund which supports workers’ in case of a company’s insolvency. The Employee Claims Guarantee Fund covers the following elements:  
(1) work remuneration;  
(2) reimbursement for annual paid leave;  
(3) reimbursement for other types of paid leave;  
(4) severance pay connected with the termination of an employment relationship;  
(5) reimbursement for injury connected with an accident at work or an occupational disease. | | Corona measures  
Legislative measures  
The Emergency COVID-19 Law contains the following provisions on STW:  
Eligibility: The support is available for workers of companies in downtime that fulfill the following criteria: (1) 30% income reduction in comparison to March/April of the previous year; (2) 20% income reduction in comparison to March/April of the previous year if (a) exports constitute at least 10% or €500,000; (b) the average gross salary in 2019 to workers is not less than €800; (c) long-term investment in fixed assets in 31 Dec 2019 was at least €500,000  
Level: The STW allowance covers 75% of the original wage and is not taxed.  
Cap: The maximum amount of STW allowance paid is €700.  
Duration: The scheme runs for two months (14 March until 14 May) but can be extended.  
Financing: The state covers 100% of the STW allowance. |
## MT
Malta has a Wage Guarantee Fund in order to protect the workers’ wages in case of their employer’s insolvency. The guarantee covers the unpaid basic wage, overtime, compensation in lieu of notice and arrears for any leave entitlement for the current and preceding calendar year.

The maximum amount of wages guaranteed by the Wage Guarantee Fund is equivalent to 13 weeks of the national minimum wage, payable at the time of the dismissal or termination.

### Corona measures
#### Legislative measures
In the context of the crisis the government introduced a COVID Wage Supplement which has the following main features:
- The COVID Wage Supplement provides employees in certain specified industries with a basic wage in case of a disruption of business activities caused by the COVID pandemic.
- **Level:** Full-time employees in specific sectors severely hit by the crisis will receive €800 a month from the government through their employers. As part of the agreement, employers in these sectors will continue providing their workers with a further 400 Euro a month. Employers which due to the COVID crisis cannot afford the further 400 must register with the Department of Industrial relations.
- **Part-time employees receive €500 per month.**

### 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.

### Level:
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.

### Duration:
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.

### Corona measures
#### 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).** Since 1 October 2020 NOW 3 is in place.

- **Duration:** NOW 3 runs for 9 months until 30 June 2021.
- **Eligibility:** Companies which expect a loss of turnover of at least 20%; under NOW 3 the minimum loss of turnover from January onwards needs to be 30% to qualify for the scheme.

- **Level:** Employees’ wages stay the same – 100% of the original wage;
- The actual wage support for companies depends on the size of the loss of turnover:
  - 80% of salary if the loss is 100%;
  - 45% to cover a 50% loss;
  - 22.5% of salary if the loss is 25%
<table>
<thead>
<tr>
<th><strong>NO</strong></th>
<th><strong>Temporary lay-off scheme (Permittering)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>An employer can temporarily lay-off workers if there are justifiable reasons such as low influx of orders, financial problems, need to repair machinery etc. The employer needs to notify the public employment authorities and to consult with the shop stewards before giving notice of temporary lay-offs. Employees shall be given in writing 14 days' notice of temporary lay-offs.</td>
<td>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</td>
</tr>
</tbody>
</table>

Under NOW 3 the level of wage support for companies with 100% loss of turnover decreases gradually over time: 1 October-31 December: 80%, 1 January-31 March: 70% and 1 April-30 June: 60%.

**Cap:** Under NOW 3 the Cap – the maximum amount of support – will be slowly reduced over time from €9,538 per month for the period from 1 October 2020 to 31 March 2021 to €4,769 per month for the period 1 April 2021 to 30 June 2021.

**Financing:** Under NOW 3, the state covers between 22.5 and 80% of the employees’ wages accordingly the employers’ share ranges between 20 and 77.5%.

**Scope:** NOW also applies to temporary workers and staff employed on zero-hour contracts;

**Protection against dismissal:** There is protection against dismissal for the duration of STW.

**Corona measures**

**Legislative measures:**

**Level:** The employee receives 100% of the original wage for the first 20 days; after that the unemployment benefits at 80% for salaries up to 300,000 NOK (approx. €26,500) per year and 62.4% for salaries between 300,000 and 600,000 NOK (approx. €26,500 – 53,000) for a maximum of 26 weeks. The threshold to receive unemployment benefits was reduced from 150.000 NOK (approx. €13,250) to 75.000 NOK (approx. €6,600).

**Financing:** The first two days of the STW allowance are paid by the employer; after that the state covers the costs from day 3 to 20 and after that the unemployment benefit.

**Protection against dismissal:** There is protection against dismissal for the duration of STW.

**Exceptions:** There are no formal sectoral restrictions – but it is rarely used in the public sector in practice.

**Collective agreements:** The lay-off scheme is anchored in the social partners’ Basic Agreement and the specific conditions are regulated by local actors.

**Other measures:**

(1) 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 NOK). The compensation will be valid
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 work 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 Guaran
teed 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.

<table>
<thead>
<tr>
<th>Corona measures</th>
<th>Legislative measure:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility: Companies can claim a wage subsidy if (1) the turnover decreases by a minimum of 15% (any two months of 2020 compared to the same period of 2019) or by a minimum of 25% (from January 2020 compared to the previous month)</td>
<td>The new laws adopted contain the following provisions on STW:</td>
</tr>
<tr>
<td>Level: If the above conditions are met, the employer can (1) reduce the working time by 20-50% and receive wage support from the Guaranteed Employee Benefits Fund (FGŚP) up to 50% of the reduced wage. (2) the employer can also choose to suspend operation. In this case the employer receives a wage subsidy of 50% of the statutory minimum wage.</td>
<td>Eligibility: Companies can claim a wage subsidy if (1) the turnover decreases by a minimum of 15% (any two months of 2020 compared to the same period of 2019) or by a minimum of 25% (from January 2020 compared to the previous month)</td>
</tr>
<tr>
<td>Cap: The maximum amount of paid as a wage subsidy is 40% of the national average monthly wage from the previous quarter as announced by the Central Statistical Office (GUS).</td>
<td>Level: If the above conditions are met, the employer can (1) reduce the working time by 20-50% and receive wage support from the Guaranteed Employee Benefits Fund (FGŚP) up to 50% of the reduced wage. (2) the employer can also choose to suspend operation. In this case the employer receives a wage subsidy of 50% of the statutory minimum wage.</td>
</tr>
<tr>
<td>Duration: The original duration of the STW scheme was three months with the possibility to extend the scheme up to a maximum of six months.</td>
<td>Cap: The maximum amount of paid as a wage subsidy is 40% of the national average monthly wage from the previous quarter as announced by the Central Statistical Office (GUS).</td>
</tr>
<tr>
<td>Protection against dismissal: For the period the company receives state support it cannot dismiss employees.</td>
<td>Duration: The original duration of the STW scheme was three months with the possibility to extend the scheme up to a maximum of six months.</td>
</tr>
<tr>
<td>Exceptions: Support cannot be claimed for employees who in the month preceding the month of submitting the application, received a wage higher than 300% of the forecasted national average monthly gross wage.</td>
<td>Protection against dismissal: For the period the company receives state support it cannot dismiss employees.</td>
</tr>
<tr>
<td>Collective Agreements: Before submitting an application for state support, the employer must sign an agreement with trade unions at the workplace; if there is no</td>
<td>Exceptions: Support cannot be claimed for employees who in the month preceding the month of submitting the application, received a wage higher than 300% of the forecasted national average monthly gross wage.</td>
</tr>
</tbody>
</table>

PL

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 work 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.

<table>
<thead>
<tr>
<th>Corona measures</th>
<th>Legislative measure:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility: Companies can claim a wage subsidy if (1) the turnover decreases by a minimum of 15% (any two months of 2020 compared to the same period of 2019) or by a minimum of 25% (from January 2020 compared to the previous month)</td>
<td>The new laws adopted contain the following provisions on STW:</td>
</tr>
<tr>
<td>Level: If the above conditions are met, the employer can (1) reduce the working time by 20-50% and receive wage support from the Guaranteed Employee Benefits Fund (FGŚP) up to 50% of the reduced wage. (2) the employer can also choose to suspend operation. In this case the employer receives a wage subsidy of 50% of the statutory minimum wage.</td>
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<td>Cap: The maximum amount of paid as a wage subsidy is 40% of the national average monthly wage from the previous quarter as announced by the Central Statistical Office (GUS).</td>
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<td>Duration: The original duration of the STW scheme was three months with the possibility to extend the scheme up to a maximum of six months.</td>
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<td>Protection against dismissal: For the period the company receives state support it cannot dismiss employees.</td>
<td>Duration: The original duration of the STW scheme was three months with the possibility to extend the scheme up to a maximum of six months.</td>
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<tr>
<td>Exceptions: Support cannot be claimed for employees who in the month preceding the month of submitting the application, received a wage higher than 300% of the forecasted national average monthly gross wage.</td>
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<td>Collective Agreements: Before submitting an application for state support, the employer must sign an agreement with trade unions at the workplace; if there is no</td>
<td>Exceptions: Support cannot be claimed for employees who in the month preceding the month of submitting the application, received a wage higher than 300% of the forecasted national average monthly gross wage.</td>
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</table>
### Scheme for Temporary Reduction of Working Time / Suspension of Employment Contracts

The scheme for the temporary reduction of working time / suspension of employment contracts (Redução dos períodos normais de 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.

#### Level:

- **Workers** receive a minimum amount equal to 66% of the gross salary (without discounts) that they would receive if they were working normally;
- The minimum is the national minimum wage and the upper limit three times the national minimum wage;
- 30% of the compensatory payment is borne by the employer and 70% by the social security institution.
- During the measure the employee keeps all his/her social security benefits, which are calculated based on the normal remuneration.

#### Duration:

The measure can last up to six months - the initial six months may be extended for an additional six months as long as the employer notifies, in writing and in a substantiated manner, the worker representatives, and they do not oppose.

#### In June 2020

The so-called “extraordinary support for the progressive recovery of companies in a situation of business crisis” replaced the “simplified lay-off scheme” which was introduced in March 2020 and which expired on 31 July 2020.

**Duration:** The duration of the new scheme is **5 months** from 1 August until **31 December 2020.**

**Eligibility:** The eligibility criteria include:
- Companies need to register a decrease in turnover of at least 40% compared to the same period in 2019;
- During STW and in the subsequent 60 days of STW dismissals are prohibited;
- Companies are not allowed to pay out dividends while having workers on STW.

**Level:** Instead of the 66% under the old system, under the new system the support is more variable depending on the scale of working time reduction.

- Workers receive between 77% and 83% of their original salary from August to September, and between 88% and 92% from October to December 2020.

**Cap:** The maximum amount paid is 3 times the minimum wage.

**Financing:** The new system generally keeps the rule that 70% of the reduced salary will be covered by the state and 30% by the employer. More specifically the following rules apply for the employers’ wage subsidy:

- 70% of the STW support if the reduction of the normal working period is less than or equal to 60% (drop in revenue equal to or greater than 25% and less than 75%);
- 100% of STW support if the reduction of normal working period is greater than 60% (drop in revenue equal to or greater than 75%);
- If the drop in revenue is equal to or greater than 75%, the employer is entitled to additional support corresponding to 35% of the remuneration due for hours worked.

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### Romania

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, trade union the agreement must be signed with employee representatives chosen in an ad hoc manner.

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<td>(2) the written notice period is 5 days.</td>
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<td><strong>Level:</strong></td>
<td>The allowance for technical unemployment according to option two should not be less than 75% of the usual salaries</td>
</tr>
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<td>(1) Workers receive a minimum amount equal to 66% of the gross salary (without discounts) that they would receive if they were working normally;</td>
<td><strong>Corona measures</strong></td>
</tr>
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<td>(2) the minimum is the national minimum wage and the upper limit three times the national minimum wage;</td>
<td>The emergency rules on STW contain the following key features:</td>
</tr>
<tr>
<td>(3) 30% of the compensatory payment is borne by the employer and 70% by the social security institution.</td>
<td><strong>Duration:</strong> The duration of the STW scheme is open-ended and linked to the</td>
</tr>
<tr>
<td>(4) During the measure the employee keeps all his/her social security benefits, which are calculated based on the normal remuneration.</td>
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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. 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.

<table>
<thead>
<tr>
<th>SE</th>
<th>Introduction of a short-time working scheme in 2013 in the aftermath of the crisis</th>
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</table>
|    | **Level:**
|    | (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 |

| Corona measures |
| Level: The level of STW allowance depends on the size of the working time reduction |

**Eligibility:** To qualify for wage support the following criteria need to be fulfilled:
- Trade union, employee representatives or employees need to be informed and consulted;
- at least 10% of the employees must be affected by the measure;
- 10% decrease in turnover compared to the month/two months before the measures starts or compared to the same month in the previous year
In addition the following restrictions apply:
- the employer may not hire new staff to perform work identical or similar to the work of the employees on STW;
- the same applies to the outsourcing of activities;
- no collective redundancies;
- companies are not allowed to pay bonuses or other extra benefits to employees in a management position

**Level:** The STW allowance paid by the unemployment insurance budget during the period of suspension of the employment contract at the initiative of the employer in case of temporary interruption of its activity covers 75% of the original wage.

**Cap:** The maximum amount of STW allowance is 75% of the national average wage stipulated by state social insurance budget for 2020.

**Special provisions:**
- Working time can be reduced by not more than 50%
- Employees on a fixed-term contract of up to three months, until 31 December 2020, receive 41.5% of the original wage for the time not worked but not more than 41.5% of the average wage

**Corona measures**
**Legislative measures:**
On 7 April 2020, the Swedish government introduced legislation on new measures concerning STW:
**Level:**
(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
From 1 May and for three months employers can reduce working time by 80%.
<table>
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<tr>
<th></th>
<th>80% of their wage, 50% paid by the employer and 30% by the government. <strong>Duration:</strong> Maximum of 12 months</th>
<th><strong>Cap:</strong> The maximum wage that will be considered for the calculation of the STW allowance is 44,000 SEK (approx. €3,000). The part of the wage that exceeds this amount will not be taken into account for the calculation of the STW allowance. This means the maximum amount paid is 26,030 SEK (approx. €2,400) <strong>Duration:</strong> The scheme has been applied from the 16th of March and it runs throughout 2020. <strong>Financing:</strong> The employer has to cover between 5 and 12.5% of the STW allowance. <strong>Exception:</strong> Employees of certain government entities and newly hired employees are excluded. A precondition for the STW allowance is that the worker has already been employed for three months. The employers’ pay costs can be reduced by half, while 75% of the costs will be covered by the state. <strong>Collective agreements</strong> The possibility for STW must be included in the general and local collective agreement. The terms of the introduction of STW is based on local agreements. If there is no collective agreement in place the employer must get the approval of at least 70% of the employees in the operating unit and participate in short-term work. Several collective agreements on short-term work 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.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SK</strong></td>
<td>In Slovakia, there exists a support scheme for staff retention in cases of a temporary lack of work (<em>podpora udržania zamestnancov pri dočasnom nedostatku práce</em>) This applies to cases in which substantive operational reasons prevent an employer from assigning work to an employee. In this case the employee is entitled to wage compensation. The amount of this compensation is stipulated in a written agreement with the employee representatives.</td>
<td><strong>Level:</strong> The minimum amount of the agreed compensation must be 60% of the employee’s average earnings. On request of the employer the public employment service can cover up to 50% of the paid compensation. <strong>Duration:</strong> The compensation can be paid for a maximum of 12 months</td>
</tr>
<tr>
<td>SI</td>
<td>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.</td>
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<tr>
<td>UK</td>
<td>There was no STW scheme in the UK – In March 2020 a Coronavirus Job Retention Scheme (CJRS) has been introduced. The wage support is claimed by companies which are not in a position to cover their wage costs.</td>
<td></td>
</tr>
</tbody>
</table>

**Duration:** The current scheme runs until July 2020 with the possibility to be extended.

**Financing:** The STW allowance for the employee is entirely financed by the state as a wage subsidy paid to the company;

**Protection against dismissal:** Under the first scheme, the employer receiving the wage subsidy has to retain the employment relationship with the employee within two months following the month for which the wage subsidy is provided. Under the second scheme the employer is obliged to preserve a job for at least 3 months

**Legislative measures:**

The new temporary lay-off scheme has been introduced as part of the “Anti-Corona-Law” which includes the following elements:

**Level:** in case of a temporary lay-off workers receive 80% of their wage calculated as the average of the last three months. The minimum amount to be paid is the minimum wage. Furthermore, employers are obliged to pay each employee, who is working during the state of emergency and whose monthly pay did not exceed 3 times the minimum wage, a monthly crisis allowance (extra payment) amounting to 200 EUR

**Cap:** The maximum amount to be paid is the average monthly wage in 2019 (i.e. €1,753.84 gross).

**Financing:** 100% of the STW allowance is paid by the state (a previous version of the “Anti-Corona-Law” stipulated that 60% of wage costs are covered by the employer and 40% by the state).

**Duration:** The crisis scheme applies for 2,5 months from 13th of March 2020 to 31st May 2020, with an automatic extension for 30 days, unless the state of emergency ends by the 15th of May 2020

**Guarantee Pay:** 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.

**Corona measures**

Introduction of the Coronavirus Job Retention Scheme (CJRS) 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. On 12 May 2020, the government announced that from August the scheme will be more flexible allowing workers to reduce their working time which also means that employers will have to pay wages for the time worked.
If the company does not apply for support under the CJRS Scheme the employee is still entitled to guarantee pay during lay off or short-time working.

Guarantee pay is paid for a maximum of 5 days in any 3-month period

Duration: The CJRS has been extended for 5 months until 31 March 2021.

Level and Cap: Under the extended CJRS workers will continue to receive 80% of the original wages capped at £2,500 a month (approx. €2,850). Employers are obliged to cover pension contributions and national insurance.

Eligibility: The company needs to designate affected employees as ‘furloughed workers,’ and notify the employees of this change; the company furthermore has to submit information to HMRC about the employees that have been furloughed and their earnings.

Exceptions: Employees in the public sector.

Protection against dismissal: If protection against individual dismissal exists this remains in place.

Sources:


