



A diverse group of stylized human figures representing various professions and roles, including a businessman, a construction worker, a chef, a firefighter, a police officer, and a nurse, among others. The figures are arranged in a group, with some wearing uniforms and others in business attire, all set against a blue background.



Part 1 — information for jurisdictions in Europe

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- | | | |
|------------------|-------------|------------------|
| — Austria | — Greece | — Russia |
| — Belarus | — Hungary | — Serbia |
| — Belgium | — Iceland | — Slovakia |
| — Bulgaria | — Ireland | — Slovenia |
| — Croatia | — Italy | — Spain |
| — Czech Republic | — Latvia | — Sweden |
| — Estonia | — Lithuania | — Switzerland |
| — Finland | — Norway | — Turkey |
| — France | — Poland | — United Kingdom |
| — Germany | — Romania | — Ukraine |

Kindly note that the information contained herein is intended for general reference and does not constitute advice from KPMG International or any of its member firms. Readers of these materials who have specific questions regarding the matters discussed herein are encouraged to contact their local advisor.

Part 2 — information for jurisdictions outside of Europe

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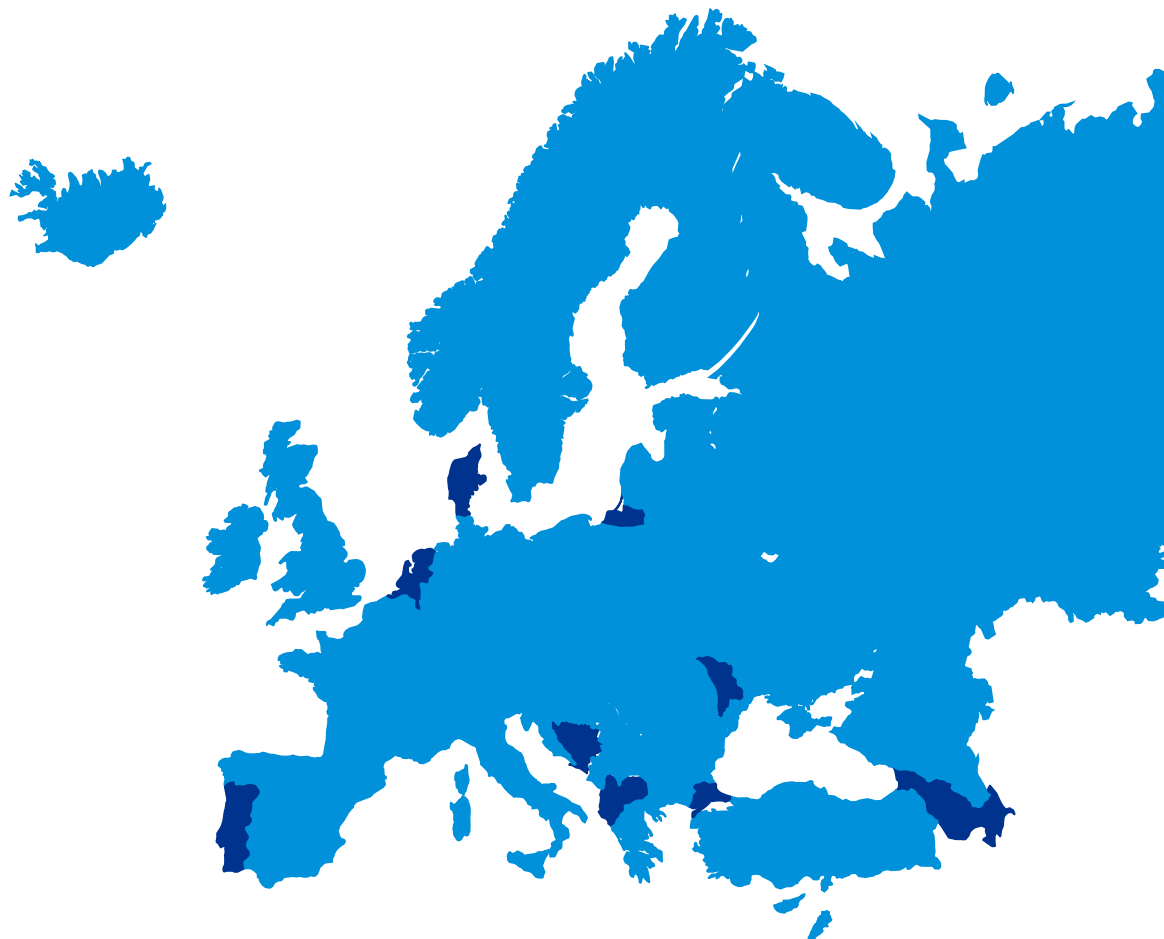
- Argentina
- Australia
- Brazil
- Canada
- Chile
- Colombia
- Hong Kong
- Mexico
- Uruguay

Short-time work — Information for Europe



Outside Europe

Austria	Latvia
Belarus	Lithuania
Belgium	Norway
Bulgaria	Poland
Croatia	Romania
Czech Republic	Russia
Estonia	Serbia
Finland	Slovakia
France	Slovenia
Germany	Spain
Greece	Sweden
Hungary	Switzerland
Iceland	Turkey
Ireland	United Kingdom
Italy	Ukraine





Austria

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

- The working hours of the employees are reduced between 10% and 90% and their salaries are adjusted accordingly.
- The employer pays the employees a financial support (short-time-work support) for their loss of earnings.
- In total, the employee has to receive at least a certain amount of his previous net salary ("net remuneration guarantee") during the newly established model of short-time work for the coronavirus-crisis.
- The employer receives a financial support from the Public Employment Service (AMS) on the basis of flat-rates determined by the AMS (short-time-work allowance).



Critical thresholds

- The company must be affected by temporary economic difficulties which are not seasonal. Economic difficulties caused by the coronavirus are covered.
- A new model for the coronavirus-crisis was established which can be concluded for a maximum of 3 months. If necessary, it can be extended by a further 3 months after discussions with the social partners.
- The normal working hours can be reduced between 10% and 90% during the period of short-time-work but may also be reduced to zero at times for the new model.
- This means: The normal working time can fluctuate in the individual weeks, as long as it does not fall below 10% on average.



Employee/Works Council consent




The employer needs to find an agreement about the implementation of short-time work in writing with:

- Companies where no works council is established: the employees.
- Companies where a works council is established: the works council.

The social partners (Chamber of Commerce (WKO) and Unions) will sign the short-time work agreement (required!).

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<ul style="list-style-type: none"> — All employees, including members of managing bodies, are eligible, provided they are insured under the General Social Security Act (ASVG). This means that senior executives and managing directors (also managing directors who are shareholders and hold less than 25% shares) are also eligible. — Apprentices are also eligible in the new model of short-time work. — Short-time work cannot be agreed for marginally employed staff, civil servants and freelancers. — Both the nationality of employees and possible work permits for foreign employees are irrelevant. 	<p>The Public Employment Service only funds incomes up to the Social Insurance Maximum Contribution Basis (for 2020: EUR 5,370). This means:</p> <ul style="list-style-type: none"> — The employer needs to pay the employee at least the net remuneration guarantee according to his previous salary. — The employer on the other hand only receives the short-time-work allowance based on an income up to EUR 5,370. 	<ul style="list-style-type: none"> — Social security contributions remain on the 100% salary respectively as if the employee was keeping up the current workload. — The Public Employment Service reimburses the employer for the additional costs through the short-time-work allowance.



Implementation process

Implementation I






- Step 1: The employer must reach an agreement on the introduction of short-time work:
 - In companies without a works council: with each employee concerned
 - In companies with a works council: with the works council
- Step 2: The social partners (Chamber of Commerce and trade union) sign the short-time working agreement.

Implementation II

- Step 3: The employer must submit the following documents to the Public Employment Service:
 - the concluded agreement,
 - the application for short-time working allowance, and
 - the extent to which the company is affected by temporary, non-seasonal economic difficulties.
- Step 4: The Public Employment Service decides whether to grant or refuse short-time work assistance.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<ul style="list-style-type: none"> — The new model can be concluded for a maximum of 3 months. If necessary, it can be extended by a further 3 months after discussions with the social partners. — Short-time work according to the new model can be applied for in retroactive effect from 1 March 2020 onwards. 	<p>In order to react to the current circumstances regarding shut-downs of businesses, with retroactive effect from 1.3.2020, a new short-time-work model came into force which provides for significant improvements:</p> <ul style="list-style-type: none"> — shortened application periods, — higher funding and — eased application process. 	<ul style="list-style-type: none"> — The employer receives the additional costs for the short-time work support from the Public Employment Service as a short-time-work allowance. — Only a small part of the totals costs (except the costs for the actual working hours) remain with the employer.
 Further important remarks	 Alternative/Additional measures	
<ul style="list-style-type: none"> — Vacation from previous vacation years as well as time credits should be used up before or during short-time work. — Apart from certain exceptions, the consumption of vacation and time needs to be agreed upon between employer and employee. — The employer needs to proof an honest effort to find an agreement in this regard. — In the case of vacation/consumption of time credits during short-time work, the employee is still entitled to the full remuneration as before short-time work was implemented. — Employment contracts may not be terminated until one month after the end of short-time work (obligation to retain). Under special circumstances, the obligation to retain employment relationships may be waived. 	<ul style="list-style-type: none"> — Unpaid leave — Mutual termination agreement with a pledge of re-employment — Redundancies (special notification obligation apply if a certain threshold is met) — Consumption of vacation and time credits 	



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Belarus

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

There are a three type of short-time work*:

- A reduced working day (less than 8 working hours a day);
- A reduced working week (less than 5 working days a week);
- Both of the options;

* hereinafter it comes to the standard 40-hour week



Critical thresholds

There are now restrictions on minimum and maximum work reductions. On practice reducing in the range of 10% to 90% loss of work is used






Employee consent

When reducing of working day duration a written consent is mandatory as well as changing a labor contract. With respect to remote employees conclusion of the supplementary agreement via the Internet or other network is applicable if such conditions are provided by the labor contract

The employer is entitled to set short-time work without an employee consent based on justified production or economic reasons. In this case he should notify an employee one month in advance. In the event of refusal of such changes an employee can be fired after a month of the notification had been received. The employer should pay a severance in the amount of two-week average earnings

Short-time work — Key Information



 Eligible employee categories	 Maximum covered/"insured" salary	 Impact on social security contributions
All employees without exceptions	<p>The minimum salary in Belarus under standard 40-hour week is 375 BYN (approx. 150 USD) as at March 2020.</p> <p>The salary is reduced proportionally to reduction of working time duration. The "insured" salary for short-time work is percentage of the minimum salary (depending on the reduced time)</p>	<p>Social security contribution base is gross salary in cash or other forms, but not more than 5 times the official statistical average salary in Belarus. Social security contribution is reduced proportionally to reduction of the salary if latter does not exceed 5 times average salary.</p>



Implementation & settlement process

Implementation

Setting short-time work under mutual consent:

- One of the parties should propose in writing to reduce working day duration (as a rule in the form of a statement or an offer);
- When an agreement was reached an employer issues a relevant order with which an employee acquaints against signature;
- The parties change the labor contract;

Setting short-time work based on justified production or economic reasons:

- An employer issues a relevant order and notifies an employee in writing a month before working time reducing;
- Month later the parties change the labor contract or an employee is dismissed (see slide 2);




In both cases there is no obligation to seek the concurrence of state authorities as well as to agree on working time reducing in another form



Settlement

- There are no special requirements to a settlement process except those, which are indicated separately herein

Short-time work — Key Information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>There are no restriction regarding the maximum duration of the short-time conditions</p>	<p>As of March 25, 2020 no special actions have been taken</p>	<p>There is an amount of governmental organizations engaged in unprofitable activities subsidized by the republican or regional budget.</p>

 Further important remarks	 Alternative/Additional measures
<p>Irregular working hours are not applicable to employees with short-time work</p>	<ul style="list-style-type: none"> — Downtime: In this case the salary can be reduced but no less then to 2/3 from the basic salary; Maximum duration of downtime — 6 months a year — An unpaid or partially paid leave: Such leave can be provided under consent of employee; The maximum duration of unpaid (partially paid) leave is 6 months a year



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Belgium

Short-time work — Information for Europe



Short-time work — Key information



 Characteristics of short-time work concept	 Critical thresholds	 Employee consent
<p>The primary tool companies are entitled to use as a measure to reduce labor costs and thus preserve jobs is the mechanism of temporary unemployment.</p> <p>Temporary unemployment = the employee is still bound by an employment contract, although the working time is <u>temporarily reduced or suspended</u>. There are various forms of temporary unemployment. In this context the relevant forms are: 1) Temporary unemployment due to 'force majeure' or 2) Temporary unemployment for economic reasons.</p> <p>COVID-19: Both mechanisms can be triggered. However since 20.03.2020 (and for the entire duration of the government measures) the Belgian government accepts that all situations of temporary unemployment caused by COVID-19 will be considered as 'temporary unemployment due to 'force majeure' for all requests introduced since 13.03.2020 until 05.04.2020 (extensions will be possible until 30.06.2020).</p>	<p>COVID-19: For the purpose of this survey, only 'temporary unemployment due to force majeure' will be discussed. This type of temporary unemployment is currently covering all temporary unemployment related to the COVID-19 crisis.</p> <p>— Minimum loss of work required: N/A</p> <p>— Maximum work reduction covered: N/A</p>	<p>— <input type="checkbox"/> Not required <input checked="" type="checkbox"/> Required <input type="checkbox"/> It depends</p> <p>— Form of consent: N/A</p> <p>— What if an employee does not consent: N/A</p>



Short-time work — Key information



Implementation & settlement process

Implementation

Employer

In principle, the National Employment (RVA) office must be informed of the existence of the force majeure. **COVID-19:** From 13.03.2020 to 30.06.2020 this obligation no longer applies.

The employer must issue a control document C3.2A to every employee who is temporarily made unemployed due to force majeure.

COVID-19: From 13.03.2020 to 30.06.2020, the employer does not have to issue control cards C3.2A to employees who are put on temporary unemployment.

The employer submits an electronic declaration — ASR Scenario 2, if the employee has to apply for the unemployment allowance.

The employer submits an electronic declaration — ASR Scenario 5 — monthly, at the end of the month, for the temporarily unemployed workers.

COVID-19: From 13.03.2020 to 30.06.2020 simplified procedure applies.

Employee




The employee must submit a form C3.2-employee to his payment institution at the end of the month. **COVID-19:** A simplified form is available on the websites of the payment institutions.

Settlement

- Employees who are temporarily unemployed due to force majeure are exempt from the (normally applicable) waiting period. This means that they can receive benefits immediately, without first having to provide proof of a certain number of working days. **COVID-19:** For the month of March, all allowances will be paid in April.



Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The legal maximum duration to apply temporary unemployment due to force majeure is 3 months.</p> <p>COVID-19: No specific measures have been taken at this stage to extend the legal maximum so far.</p>	<ul style="list-style-type: none"> — When submitting an application for temporary unemployment a company may limit itself to giving COVID-19 as a reason. The employer no longer has to provide a detailed justification; — The scope of application is extended to workers placed under house arrest as a preventive measure on the grounds that a close relative was infected with COVID-19; — Days of temporary unemployment are taken into account for the calculation of the vacation pay of the worker concerned; and — The National Employment Office (RVA) pays a daily supplement of 5.63 EUR, per day of temporary unemployment. 	<p>Temporary unemployment is financed by the Belgian National Employment Office.</p>

Short-time work — Key information



 Further important remarks	 Alternative/Additional measures
<ul style="list-style-type: none"> — Temporary unemployment due to force majeure will be prolonged automatically in case of a prolongation of the measures taken by the government necessitating the closure of the company. — In case measures will be lifted but the employer may not be able to fully start up activities again, the employer may apply for (normal, non-"COVID-19") temporary unemployment due to force majeure (insofar the conditions are met) or temporary unemployment due to economic reasons. — An additional allowance paid by the employer to top up the capped unemployment allowance to guarantee the payment of the normal net salary to the employee, is exempted of social security contributions. 	<p>Other short-time work alternatives are:</p> <ul style="list-style-type: none"> — Encourage employees to take up compensatory rest days or paid holidays voluntarily. <p>COVID-19: Additional measures could be taken in the foreseeable future by the Belgian government.</p>

Belgium

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Bulgaria

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

In Bulgaria there are 3 types of short-time work:

1. Reduced working hours — for specific job positions (which involve life and health risks) and employees under age of 18
2. Part-Time Work upon agreement — the parties may agree on work on a part of the statutory working time which is 8 hours per day
3. Part-Time Work upon initiative of the employer — may be introduced upon
 - (i) reduction in the volume of work — for 3 months per year
 - (ii) state of emergency — for the period of emergency



Critical thresholds

— Minimum loss of work required:

In case of part-time work introduced by the employer, the working time may not be less than 50% of the statutory duration for the period of calculation of the working time

— Maximum work reduction covered:

N/A



Employee consent

— ☐ Not required ☐ Required ☒ It depends

— Form of consent:




Under options 1 and 2 — Employment contract or annex which must contain the employee's consent.

— What if an employee does not consent:

Only Option 3 may be used following certain limitations and conditions provided in the Labor Code

Short-time work — Key information



 Eligible employee categories	 Maximum covered/ “insured” salary	 Impact on social security contributions
All employees	EUR 1500 per month is the maximum insured income	Insurance contributions are due on the amount of the (decreased) salary, but may not be less than the statutory insurance income provided for the respective job position.



Implementation & settlement process

Implementation

Part-Time work introduced by the employer — Option 3 (i) above:

- Consultations with the employees’ representatives and the Trade Unions
- Order of the employer adopted at least 10 working days in advance

Part-Time work during state of emergency — Option 3 (ii) above:






- Resolution of the Parliament in case of state of emergency
- Order of the employer

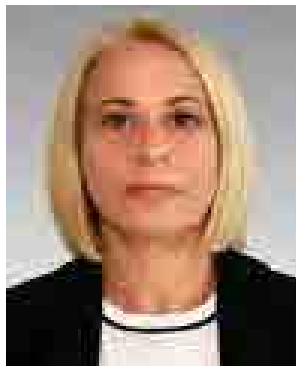
Settlement

— N/A

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>Part-Time Work upon initiative of the employer — may be introduced upon</p> <p>(i) reduction in the volume of work — for 3 months per year</p> <p>(ii) state of emergency — for the period of emergency</p>	<p>Rights of the employers:</p> <ul style="list-style-type: none">— remote work (home office) and teleworking may be introduced without the consent of the employees— To suspend the work of the company or certain departments— Part-time work without the consent of the employees— To provide half of the paid annual leave without the consent of the employees— Certain categories of employers may receive from the State 60% of the salary of the employees/the Decree of the Council of Ministers regulating the terms for receipt of compensation has already been adopted— Suspension/cease of deadlines	<ul style="list-style-type: none">— For the period of the state of emergency but for no more than three months, employers and other insurers will be entitled to receive 60% of the insurance income of their respective insured persons for January 2020.— The remaining 40% will be borne by the insurers. In case the insurers have not paid the full amount of the employment remuneration due to their employees, they will have to reimburse the funds received with regard to said employees.— In case of part-time work introduced by the employer, the amount of the state funding is calculated in proportion to the reduction of the working time.
 Further important remarks	 Alternative/Additional measures	
<p>These funds shall be paid to insurers by the National Social Security Institute. The criteria which insurers should meet to receive funding are prescribed in a Decree of the Council of Ministers.</p> <p>The above decree has already been adopted and is now in force. The procedure for applying for receipt of state funding has already been initiated.</p>	<ul style="list-style-type: none">— Use of paid leave— Use of unpaid leave— Redundancy	



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Croatia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Croatian employers do not have an option to temporarily introduce short-term work in order to react to loss of orders and safeguard jobs. Although there was an initiative of some employers associations to introduce short-time work, the same did not occur to date.

However, Croatian employers *inter alia* have the following options:

1. re-allocation of working hours, so that for a certain period employees would work shorter than their regular working hours, while for a certain period employees would work longer than their regular working hours;
2. decrease the number of weekly working hours and/or salary;
3. send employees to unpaid leave.

Employer can also unilaterally terminate the employment contract due to business reasons.



Critical thresholds

1. re-allocation of working hours: there are specific rules on determining the maximum duration of working hours in the period when the employee is working longer. We note that employee's salary remains the same during both periods.
2. decrease of weekly working hours and/or salary: weekly working hours cannot be shorter than 1 hour, while the salary cannot be lower than the proportional amount of the minimum salary, as defined by law. In 2020, such minimum gross salary for full time work (40 hours per week) is HRK 4,062.51.
3. unpaid leave: the law does not prescribe any minimum nor maximum duration of unpaid leave.






Employee consent

1. re-allocation of working hours: if a particular employment contract does not contain any restrictions or specific provisions on working hours, employer can re-allocate working hours unilaterally. Otherwise, the employee would need to agree to the amendments of his/her employment contract.
2. decrease of weekly working hours and/or salary: possible only if the employee agrees to amend the employment contract (e.g. by signing an annex thereto).
3. unpaid leave: employer can allow it only based on the employee's request.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
All employees are eligible.	There is no threshold in this respect.	<p>Options 1 and 2 have no impact on social security contributions (i.e. they are calculated based on the amount of the salary).</p> <p>In the event of an unpaid leave (option 3), employer can de-register employee from the pension and health insurance, during which period there is no obligation to pay social security contributions. However, the employer can decide to leave the employee registered, in which case the social security contributions will be calculated based on the amount of HRK 3,321.96.</p>



Implementation & settlement process



Implementation



re-allocation of working hours: If the employees have established employees council, employer must consult with the employees council before proceeding with this option. Furthermore, employer must notify the employees about the changes to their working hours at least one week in advance.

For options 2 and 3, please see the previous page.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>There are no time constraints.</p>	<ul style="list-style-type: none"> — State grant to support preservation of employment positions in sectors affected by COVID-19: covering of net salary of HRK 3,250 per employee in March and in the amount of HRK 4,000 in April and May — exemptions from paying contributions on supported net salaries 	<p>Please see the column to the left.</p>

 Further important remarks	 Alternative/Additional measures
<p>We note that the state grant to support preservation of employment positions is not applied automatically. Instead, employer must submit an application attaching the prescribed documentation, which application is then subject to an approval by the Croatian Employment Service.</p> <p>The Croatian Employment Service must decide on the application within 10 days from receiving the complete documentation.</p> <p>State grant for salaries is paid by 15th day of the month for the previous month.</p>	<ul style="list-style-type: none"> a) Agreeing on working from home b) Ordering employee to use paid leave, or annual leave c) Interruption of work/idle time d) Transferring the employee to temporarily work in a related company <p>During b) and c), employee is entitled to receive a compensation of salary, which is calculated as an average salary paid to the employee in the last three months.</p>



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Czech Republic

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

In the Czech Republic, the employer might use the instrument of impediments to work on the side of the employer and entirely or partially close down the business.

The employees that work short-time or not at all due to the impediments to work are then entitled to a compensation of salary in the amount depending on the specific type (reason) of such impediment. The most frequent impediments to work on the side of the employer that can the employer use upon its decision in connection with the situation with COVID-19 are Idle time and Partial unemployment.

Impediments to work that are forced on the employer (e.g. quarantine, mandatory close down) will not be described here.



Critical thresholds

There are no thresholds in this respect. Though, the grounds for the respective impediment to work as described by the Labor Code must be given if the employer intends to use it and pay its employees lower compensation for salary than 100% of the average earnings.

Idle time — temporary defect of a machine equipment, outage in supplies of raw materials or driving force, incorrect working documents or other operational causes — the employees are entitled to at least 80% of their average earnings.

Partial unemployment — temporary limitation of sales of products of the employer or limitation of demand for services provided by the employer — the employees are entitled to at least 60% of their average earnings (please see the next column).



Employee consent




No consent is in general required for using the mentioned impediments to work.

Though, as to the partial unemployment impediment, it is necessary to conclude an agreement with the trade union (if there is any) in which it might be agreed that the compensation of salary will be paid to the employees in lower amount than 100% of average earnings.

If agreed in the agreement with the union or stipulated in an internal regulation (only if there is no trade union at the employer), the compensation during partial unemployment might be lowered up to 60% of the average earnings of the employee, which is the minimum amount.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees are eligible to the impediments to work.</p>	<p>There is no threshold in this respect, but there is a limitation with respect to the maximum amount of the State Aid called Antivirus program per employee (please see below).</p>	<p>Czech social security contributions (the employee and employer part) will be calculated and paid from the total amount of the compensation for salary.</p> <p>Czech health insurance contributions (the employee and employer part) will also be calculated and paid from such amount, the minimum wage limit must be observed (i.e. CZK 14,600, limit applicable for 2020).</p>



Implementation & settlement process

Implementation






- In order to send the employees to impediments to work on the side of the employer, the employer must notify all the employees in question and inform them about the reason and duration of the respective impediment to work.
- For the days when the employees cannot work due to the impediment to work the employer must pay the employees compensation for salary in the amount depending on the specific type of such impediment (60% — 100% of the average earnings).

State Aid

- Employers that pay their employees compensation for salary due to impediments to work might apply for the State Aid that is currently being implemented by the Czech government to support employers during the COVID-19 crisis. The below text is made based on the current information that may change.
- Idle time — the employees are entitled to 80% of their average earnings, 60% thereof can be compensated by the state, up to the amount of CZK 29,000 per employee per month.
- Partial unemployment — the employees are entitled to at least 60% of their earnings (depending on the agreement with trade union or respective internal regulation), 60% thereof can be compensated by the state, up to the amount of CZK 29,000 per employee per month.
- The employers can apply for the State Aid at the beginning of the month following the month for which the compensation was paid to the employees. This means that the salary compensations paid to the employees for March can be reimbursed upon application of the employer submitted in April etc.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>There are no time constraints in respect of duration of the impediments to work. The State Aid is provided just for the period from 12 March till 31 May 2020 (with the possibility of further extension).</p>	<ul style="list-style-type: none">— State Aid for employers paying compensation for salary to their employees — please see above; apart from that, compensation should be provided also for example in the case of employee's quarantine or some other specific cases.— Interest-free loans— Direct financial help for self-employed persons— Package of liberating tax and social security measures	<p>The government implemented the State Aid program. For more details please see above.</p>
 Further important remarks	 Alternative/Additional measures	
<p>This presentation address only the most frequent impediments to work on the side of the employer that can the employer use upon its decision in connection with the situation with COVID-19. There are also other impediments that might be relevant — please see below.</p> <p>Quarantine — compensation for salary of 60% from the employer for the first 14 days of the quarantine and after that the sickness contributions from the respective state authority. 80% of the costs should be compensated by the state, up to the amount of CZK 39,000 per employee per month.</p> <p>Temporary close down or operational limitations as a result of an extraordinary measure adopted by the government — compensation of salary of 100%, 80% thereof should be compensated by the state, up to the amount of CZK 39,000 per employee per month.</p>	<ul style="list-style-type: none">— Ordering a leave— Agreeing on an unpaid leave— Agreeing on working from home— Transferring the employee to another work— Assigning the employee to another employer	

Czech Republic

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Estonia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Short-time work concept in Estonian jurisdiction is identifiable as reduction of wages for up to three months upon employer's failure to provide work to the agreed extent due to unforeseen economic circumstances beyond employer's control if the payment of the agreed wages would be unreasonably burdensome.



Critical thresholds

There is no minimum loss of work required or maximum reduction covered set by law.






Employee consent

- Not required
- The employee has the right to refuse to perform work in proportion to reduction of the wages.
- In case the employee don't agree with the reduction of wages, he/she has the right to cancel the employment contract notifying thereof five working days in advance. Upon cancellation the employee shall be paid compensation to the extent of one month's average wages of the employee by the employer. In addition the employee has the right to receive a benefit from the Estonian Unemployment Insurance Fund.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees are eligible.</p>	<p>The wages may be reduced to a reasonable extent, but not below the minimum wage established the Estonian Government. Currently the minimum wage per hour is EUR 3,48 and minimum monthly wage in case of full-time work is EUR 584.</p>	<p>Social security contribution shall be paid from the reduced wages (i.e. the wage reduction will result in lower social security benefits for the employee).</p>



Implementation & settlement process

Implementation




- Before reducing wages the employer shall offer the employee other work, if possible.
- Before reducing wages an employer shall inform the trustee/shop steward or, in his or her absence, the employees at least 14 days before the planned reduction of wages.
- The trustee/shop steward or the employee shall give his or her opinion within seven calendar days as of the receipt of the employer's notice.

Settlement

The employer shall provide notice of the reduction of wages no less than 14 calendar days in advance.



Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The wages may be reduced for up to three month over a period of 12 months.</p>	<p>The Estonian Unemployment Insurance Fund will be paying subsidies to compensate employees' wages for up to two months during period March-May 2020. The amount of the subsidy will be 70% of the average monthly wage of the employee but no more than €1000. The employer must pay a wage of at least €150 to the employee.</p> <p>The employer comply with at least two of the following terms:</p> <ol style="list-style-type: none"> 1) The employer must have suffered at least a 30% decline in turnover or revenue for the month they wish to be subsidized for, as compared to the same month last year. 2) The employer is not able to provide at least 30 percent of their employees with agreed workload. 3) The employer has cut the wages of at least 30% of employees by at least 30% or down to the minimum wage. 	<p>The Estonian Unemployment Insurance Fund will be paying subsidies to compensate employees' wages for up to two months during period March-May 2020. The amount of the subsidy will be 70% of the average monthly wage of the employee but no more than €1000. The employer must pay a wage of at least €150 to the employee.</p> <p>The employer comply with at least two of the following terms:</p> <ol style="list-style-type: none"> 1) The employer must have suffered at least a 30% decline in turnover or revenue for the month they wish to be subsidized for, as compared to the same month last year. 2) The employer is not able to provide at least 30 percent of their employees with work. 3) The employer has cut the wages of at least 30% of employees by at least 30% or down to the minimum wage.

Short-time work — Key information



 Further important remarks	 Alternative/Additional measures
<p>The employer will be applying for the temporary subsidy, but it will be paid directly to the employees.</p> <p>The period between March to May 2020 can be subsidized, the employer can apply for 2 months of a single employee's wage to be subsidized during that period.</p> <p>If the employer terminates the contract with the employee due to redundancy in the course of the same or the following calendar month they have received the temporary subsidy, the subsidy is to be returned to the Unemployment Insurance Fund.</p>	<ul style="list-style-type: none"> — Unpaid leave upon mutual agreement — Use of annual holiday upon mutual agreement — Redundancies



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Finland

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

In Finland there is no short-time work concept as such. If an employer wishes to reduce working hours, this can be done by agreeing with the employee, on termination grounds related to production-financial reasons or by part-time lay-off for which it is required that the work to be offered has diminished temporarily and the employer cannot offer other full-time work to the employee.



Critical thresholds

There are no minimum numerical thresholds to be applied.






Employee consent

- It depends, if the working hours have been agreed to vary e.g. between 0 and 40 per week, the employer can reduce actual working hours to zero without employee's consent but the employer cannot reduce the working hours below the minimum agreed amount without employee's consent or without having termination or lay-off grounds.
- Form of consent:
This can be given in whatever form but written is strongly recommended.
- What if an employee does not consent:
The employer needs to have termination or lay-off grounds to reduce the agreed working hours.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>In principle, all employees. If the employer wishes to lay off its personnel, shop stewards, elected representatives and occupational health and safety representatives cannot be laid off unless the work ceases completely and the employer is unable to arrange work that corresponds to the person's professional skill or is otherwise suitable, or to train the person for some other work</p> <p>In addition, the employer is entitled to lay off an employee in a fixed-term employment relationship only if the employee is working as a substitute for a permanent employee and if the employer would be entitled to lay off the permanent employee if the permanent employee were working.</p>	<p>Please replace this instruction by the indication of the maximum covered/“insured” currency & salary, e.g. USD 120k</p>	<p>Social security contributions (EE and ER part) are calculated from the actual salary employee is receiving.</p>

Short-time work — Key information



Implementation & settlement process

Implementation

- The employee and the employer can agree to reduce working hours.
- If the employment agreement does not allow the employer to reduce working hours and the employee does not consent to this, the employer has two (2) options:
 - Termination of the working hours provision of the employment agreement (i.e. not the whole employment agreement)
 - Lay-off the employee part-time
- Termination requires that the employer has production-financial reasons to terminate the employment agreement, i.e. that the work has diminished substantially and permanently.
- Lay-off requires that the work or employer's possibilities to offer work have diminished temporarily (i.e. max for 90 days).




In both termination and lay-off, the employer has to undergo so-called “co-operation negotiations” either with employees’ representatives or with employees themselves before any decisions can be made if the employer permanently employs at least 20 employees.



Settlement

- If the employee finds the reducing of working hours unjustifiable, the employer and the employee can make a settlement agreement in which the employer agrees to pay a certain amount to the employee as indemnification. If no agreement is reached, the employee can claim damages in a court of law.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The employee can be laid off for a max period of 90 days if the work has only temporarily diminished. The lay off period can begin at the earliest 14 days after the lay off notice was given.</p> <p>If the employer employs permanently at least 20 employees, the employer has to undergo co-operation negotiations which must last at least 14 days or 6 weeks.</p>	<p>The Finnish government has proposed some reliefs to the afore mentioned time constraints. If approved by the parliament, they can enter into force already in the beginning of April 2020. These reliefs include: lay off period could enter into force after five (5) days have passed from giving the lay off notice. The co-operation negotiations in lay offs lasting max 90 days, could last only 5 days.</p>	<p>The employee can apply for unemployment benefit for lay off period.</p>

 Further important remarks	 Alternative/Additional measures
<p>Please replace this instruction by any appropriate further comments you find important to add</p>	<p>The employer can order the employee to keep his/her annual paid holidays within certain restrictions.</p>



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France

Short-time work — Information for Europe






Short-time work — Key information



 Characteristics of short-time work concept	 Critical thresholds	 Employee consent
<p>Short-time work is a temporary state-funded tool intended to prevent redundancies when companies are facing exceptional circumstances.</p> <p>In response to the current health/economical crisis, the French government has implemented as of 26 March 2020 new legislation facilitating and broadening access to a short-time work scheme in the following cases: (i) Administrative closure of an establishment, (ii) Prohibition by administrative decision of public demonstrations, (iii) (Massive) absence of employees who are critical to business activity, (iv) Temporary interruption of non-essential activities, (v) Suspension of public transport by administrative decision and (vi) Decline in activity linked to the epidemic. Supply difficulties, deterioration of sensitive services, cancellation of orders, etc., are all reasons for using the partial activity system</p> <p>A company may benefit from a short-time work scheme when it either (1) reduces the working-time of its employees or (2) temporarily shuts down the business.</p>	<p>French labor authorities (so-called “DIRECCTE”) may authorize the implementation of short-time work as from the first hour of work reduced below the legal working-time (i.e. 35 hours per week) provided that the reduction/closing of the business activity is both temporary and collective (e.g. concerns all the employees within a business unit etc.).</p> <p>The proportion of work reduction covered by short-time work schemes is cumulatively limited to (1) a 100% of the legal working-time (i.e. 35 hours per week) and (2) 1,607 hours per year and per employee.</p>	<p>The employee’s consent is not required. However, within companies without a Works Council (so-called Social and Economic Committee) the employer has the obligation to notify its employees of intention to implement short-time work.</p> <p>The protected employees’ (“salarié protégé”) consent is required if the short-time work only affects part of the business, establishment, office or workshop to which the person concerned is assigned or attached (said agreement is not required for a total closure).</p> <p>It should be noted that during the periods of short-time work, the employee’s employment contract is suspended.</p>

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>In principle, any employee under an employment contract may be subject to short-time work (e.g. part-time employees, fixed-term contracts, agency workers, apprenticeships etc.).</p> <p>As per the recently passed legislation, employees on contracts fixed by hours ('forfait en heures') or days ('forfait en jours') per year may be subject to a short-time work scheme, including when there is no total closure of the business.</p> <p>Short-time work scheme is compulsory for any protected employee irrespective of the employer's agreement, if it affects all the employees of the business, establishment, office or workshop to which the person concerned is assigned or attached.</p> <p>Employees working at the home of their 'private employer' and child keepers will benefit, on a temporary and exceptional basis, from the partial activity scheme.</p>	<p>The employees' compensatory allowance must be at least equal to 70% of the gross remuneration (i.e. approximately 84% of the net remuneration) he they would normally have received (i.e. if they had not been subject to short-time work).</p> <p>It should be noted that the minimum employee compensatory allowance is €8.03.</p> <p>As per the recently passed legislation, employers receive an allowance from the government the hourly rate of which is equal to 70% of each employees' gross hourly wage, capped at 4.5 times the hourly rate of the minimum wage (SMIC) (the gross hourly SMIC rate currently being 10.15€ for 2020). Nonetheless, the employer has the possibility to pay to his employees a supplementary allowance in order to either fully or partially cover their remuneration shortfall (i.e. compensatory allowance covering over 70% of the employees' gross remuneration). Under such hypothesis, the employer would entirely bear the costs inherent to the supplementary allowance.</p> <p>For employees working at the home of their 'private employer' and child keepers, the hourly allowance shall be equal to 80% of net pay, the terms and conditions of which are to be determined by decree.</p>	<p>Employees' compensatory allowances are partially released from social security contributions (i.e. only subject to the so-called CSG/CRDS contribution which are cumulatively equal 6.7%). Should the employer decide to pay to his employees a supplementary allowance covering over 70% of the employees' gross remuneration, such payment would also only be subject to the CSG/CRDS contribution (i.e. 6.7%).</p> <p>Short-time work allowances owed by 'private employers' are reimbursed in full and are not subject to the CSG (contribution sociale généralisée, i.e. 'general social contribution').</p>

Short-time work — Key information



Implementation & settlement process

Implementation




- The request to use the short-time work and the submission of the file is made directly online to the labor authority ("DIRECCTE") via a dedicated website (<https://activitepartielle.emploi.gouv.fr/aparts/>)
- The Company must indicate the grounds on which its request is based, the foreseeable duration and the number of employees and hours concerned.
- In principle, the employer must notify both the DIRECCTE and the related Works Council its opinion being a condition of the acceptance of short-time work. Therefore, the Works Council must be consulted prior to the employer's request.
- As per the recently passed legislation on the current COVID-19 crisis, the Works Council opinion may be notified to the DIRECCTE within a period 2 months following the employer's request of short-time work.
- In the absence of Works Council, companies must directly inform their employees about the implementation of a short-time work.

Settlement

- Applicable regulation states that the administrative authority normally has a maximum 15 day period to process the request (article R.5122-4 of the French Labor Code). **However, given the current situation, the time for a response is reduced to 48 hours under the Decree of 25 March 2020. If the administrative authority does not respond within this period, the request is deemed accepted.**
- The ASP's server (service and payment agency), which employers can use to submit a short-time work request, has been overwhelmed, preventing access to many businesses.
- In order not to prejudice businesses, Decree No. 2020-325 of 25 March 2020 provides **that the employer** may send its request within 30 days of the placement of employees in short-time work scheme when the request is justified on the grounds of exceptional circumstances.
- The *DIRECCTE* may grant short-time work for a maximum period of 12 months (renewable).
- The employees' compensatory allowances inherent to short-time work periods are paid by the employer in each pay periods (i.e. the employer perceives the short-time work allowance further to his payment request to the *DIRECCTE*).



Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>As mentioned earlier, the <i>DIRECCTE</i> has two days upon receipt of the request to refuse the implementation of short-time work. After this deadline, the employer's request will be deemed accepted.</p> <p>Requests of short-time work can be made retrospectively (i.e. within a time limit of 30 days prior to the request). If the request relates to a period prior to 30 days before the request, the delay must be justified.</p> <p>In principle, short-time work is limited to a maximum period of 12 months.</p> <p>The employer has one year following the end of the short-time work to request to the <i>DIRECCTE</i> the compensatory allowances he has paid to the employees.</p>	<p>In response to the COVID-19 crisis, the French government has deeply amended the legislation inherent to short-time work as described in the present slides and in particular it has:</p> <ul style="list-style-type: none"> — Shortened processing deadlines of short-time work requests both with the labor Administration (i.e. 2 days) and the Works council; — Increased reimbursement of part of the employees indemnification to the employer within a limit of 4.5 times the national minimal wage (please refer to above slides); — Broadened access to short-time work to executives under “forfait-jours” and “forfait-heures” working-time schemes (which includes most of executives in France) including when there is no total closure of the business. 	<ul style="list-style-type: none"> — As part of the recently passed legislation, employers receive a public-funded allowance equal to 100% of the compensatory allowances paid to the employees which is limited to 4.50 times of the national minimum wage. — At the beginning of the COVID-19 crisis, the French Government had budgeted an amount equal to €8.5 billion in order to fund the increase of short-time work. Nonetheless, the Minister of finance has recently declared that such budget will be exceeded.

Short-time work — Key information



 Further important remarks	 Alternative/Additional measures
<ul style="list-style-type: none"> — It should be noted that short-time work cannot be implemented as a preventive measure or way of limiting salary costs during the current health crisis. The employer must indeed have been forced to either reduce the employees' working-time or temporarily shut-down the business at the time of the short-time work request. — Should the employer intend to renew the period of short-time work, they must notify to the DIRECCTE the undertakings they intend to implement in exchange (e.g. commitment to not proceed to redundancies within a determined period of time etc.). 	<ul style="list-style-type: none"> — In the event of prolonged under-activity or total cessation of activity, companies can choose to provide their employees with FNE training (i.e. agreement between the DIRECCTE and the concerned business). In order to provide the employees useful skills for when they resume activity. If training is provided by the company, employee compensatory allowance is 100% of their net remuneration. — Provided that certain conditions are met, employees may be forced to take their paid leave (maximum 6 working days) and additional days of relating to the reduction of the working time arrangements. — Implementing the above mentioned measures prior requesting short-time work allowances may increase the acceptance of the file.



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Germany

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Germany has very effectively used the tools of short-time work during the financial crisis 2008/2009 and it has now made the use of short-time work even more attractive.

The system is quite flexible, it allows employers to adjust the capacity of their work force to their exact needs. Employees who work short-time are entitled to short-time work benefits of 60%/67% of their regular net income. The money is paid out by the employer who in return is reimbursed by the Federal Employment Agency. Short-time work benefits are practically a subsidy and not a loan, i. e. there is no obligation for the employer to repay the benefits later.



Critical thresholds

- Minimum no. of employees affected:
A minimum of 10% of the employees of the respective work site ("Betrieb") or department have to be on short-time work in order to qualify for short-time work benefits.
- Minimum work reduction: 10%.
- Maximum work reduction covered:
Short-time work benefits are paid to compensate up to a loss of work time of 100%.






Employee consent

- ☐ Not required x Required ☐ It depends
- Form of consent:
There are three ways to introduce short-time work, (i) by collective bargaining agreement, (ii) by works agreement with the works council or (iii) by individual agreements with all employees. When a works council exists, individual agreements with the employees are not necessary, however they would not substitute the (missing) consent of the works council.
- What if an employee does not consent:
Short-time work cannot be introduced unilaterally.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>In general all employees are entitled to short-time work benefits. However, this does <u>not</u> apply to:</p> <ul style="list-style-type: none"> — Apprentices/trainees (“Auszubildende”) — Employees in a marginal employment relationship (“geringfügig Beschäftigte”) — Employees on long-term sick pay — Employees who are entitled to old age pension — Employees who have entered into a termination agreement — Employees in an employment relationship that has been terminated by one of the parties 	<p>Short-time work benefits are not paid to the extent the monthly salary exceeds EUR 6,900 per months.</p>	<p>Social security contributions are paid by the Federal Employment Agency, the employees will not have any disadvantage, especially in terms of pension benefits.</p>

Short-time work — Key information



Implementation & settlement process

Implementation




- Formal application to be filed with the Federal Employment Agency before short-time work is implemented
- Application can be filed retroactively but has to be filed before the end of the month in which short-time works begins (e. g. short-term work begins effective 1 April 2020, application has to be filed not later than 30 April 2020)
- Processing time is expected to be not less than six weeks, however, employers do not need to wait for approval by Federal Employment Agency before introducing short-term work
- No blocking period



Settlement

- Applications have to be made on a monthly basis. The respective form is self-explaining and just requires a breakdown of the individual payments to the employees
- Application has to be filed within three months
- Processing time is expected to be somewhere between two and three months.
- Settlement takes place within 14 days after each month

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The maximum period for short-time work benefits is 12 months.</p>	<p>Due to the COVID-19 crisis the German government has</p> <ul style="list-style-type: none"> — Reduced the threshold for the minimum number of employees who have to work short-time from 30% to 10% — Agreed to pay the social security contributions for the short-time work benefits (previously those had to be paid by the employer) 	<p>Short-time work benefits and the applicable social security contributions are completely funded by the Federal Employment Agency.</p>

 Further important remarks	 Alternative/Additional measures
<p>Before short-time work benefits can be applied for, the employee must utilize</p> <ul style="list-style-type: none"> — any holiday entitlement from previous years — any untaken and unplanned holiday for the current year (some exceptions apply) — any overtime compensation entitlements. 	<p>There is one brand-new feature that provides for the liquidity of an employer: with immediate effect, the employer can postpone the payments to the social security authorities for two months (without interest)</p> <p>Other measures:</p> <ul style="list-style-type: none"> — Using flexible working time accounts — Company holidays — Terminations for operational reasons

Germany

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Greece

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Short-time work (rotating) arrangements are possible either (a) on the basis of a mutual agreement or (b) unilaterally in case of reduction of the employer's business activities to avoid dismissals and following consultations with the employees representatives. In both cases, the maximum duration is 9 months per calendar year and notifications with the employment authorities are provided. Due to the COVID-19 crisis, emergency legislation provides employers with the right to unilaterally impose rotating employment for a period of up to 6 months (until 20 September 2020), whereby each employee can be occupied at least 2 weeks on a monthly basis (continuously or intermittently). Employers taking advantage of the above, are obliged to maintain the number must not reduce the number of employees working for the company at the time the above system has been implemented.



Critical thresholds

- Minimum loss of work required:
 - Normal: N/A (law merely refers to reduction of employment activities).
 - COVID-19 measures: N/A (law does not refer to reduction of employment activities, but seems to cover all employers. Further guidance or possible amendments to the companies to benefit from the emergency short-time arrangements are anticipated).
- Maximum work reduction covered:
 - Normal: up to 9 months per calendar year with no reference to work reduction.
 - COVID-19 measures: up to 6 months (until 20 September 2020) and up to 2 weeks reduction of working hours on a monthly basis.






Employee consent

Consent is only required in case of mutually agreed short-time arrangements (in the form of an agreement signed by both parties). In case the employee's consent is required, lack of consent renders the short-time work arrangement unilateral modification of employment terms (i.e. termination of the employment agreement by the employer).

Short-time work arrangements due to reduction of business activities and due to COVID-19 can be imposed unilaterally (without the employees' consent).



Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
All employees	There is no maximum covered/insured salary.	<ul style="list-style-type: none"> — Normal short-time work: In case of short-time work of up to two days per week, only the actual working days are taken into account for social security purposes. In case of short-time work of at three days per week (i.e. full time employment for three days per week), one additional working day is recognized for social security purposes. — COVID-19 short time work: Unlike other support alternatives provided to employees (where social security contributions are to be funded by the Greek State on the basis of the contractual salaries and up to the maximum ceiling), there is no guidance for the employees in question and state funding seems not apply. Further details are anticipated.

Short-time work — Key information



 Implementation & settlement process	 Time constraints
<div data-bbox="182 415 406 448">Implementation</div> <ul style="list-style-type: none"> — Normal short-time work: <ul style="list-style-type: none"> — Mutual agreement: An agreement is signed and filed with the employment authorities within 8 days from their signing with the competent employment authorities. — Reduction of employer's business activities: The employer must consult with the employees' representatives. The decision is filed within 8 days from its signing with the competent employment authorities. — In both cases, the short-time work period cannot exceed 9 months per calendar year. — COVID-19 short-time work is imposed unilaterally and is notified with the employment authorities on a monthly basis (at the end of each month). Maximum period: 6 months to start from 20 March 2020. 	<div data-bbox="824 415 982 448">Settlement</div> <p>No settlement procedures are provided.</p> <div data-bbox="1342 415 1866 568"> <ul style="list-style-type: none"> — Normal short-time work: up to nine months during a calendar year. — COVID-19 short-time work: 50% reduction of working hours for a period of up to six months from 20 March 2020. </div>

Short-time work — Key information



Special governmental COVID-19 crisis measures

COVID-19 employers' support measures include:

- Provision of special purpose leave to employees parents of children up to the age of 15.
- Unilateral implementation of teleworking arrangements.
- Release of employers whose operations have been suspended by state order from the obligation to pay their employees' salaries (on the basis of force majeure event). Funding of the employees in question by the State (for the time being a special allowance of EUR 800 to cover the period from 15 March 2020 to 30 April 2020 has been announced). Funding of the social security contributions by the State on the basis of the contractual salaries in accordance with standard social security rules. Restrictions of dismissals.
- Right of suspension of employment agreements for employees falling within certain business sectors affected by the COVID-19 (such suspension can take place until 20 April 2022 subject to extension). Funding of the employees in question by the State (EUR 800 as above). Funding of the social security contributions by the State. Restrictions of dismissals during the suspension period and

following the end of the suspension period for a period equal to the suspension period.

- Employers whose activity is significantly affected or whose activity has been restricted can transfer personnel between companies of the same Group, on the basis of a mutual agreement and on the condition that the total number of employees employed before the transfer is not reduced.
- Employers' notification obligations with the employment authorities are relaxed (in advance notification is annulled in most cases).
- Possibility of work on Sunday and other public holidays for certain companies under conditions (for instance, companies engaged in the production, transport and supply of food).
- Overtime exceeding 120 hours per year does not require prior approval, provided that it does not exceed the daily legal working hour restrictions.
- Suspension of payment of social security and tax obligations under conditions.



Public funding

Short time work is not N/A for the time being. A ministerial decision is anticipated to be issued.



Alternative/Additional measures

Other employment law tools include:

- unpaid leave (subject to the consent of the employee),
- teleworking (which no longer requires the consent of the employee)
- salary reduction (subject to the consent of the employee) and,
- Finally, dismissal (for companies which continue to operate and do not fall within the companies which fall within the ones affected by COVID-19 which have suspended the agreements of their personnel).



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Hungary

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

The regulation regarding the shortened working time was amended on 21 April 2020 and entered into force on 29 April 2020. According to the relevant Government Decree, the shortened working time shall be less by at least 15%, but by maximum 75% than the original working time.

If the shortened working time exceed the original working time, for 30% of the decreased working time, the employee shall be at the disposal of the employer and shall carry out development activities related to his/her job or linked somehow to the activities of the employer for which the employee receive salary.

In the above case the employer shall undertake that the employee's salary will reach the absence fee calculated for the day of the declaration of the state of emergency, and if the salary and the retention aid does not reach this amount, the employer shall complement it.



Critical thresholds

The working time under the shortened working time shall be reduced by at least 15% but by maximum 75% compared to the original working time of the employee.



Employee consent




The employer and the employee shall submit the request for the retention aid jointly, therefore the employee's consent is required for the application of the shortened working time.

As a general rule, the employer and the employee may amend the employment agreement, but is not obligatory as the relevant resolution granting the retention aid will amend the employment agreement accordingly. The amendment to the employment agreement shall be prepared in written form.

An electronic document meeting all of the criteria, as follows, shall be considered as a written deed: if it was disclosed in an electronic file making possible that the information included in the legal declaration may be recalled in an unaltered form, and the person making the legal declaration as well as the date of the declaration is identifiable.




Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees may be eligible to the retention aid, if (i) the employee does not receive any other support relating to part-time employment based on the same employment; (ii) if the employee is employed by the employer from at least the date of the declaration of the state of emergency; (iii) the employee is not spending his/her notice period; and (iv) the employee is not on unpaid holiday</p>	<p>The amount of the retention aid should be calculated based on the employee's base salary effective with the date of the submission of the request for the retention aid.</p> <p>The maximum amount of the base salary that may be considered for the aid purposes cannot exceed 2-times the net minimum wage (i.e., 2 times the statutory monthly net of 107.065 HUF).</p> <p>However as the employee will be working in a shortened working time the base salary shall be calculated proportionately and the amount of the base salary shall be calculated based on the foregone base salary, therefore the maximum amount of the retention aid is approximately net HUF 75.000, in case of a 4-hour shortened working time employment.</p> <p>The maximum amount of the retention aid (in case of a 75% decrease in the working time) is HUF 112,418.</p>	<p>The retention aid is tax-free.</p> <p>Currently at least gross HUF 48.300/month, or gross HUF 5366/day salary is needed to be covered by the national social security system. It shall be noted that if the employee's salary is less than the minimum wage being HUF gross 161,000/month, his/her service period will be prorated.</p> <p>Social security contributions remain on the 100% salary respectively as if the employee was keeping up the current workload. It shall be noted that in Hungary, sectoral measures (e.g. catering, tourism, passenger transport, etc.) were implemented under which employees are partially and employers are entirely released from contribution payment obligations.</p>




Short-time work — Key information



 Implementation & settlement process	 Time constraints	 Special governmental COVID-19 crisis measures
<p>Implementation</p> <ul style="list-style-type: none"> — The employer and employee shall agree on the shortened working time employment and they may amend the employment agreement accordingly. — The employer and the employee shall file electronically a joint request to the National Employment Service (NES) on the form published on its website, to which an amended employment agreement containing the terms of employment in shortened working time and development activities in the individual development shall be attached. The application form has been published on 29 April 2020. 	<p>The employee and employment may apply for the retention aid if they amended the employment agreement after the declaration of the state of emergency (11 March 2020 16:00).</p> <p>The retention aid is provided for 3 months.</p>	<ul style="list-style-type: none"> — Sectoral measures (catering, tourism, passenger transport, event organization, etc.)/suspension of employer's contribution to salary and reduction of certain employee's contributions until 30 June 2020; — For the above sectors, until 30 June 2020, non-residential lease agreements may not be terminated by notice. The prohibition of termination may be extended by decree (until the end of the state of danger). — The employer may change working time schedules also within 96 hours before the actual start of the work; — Home office and telework may be ordered unilaterally; — Measures made by implemented to check the fit for work status of the employee; — The parties may deviate from the Labor Code with their agreement. The details of this measure have not been published yet, but the general labor principles shall be complied with even if parties mutually agree on the deviation from the labor code. — The employer may order a maximum 24-month long working-time frame. — Some of the above measures cannot be combined with the state aid for shortened working time

Short-time work — Key information



 Public funding	 Further important remarks	 Alternative/Additional measures
<p>State aid for shortened working time is paid by the Hungarian State, salary for the part time work and payment for the individual development period is made by the state.</p>	<p>Various criteria shall be complied with to be provided with the state aid, e.g.:</p> <ul style="list-style-type: none"> — The employer will not make any redundancies for the term of the aid + 1 month; — the employer shall summarize the economic circumstances which form a basis for the employment of the employees for short-time work and that these are closely and directly connected to the COVID-19 epidemic, as well as the measures that the employer had and further intends to apply to bridge the adverse economic effects of the epidemic; — the employer shall also declare that it had used all of its possibilities and made all efforts to rearrange working time and used the possible working time re-scheduling options; — the employer has been operating at least for 6 months; — the employer and the employee applying jointly for the state aid has not been provided with other allowances by the state aiming the creation or retention of jobs, further for employment of employees aiming R&D; — the frame working time has expired or has been closed; the employer has and continues to comply with the preconditions of employment and the employment laws; — no winding-up, liquidation and bankruptcy proceeding has been ordered against the employer, etc. 	<ul style="list-style-type: none"> — Combination of part time work with on-call employment; — Granting paid holidays to the employees; — Agreeing on release from work for a very low salary; — Agreeing on the decrease of the salary for a certain period of time; — Unpaid leave; — Redundancies <p>In Hungary a state of danger is in place therefore, various Governmental Decrees are issues frequently, which, among others aim to ensure the “proper” state of the economic situations. This means that not only employment, but other measures, e.g. financial measures, as follows have been introduced: during the state of danger, a stay of payment is granted for the debtor on his obligation to pay principal payment, interest or fee based on the credit contract, loan contract or financial lease contract that the lender has provided in a businesslike manner (moratorium on payment). The moratorium on payment will expire on 31 December 2020 (this may be extended by decree). The debtor may still fulfill payment, but is not obliged to do so. Modification in the expiry of the time limit for performance also changes the ancillary and non-ancillary obligations that secure the contract.</p>

Hungary

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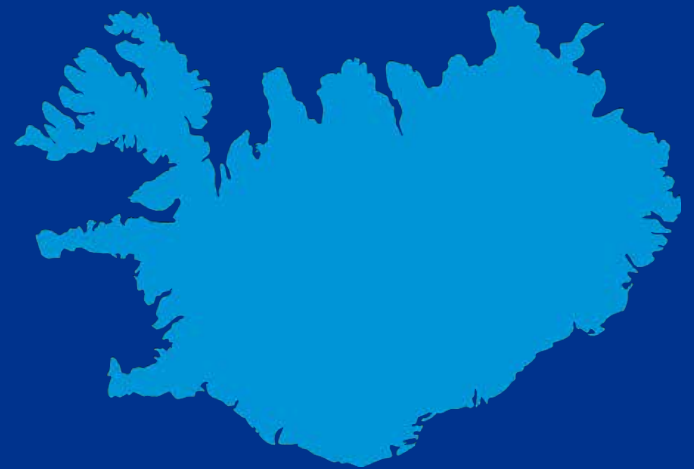
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Iceland

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

A time-limited measure has been enacted whereby unemployment benefits may be claimed alongside reduced employment ratio due to temporary company recessions.



Critical thresholds

Minimum loss of work required:

The employee's employment ratio must be reduced by at least 20%, and the employee must continue to work in a minimum 25% employment ratio.






Employee consent

- ☐ Not required ☒ Required ☐ It depends
- Form of consent: A written addendum to an employee's employment agreement is necessary, setting out the revised work ratio/working hours and eventual adjustment of salary.
- A signed hard copy may not be necessary, but employer must in all instances be able to demonstrate employee's consent to the amended employment terms.
- An employer is not entitled to dismiss an employee solely on the ground of refusal of a reduced work ratio. However, in most cases, dismissal under the present circumstances would be justified by reference to external factors, e.g. loss of revenue.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>Salaried employees aged 18–69 years.</p> <p>Students and other part-time workers are eligible, provided other conditions (incl. a >20% continued employment ratio) are met.</p> <p>Non-native employees are eligible.</p> <p>No explicit carve-outs for senior management, but note maximum covered salary.</p>	<p>Salary plus unemployment benefits can amount to 90% of previous salary, capped at ISK 700,000 per month.</p> <p>Monthly wages of ISK 400,000 and less are fully insured.</p>	<p>Unemployment benefits do not include vacation pay and hence the employee’s vacation rights accrue at a slower rate.</p> <p>Mandatory pension fund contributions are paid in respect of the proportion of unemployment benefits and thus the accrual of pension rights is not diminished.</p>



Implementation & settlement process

Implementation






- Directorate of Labor (Ice.: Vinnumálastofnun) administers the compensation plan. Applications are submitted electronically.
- Initially, the employee applies for payments due to reduced employment ratio.
- Employer needs to confirm the reduced work ratio and provide an estimate of employee’s salaries.
- Current processing time appears to be about 10–14 days.

Settlement

- Settlement is intended to take place concurrent with payment of wages at the end of each month.
- Currently there is a backlog of application meaning that payments due in beginning of April will be delayed.

Short-time work — Key information



 Time constraints	 Public funding	 Special governmental COVID-19 crisis measures
<p>The current compensation scheme is limited in time from 15 March until 1 June 2020, but may possibly be revised or extended.</p>	<ul style="list-style-type: none"> — Funding for the reduced work ratio compensation scheme is via the unemployment benefits system — Further public funding will be via e.g. VAT rebates and possibly increased public works to offset contractions in private sector activity 	
 Further important remarks	 Alternative/Additional measures	
<p>Government is considering further actions, e.g. support for the national flag carrier Icelandair and measures to counteract rapid decrease in tourism revenues</p>	<p>Employers should keep in mind that the reduced work compensation scheme is time-limited and may not be sufficient to allay concerns regarding staffing. Further points to consider should include:</p> <ul style="list-style-type: none"> — Redundancies — Longer-term reductions in employment ratio for remaining staff — Temporary salary decreases for staff which will remain in full employment (e.g. managerial and other senior-level staff) 	<ul style="list-style-type: none"> — Deferral of payment of PAYE and payroll taxes and certain other duties — State support for payment of salaries to quarantined employees — State guarantees for bridge financing for distressed businesses — Child benefit addition — Extended VAT rebate scheme for home improvements etc. — Central Bank has lowered interest rates, minimum reserve requirements and countercyclical capital buffers. — Easier imports. — City tax — Withdrawal of pension payments



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Ireland

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

The weekly working hours or pay is reduced to less than 50% of the employee's normal hours or pay

It is a temporary measure — the employer must have a reasonable belief that the reduction in work will not be permanent

Employers must give notice of implementing short-time but the length of notice is not prescribed so we base it on reasonable notice in the circumstances



Critical thresholds

- Minimum loss of work required by law:
Less than 50% of normal working hours or normal weekly pay
- Minimum work reduction covered in practice:
Employees who normally work full time but whose hours are reduced on a temporary basis to three working days or less are entitled to Short-time Work Support from the Department of Employment and Social Affairs






Employee consent

- Employee consent to being placed on short-time is not required, however long term or permanent reduction in hours would need to be by agreement with the employee
- Employers may complete Part A of Form RP9 in order to give employees notice of short-time but written notice (email or letter) is also acceptable.




Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>It is possible for any employee to be placed on short-time. Some employment contracts will provide for short-time to be unpaid. In the absence of such a contractual provision, short-time can be implemented based on custom and practice or normal practice in the particular sector. If short-time is not included in the employment contract and in the absence of agreement, employment claims based on breach of contract or payment of wages may arise.</p>	<p>Employers can continue to pay for the hours actually worked while employees are on short-time. The state benefit available to employees on short-time is will depend on the employee's average weekly earnings in the governing contribution year and the change in the work pattern. For example, if the employee is placed on a 3 day work pattern having previously worked 5 days, they may be entitled to up €81.20 for the 2 days they are no longer working. This represents two fifths of the maximum weekly rate of Jobseeker's Benefit of €203.</p> <p>Certain employees may also get an increased rate of payment for a qualified adult and qualified children.</p>	<p>Social security (PRSI) contributions remain on the 100% of the salary paid to the employee.</p> <p>The employee's PRSI class should be reviewed to ensure that it has not changed due to any changes in their wages or if employer is applying the Temporary Wage Subsidy scheme. If the employee PRSI Class has changed, then the applicable rate of social security for the employee and the employer may also change.</p> <p>Employees will continue to be awarded social security credits while on short term employment when they are still being paid. Social security credits are also automatically awarded if an employee is in receipt of Jobseeker's Benefit.</p>




Short-time work — Key information



 Public funding	 Further important remarks	 Alternative/Additional measures
<p>The state benefit available to employees on short-time will depend on the employee's average weekly earnings in the governing contribution year and the change in the work pattern. For example, if the employee is placed on a 3 day work pattern having previously worked 5 days, they may be entitled to up €81.20 for the 2 days they are no longer working. This represents two fifths of the maximum weekly rate of Jobseeker's Benefit of €203.</p> <p>Certain employees may also get an increased rate of payment for a qualified adult and qualified children.</p>	<p>Short-time is a feature of COVID-19 measures, however temporary cessation of work (lay-off) and the Government subsidy scheme are currently more common measures.</p>	<ul style="list-style-type: none"> — Temporary lay-off in cases of temporary cessation of work — Utilization of annual leave on notice or by agreement — Unpaid leave by agreement such as career break of parental leave — Redundancy if the cessation of work becomes permanent




The Temporary Wage Subsidy Scheme (TWSS)



 Overview of the TWSS	 Qualifying employers	 Application process
<p>The TWSS is a new measure introduced to provide financial support to employees and employers affected by the COVID-19 crisis. The scheme is expected to last 12 weeks from 26 March 2020.</p> <p>The scheme provides a wage subsidy to employees who are retained on the payroll by their employer. The subsidy is paid by the employer to the employee via the payroll and is then reimbursed within 2–3 days by the Revenue Commissioners. The employer may also include a top up payment through payroll should they wish to maintain employee's net pay during the crisis.</p> <p>The key principal of the scheme is that employers can retain links with employees for when business picks up after the crisis.</p>	<p>An employer will qualify for the TWSS where the following conditions are met:</p> <ul style="list-style-type: none"> — be experiencing significant negative economic disruption due to COVID-19, — be able to demonstrate, to the satisfaction of the Revenue, a minimum of a 25% decline in turnover or customer orders in Q2*, — be unable to pay normal wages and normal outgoings fully; and — retain their employees on the payroll. <p>* Revenue are prepared to accept other reasonable key indicators that support a negative impact to the business due to COVID-19. Employers should review the Revenue guidance in detail.</p>	<p>The employer once they have determined that they qualify for TWSS must make a declaration and submit this to Revenue on Revenue's Online Service (ROS) via 'myEnquiries'.</p> <p>The employer must also ensure that the bank details recorded on ROS are correct or a refund of the subsidy will not be made or it will be delayed.</p>




The Temporary Wage Subsidy Scheme



 Eligible employee for the scheme	 The Subsidy payment (Phase 1)	 Tax implications
<p>To be an eligible employee for the TWSS an employee must:</p> <ul style="list-style-type: none"> — be someone who their employer cannot afford to fully pay wages due to the pandemic, — must be on the payroll on 29 February 2020, — the employer must have, between 1 February 2020 and 15 March 2020, made a payroll submission to the Revenue Commissioners for payments to the employee with a pay-date between 1 February 2020 and 29 February 2020, — employees on fulltime, part-time, temporary and short-time work arrangements are included, — The employee's wages must be within the guidelines set out by Revenue. 	<p>In Phase 1 (the transitional phase from 26 March to at present 03 May 2020) an eligible employee is entitled to a subsidy of either:</p> <ul style="list-style-type: none"> — 70% of their ARNWP up to a maximum of €410 per week where their ARNWP is less than or equal to €586, or — 70% of their ARNWP up to a maximum of €350 per week where their ARNWP is greater than €586 but less than or equal to €960. — From 16 April employees who have had a reduction in their ARNWP such that it is now below €960 may now qualify (subject to restrictions — see further over) <p>ARNWP: Average Revenue Net Weekly Pay for the insurable weeks of the January-February 2020 pay period. This is the basis period for assessing the subsidy value.</p>	<p>A key principle of the scheme is that the employer attempts to keep the employee at their pre COVID-19 ARNWP by making an additional top up payment through payroll. The top up payment is not mandatory but at least €0.01 needs to be included in the payroll.</p> <p>The employer top up payment is fully liable to payroll taxes (PAYE/USC) through payroll at the point of payment.</p> <p>The subsidy, is put through payroll as a non-taxable amount but is subject to tax for the employee on year-end review.</p> <p>Social security PRSI Class J9 is applied to both the subsidy and any employer top up payment. Class J9 is 0% employee PRSI and employer PRSI of 0.5%.</p>




The Temporary Wage Subsidy Scheme



 Further developments — Phase 1	 The Subsidy payment (Phase 2)	 The Subsidy payment (Phase 2) — continued
<p>The Minister for Finance announced changes to the current operation for the scheme and outlined Phase 2 on 15 April 2020.</p> <p>From 16 April 2020, employees will qualify for the TWSS where their ARNWP was greater than €960 but their current gross pay is now below €960 per week. Where the current gross pay, represents a reduction from the ARNWP by:</p> <ul style="list-style-type: none"> — Less than 20%, no subsidy is payable, — Between 20–39%, a subsidy of €205 is payable, — 40% or more, a subsidy of up to €350 is payable. <p>The employee's gross pay cannot exceed €960 per week while they are claiming a subsidy under the scheme. Gross pay includes the wage subsidy and any other amount paid by the employer.</p>	<p>Phase 2 of the scheme is expected to begin for payrolls with pay dates on or after 4 May 2020.</p> <p>Phase 2 has increased the subsidy payable for lower income earners and introduced a tiered subsidy system restricting the subsidy granted for higher earners where the employer is paying a larger portion of the employee's pay.</p> <p>Payroll software systems to configure the new Phase 2 arrangements are being developed.</p>	<p>The new subsidy amounts for Phase 2 for employees previously earning up to €586 net per week are as follows:</p> <ul style="list-style-type: none"> — A subsidy of 85% of ARNWP for employees whose ARNWP is less than €412, — A flat rate subsidy of €350 per week for employees with ARNWP more than €412 and less than €500, or — A 70% subsidy capped at €410 per week for employees with ARNWP between €500 and €586.

The Temporary Wage Subsidy Scheme



 The Subsidy payment (Phase 2) — continued	 Other considerations	 Further important remarks
<p>In Phase 2, for employees whose previous ARNWP is greater than €586 per week but not more than €960 per week, the temporary wage subsidy shall not exceed €350 per week.</p> <p>The subsidy shall be calculated by reference to the amount of any additional payments made by the employer and its effect on the ARNWP as follows:</p> <ul style="list-style-type: none"> — Gross employer top up of up to 60% of ARNWP, a €350 subsidy is available. — Gross employer top up of more than 60% but less than 80% of ARNWP, a €205 subsidy is available, or — If employer gross top up is more than 80% of ARNWP then no subsidy is available. 	<p>The TWSS is based on self assessment principles for employers. Employers will need to retain documentary evidence to support their application of the scheme on subsequent review by the Revenue Commissioners.</p> <p>All employers who participate in the TWSS will have their details published on the Revenue's website once the scheme has expired.</p> <p>Revenue have provided detailed guidance and an FAQ on their website. The guidance is being updated regularly for changes to the operation of the scheme and to clarify employer queries.</p> <p>It is not possible for an employer to back-date an application to scheme for a pay date that has already been processed.</p>	<p>The information provided is generic in nature and should not be relied upon as advice on the complexities of the TWSS. It is vital that employers consider how the TWSS applies to the facts and circumstances of their own business and employees</p> <p>It is important to note that, the TWSS is a commitment to the employee's net pay which is calculated under the scheme rules.</p> <p>Due to the workings of the scheme, an employee on the scheme will always have a substantially reduced gross pay.</p> <p>It is therefore, important to consider how this is communicated to employees and whether there are employment law aspects in relation to the reduction of employee pay which must be considered.</p>

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Italy

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

For certain type of companies and in case of specific extraordinary events (such as temporary market crisis, natural disasters, company reorganizations), the law grants employees that may have been suspended from work (in total or in part), paying them their salary for a certain period of time ("social shock absorber").



Critical thresholds

- Minimum loss of work required:
N/A
- Maximum work reduction covered:
Entire working time as indicated into the employment contract






Employee consent

- ☒ Not required ☐ Required ☐ It depends
- Form of consent: N/A
- What if an employee does not consent: N/A

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All the employees with a subordinate employment contract including the apprentices are eligible to social shock absorbers. Executive-level employees and home workers (<i>“lavoratori a domicilio”</i>) are excluded. In order to benefit from social shock absorbers, employees shall have a seniority equal to at least 90 days of effective work. This requirement does not apply in case of requests connected to objectively inevitable events (e.g. natural disasters).</p>	<p>Italian Social Security Office grants an allowance covering up to the 80% of the salary relating to the not-worked period, but with a ceiling of €940,00 (gross), for salaries up to €2159,48, or €1130,00 for salaries higher than EUR 2159,48.</p>	<p>The periods of suspension or reduction of working time for which the social shock absorber is allowed are recognized for the purposes of the right and measure for early retirement or old-age pensions. For these periods, the contribution is calculated on the basis of the overall remuneration to which the social shock absorber refers.</p>

Short-time work — Key information



Implementation & settlement process

Standard implementation process




- Notification to be filed with Works Council (if any) or National Trade Unions
- Notification must contain the following main information: reasons; duration and number of plants and employees involved
- Joint examination between Works Council (if any) or National Trade Unions and Company by maximum 8 days from the Notification
- Formal application to be filed with competent Social Security Authority
- Formal application must contain the following main information: reasons, duration, number of suspended working hours, number of plants and employees involved, copy of notification and minute of the joint examination
- Standard process lasts about 15 days

COVID-19 implementation process

- Notification to be filed with Works Council (if any) or National Trade Unions
- Notification must contain the following main information: reasons; duration and number of plants and employees involved
- Joint examination between Works Council (if any) or National Trade Unions and Company (also in video-conference) by maximum 3 days from the Notification
- Formal application to be filed with competent Social Security Authority
- Formal application must contain the following main information: reasons, duration, number of suspended working hours, number of plants and employees involved, copy of notification and minute of the joint examination
- COVID-19 process lasts about 7 days



Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>Normally social shock absorbers are granted for a maximum of 24 months in a five-year period</p>	<p>Specific social shock absorbers provided for the specific health emergency due to COVID-19 :</p> <ul style="list-style-type: none"> — are granted for a maximum of 9 weeks to be used from 23 February 2020 and within August 2020 — are allowed to all employees in force on 23 February 2020 	<p>Public funds have already been allocated to cover the described government benefits, but it cannot be excluded that our authorities re-discuss and increase the amounts decided up to now.</p>

Short-time work — Key information



 Further important remarks	 Alternative/Additional measures
<p>Please note that the emergency situation in Italy is evolving day by day and Italian government may issue decrees and establish additional measures which may change in a short time.</p>	<p>For the period of health emergency Italian authorities</p> <ul style="list-style-type: none"> — suggests the use of holidays and encourages the use of smart working, allowing employers to use it even without a written agreement with employees — Provides the possibility for employees with children aged up to 12 years (or without any age limit for children with certified disabilities) to benefit from up to 15 days parental leave, covered by social security benefit equal to 50% of the remuneration — As an alternative to parental leave employees may benefit from a childcare allowance, amounting to €600 (€1,000 for doctors, nurses, personnel working in health and biomedical sector, etc.)

Italy

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Latvia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

In Latvia there is no short-time work concept as such. If an employer wishes to reduce normal working hours, this can be done by agreeing with the employee.



Critical thresholds

There are no minimum numerical thresholds to be applied.






Employee consent

- The employer cannot reduce the working hours below the agreed amount without employee's consent.
- Form of consent:
The consent should be given in written form.
- What if an employee does not consent:
If there exist termination grounds the employer can terminate the agreement due to the fact that the employee does not consent to the amendments.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
All employees	There is no maximum covered/“insured” currency & salary	Social security contributions are calculated from the actual salary employee is receiving.



Implementation & settlement process

Implementation




- The employee and the employer can agree to reduce working hours upon mutual agreement.
- If the employee does not consent to the reduced working hours the employer can terminate the employment contract if there exist termination grounds.



Settlement

- If the employee believes that the employment termination is unjustified, the employee can bring a claim to court within one month after receiving the termination notice.

Short-time work — Key information



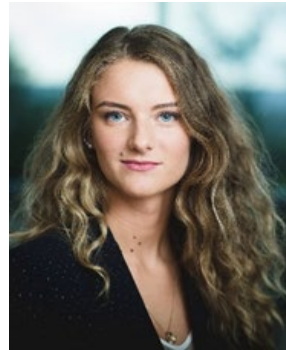
 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>There are no time constraints for shortening the working time.</p>	<p>There are no crisis measures related to short-time work. However the government has introduced temporary downtime allowance for companies which cannot pay the salaries during the downtime. The allowance will be paid in the amount of 75% average monthly salary but not more than EUR 700.</p>	<p>The employee can apply for unemployment allowance if the employment is terminated.</p>

 Further important remarks	 Alternative/Additional measures
<p>Please replace this instruction by any appropriate further comments you find important to add</p>	<ul style="list-style-type: none"> — Unpaid leave upon mutual agreement — Use of annual holiday upon mutual agreement — Redundancies



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Lithuania

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

An employer shall declare short-time work for the employee or a group of the employees when:

- a) the employer is unable to provide the employee with the work agreed upon in the employment contract for objective reasons and not due to the fault of the employee and the employee does not agree to perform a different job offered to him, **or**
- b) when the employer is unable to provide the employee with the work agreed upon in the employment contract due to the extreme situation or quarantine in Lithuania.



Critical thresholds

- Minimum threshold work loss is not established, however, the law establishes the requirement for reduce of labor time:
 - the amount of working days per week reduced for 1 employee: 2 working days or more
 - the amount of working hours per day reduced for 1 employee: 3 working hours or more
- Maximum work reduction covered: 100% work time reduction is covered






Employee consent

The consent of an employee is not required

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>An employer might declare the short-time work for all its employees despite the category they belong to.</p>	<p>The maximum covered salary is not established.</p>	<p>Social security contributions remain on the 100% salary respectively as if the employee was keeping up the current workload.</p>



Implementation & settlement process

Implementation






- The short-time work may be declared by an employer under its unilateral decision.
- Currently there is a draft amendment of the Labor Code of Lithuania, submitted to the Parliament for its consideration, establishing that having declared the short-time work the employer must inform the State Labor Inspectorate within 1 business day. **This amendment is yet to be adopted by the Parliament of Lithuania.**

Settlement

- An employer must settle with its employee following general order stipulated by the employment contract and the general provisions of the Labor Code.
- There is no specific regulation in this case.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	
<p>There are no time constraints established.</p> <p>However, following the Labor Code of Lithuania, an employment contract may be terminated by the written resignation of an employee by giving the employer notice thereof at least five working days in advance if the employee has been on the short-time work for more than 30 consecutive days, or for more than 45 days over the past 12 months.</p>	<ul style="list-style-type: none">— The employers preserving the jobs during the short-time work will be paid with state subsidies to compensate the paid salaries.— The amount of the subsidy will be calculated accordingly to the salary of an employee. The amount of subsidy will be 60 or 90 per cent of the paid salary. The subsidy of 90 per cent will be paid to those employers whose activities are restricted by the Government of Lithuania due to quarantine effective in Lithuania. However, the subsidy will not be larger than the minimal monthly salary approved by the Government of Lithuania (EUR 607).	
 Public funding	 Further important remarks	 Alternative/Additional measures
N/A	<p>During the extreme situation or the quarantine in Lithuania the subsidy for the salary will be paid for no longer than 3 months. The employers who will be paid with subsidy will have to preserve the jobs at least for 3 months as from the date when all subsidy payments are paid.</p>	<ul style="list-style-type: none">— Short-time work (in Lithuania — partial idle time).— Unpaid leave. There is being considered a law stating that if an employer satisfies an employee's request for unpaid leave, the employer is no longer eligible for the state subsidy. This law is yet to be adopted by the Parliament of Lithuania— Redeployment.



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Norway

Short-time work — Information for Europe



Short-time work — Key information



Employment relief

The short-term work — initiatives that in essence are aimed at reducing the working-time for the employees, are not allowed under Norwegian law. Please find our overview of government initiatives below:

- Lower threshold to temporary lay off employees. A reduction in the employer payment period of 14 days notification period + 15 days of payment period to a possible 2 days notification period and 2 days payment period for the employer. Thereafter the government take over the salary payment obligation for a period of 18 additional days calculated up to a limited up to a salary of Nok 599 148. After this period the government will cover 62,4% of salary, maximum amount approximately NOK 426 000 (approx. 70% of salary)
- Parental leave in connection with closed school and child care: originally parents had 10 days each to take care of children in case of illness. The amount of days are increased with immediate effect with 10 days per parent in order to handle the extraordinary situation in connection. The payment is limited to a salary basis of NOK 599 158 and the employers payment period for the additional number of days is three days.
- Illness due to virus infection: the employer obligation is to pay salary the first 16 days of sick leave. Under the new situation, provided that illness is connected with the virus, the employer period of payment obligation is reduced to 3 days with full salary.
- No medical certification is required if the employee is ill due to virus infection for the first 16 days. In fact, employees are encouraged not to seek doctor certification if symptoms are COVID-19 related.
- Reduction in employers social security contribution obligation with 4 percent for two months, originally from 14.1% (please not that some areas in Norway have reduced rate and it is uncertain if the same reduction applies). Payment deadline for employers social security for the months March and April is extended to 15. August 2020.



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Poland

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

According to the legal regulations being in force at the moment, the following possibilities can be considered:

- changing the terms and conditions of the employment contract by giving an employee a notice of termination or
- changing the terms and conditions of the employment contract by concluding with the employee the agreement amending the initial employment contract or
- concluding an agreement on suspension of the labor law provisions, as well as
- concluding an agreement on the temporary application of less favorable employment conditions.



Critical thresholds

- Minimum loss of work required:
Provisions in this respect are general. The only condition for the conclusion of the agreement on suspension of the labor law provisions or on the temporary application of less favorable employment conditions is the financial situation of the employer.
- Maximum work reduction covered:
The labor law provisions do not expressly provide for maximum work reduction, this should be considered individually by each company.






Employee consent

- ☐ Not required ☐ Required ☒ It depends
- Form of consent:
In case of changing the terms and conditions of the employment contract, as a rule, the employee's signature is obtained under the employer's statement — but consent is not required. In case of concluding agreements we have mentioned, the consultations with employees are obligatory.
- What if an employee does not consent:
The lack of the employee consent does not affect to the validity of termination notice (in case of the changing the terms and conditions of the employment contract in such form)

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>The proposed possibilities apply only to employees employed under employment agreements (which are subject to the Labor Code). Those possibilities do not apply to persons rendering work on the basis of civil law contracts.</p>	<p>In case of changing the terms and conditions of employment or conclusion of agreements between the employer and the trade unions/staff representative/s, the provisions determining minimum salary must be taken into account.</p>	<p>The introduction of changes in employment (regardless of whether there has been a change in the terms and conditions of employment or on the basis of the agreements we have mentioned) does not release the employer from the obligation to pay social security contributions.</p> <p>If, however, changes result in changes in the amount of remuneration received by employees, this may affect to the amount of social security contributions.</p>

Short-time work — Key information








Implementation & settlement process

Implementation and settlement

- Termination of employees' working and pay conditions (made via amending notice) is a unilateral statement of the employer changing the conditions of employment. Such notice must be given to the employee in writing (electronic version is also applicable assuming that the document has been signed with the use of the qualified electronic signature). If the employer employs at least 20 persons and the termination of employees' working and pay conditions concerns a specific number of employees over a period not longer than 30 days (10 employees if the employer employs fewer than 100 employees; 10 per cent of the employees if the employer employs between 100 and 300 employees; or 30 employees if the employer employs 300 employees or more) the procedures provided for in the act on specific terms and conditions for terminating employment relationships with employees for reasons not related to the employees shall be additionally respected.
- It should be remembered that in case of an amending notice, the changes will only take effect after the lapse of the notice period — unless the parties sign an agreement amending the terms and conditions of employment.
- Consultations with the employees are required if the employer would like to conclude an agreement on suspension of the labor law provisions, or an agreement on the temporary application of less favorable employment conditions.
- The agreements mentioned above are signed by the employer and a trade union that represents employees. If there is no trade union acting in the employer's establishment, the agreement is concluded by the employer and representatives of employees appointed in accordance with the standard procedure adopted by the employer.
- The agreement should be filed with the competent district labor inspector by the employer.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>As a rule, the amended working condition are implemented for indefinite period of time. However the parties may agree that the amended working conditions will be applicable during the certain period of time.</p> <p>In case of concluding an agreement to suspend the application of labor law provisions or agreement to apply less favorable employment conditions, may be concluded for a maximum period of 3 years.</p>	<p>In Poland, currently works are carried out on a draft bill which also aims to protect workplaces. The bill law proposed by the Polish government, provides for, among others, the following:</p> <ul style="list-style-type: none"> — taking over by the State the payment of social contributions for 3 months for certain entrepreneur meeting specified criteria, — subsidy to the remuneration of employees under certain rules, — the possibility of reducing employees' working hours by 20%, but no more than up to half time, — making the working time of employees more flexible (shortening of uninterrupted resting periods, introduction of flexible working hours). 	<ul style="list-style-type: none"> — The current regulations do not provide for public subsidies — such a solution is provided for in the bill, which is currently considered by the Polish Parliament. — According to the assumptions of the bill, an employer will be able to apply for a subsidy from the Guaranteed Employee Benefits Fund, after meeting certain criteria. — The amount of the aid depends on whether the employer has announced an economic downtime or reduced the working hours of employees.
 Further important remarks	 Alternative/Additional measures	
<p>The bill is being considered by the Sejm, and is expected to be adopted on 27 March 2020, and the changes proposed in the bill are to become effective as of 1 April 2020.</p>	<p>In the current situation, the possibility of taking overdue vacation leaves by employees can be considered.</p> <p>Forcing an employee to take holidays due for a current year, is not permitted.</p>	



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Romania

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept



Critical thresholds



Employee consent




1. **Technical unemployment** — in the case of temporary interruption or reduction of activity for economic, technological, structural or similar reasons, companies have the possibility to suspend the individual employment agreements, without termination of the employment relationship.
2. **Technical unemployment during the state of emergency declared in Romania in the context of COVID-19 pandemic**
3. **Work-time reduction** — in the case of temporary reduction of the activity, for periods exceeding 30 working days, companies have the possibility to reduce the work time from 5 days to 4 days per week, with the corresponding reduction of the salary, with the prior consultations with the representative trade unions or employees' representatives, as the case may be.

No critical thresholds

X Not required ☐ Required ☐ It depends

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>As a rule, all the employees are eligible. However, in case of technical unemployment during the state of emergency declared in Romania in the context of COVID-19 pandemic, the employees which have more employment contracts and have at least one active employment agreement will not benefit of the allowance for technical unemployment. Furthermore, if one employee has more employment contracts and all these are suspended, he/she will benefit of the allowance for the contract with the most favorable salary rights.</p>	<ol style="list-style-type: none"> 1. In case of technical unemployment the employer must ensure an allowance of minimum 75% of the base salary. 2. For technical unemployment during the state of emergency declared in Romania in the context of COVID-19 pandemic, the companies that are directly affected by the COVID-19 crises are eligible to receive from unemployment insurance budget, the gross value of the technical unemployment allowance of 75% from the base salaries of the employees, limited to 75% of the average gross salary (i.e. RON 5,429) per employee. The employer may supplement this allowance with amounts up to 75% of the base salary of the employee if it has the financial means. 3. In case of temporary reduction of the work time from 5 days to 4 days per week, employers apply the corresponding reduction of the salary. 	<p>Income tax and social security contributions (i.e. income tax of 10%, pension contribution of 25%, health insurance of 10% and work insurance contribution of 2.25%) are due to the actual income of the employee in case of Pt. 1) and 3). In case of Pt. 2) work insurance contribution is not due.</p>

Short-time work — Key information



Implementation & settlement process

Implementation

Technical Unemployment

Common implementation aspects for both **technical unemployment** as regulated under the Labor Code, as well as under the specific legislation issued by the Romanian legislative authorities in the context of COVID-19 pandemic:

- Issuance by employer of individual/collective decisions for implementing the technical unemployment, comprising the period within which the individual employment agreements are to be suspended, as well as the affected employees;
- Registration with the employees' general register ("REVISAL") of the suspension of the individual employment agreements — the registration shall include both the start and the end date of the suspension of the individual employment agreements;
- Agreements' suspension must be registered with REVISAL no later than the prior day before the date of starting/ending of the suspension, under the penalty of administrative sanctions that may be applied by the competent labor authorities;
- Suspension of work relations for technical unemployment reasons has as legal effects the suspension of performing the work by employees and, accordingly, suspension of payment of salary rights by the employer. However, as mentioned, the employees benefit from a technical unemployment allowance.

Specific aspects regarding the technical unemployment regulated under Labor Code

- The Labor Code does not provide for a determined period within which the individual employment agreements may be suspended for technical unemployment reasons. However, such period may not be undetermined.

Specific aspects regarding the technical unemployment regulated under the specific legislation issued by the Romanian legislative authorities in the context of COVID-19 pandemic:

- The technical unemployment under the conditions regulated by the special **legislation is to be applicable only during the state of emergency period, as decreed by the Romanian competent authorities.**
- Companies, as employers, are eligible to benefit from the provisions of the special legislation for implementing the technical unemployment during the state of emergency, provided that they meet certain mandatory requirements (i.e. totally or partially interruption of the activity or reduction of the activity as a result of COVID-19 pandemic).

Work-time reduction

- The employers shall initiate the prior consultation of the representative trade union or of the employees' representatives, as the case may be, with respect to reduction of the working schedule from 5 to 4 days/week — their consent is not mandatory, but they have to be consulted;
- Decision of the employer regarding the working-time and salary rights reduction of the employees
- Registration with REVISAL of employees' working program and salary amendment under the legal terms (i.e. one working day prior to the amendment), under the penalty of administrative sanctions that may be applied by the competent labor authorities.

Settlement

Technical unemployment






- Resume of the activity and register with the REVISAL the date of resuming the employees' activity, so as to avoid any potential fine sanction.

Work-time reduction

- Check with REVISAL the proper registration of the amendment of the working schedule from 4 to 5 days per week and the corresponding amendment of the salary rights so as to avoid any potential fine sanction.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>As a rule, the technical unemployment may be declared by the companies with no time constraints. However, in order to benefit from the facilities granted by the unemployment insurance budget, the companies shall observe a certain timeframe (i.e. duration of the state of emergency as decreed in Romania).</p> <p>The reduction of the work time from 5 days to 4 days per week, may be declared by the company only after a period of 30 working days of temporary reduction of the activity.</p>	<p>See Pt. 2.</p>	<ul style="list-style-type: none"> — If the employers meet one of the following criteria, during the state of emergency, the technical unemployment allowance can be supported by the unemployment insurance budget up to the limit of 75% of the average gross salary (i.e. RON 5,429): — Their activity is interrupted, totally or partially or is reduced as a result of the effects of the COVID-19 pandemic for the duration of the state of emergency, based on a solemn declaration of the employer.
 Further important remarks	 Alternative/Additional measures	
<p>It is important to note that further supporting pieces of legislation for the implementation of the measures for assistance of the companies affected by the COVID-19 crisis are expected in the next period.</p>	<p>As alternative measures the companies may implement by unilateral decision, during the state of emergency, and if the employee's job is suitable for:</p> <ul style="list-style-type: none"> — Teleworking policies; — Work-from-home policies. <p>Also, the employees may request free paid days granted to parents for child care during the period in which the relevant authorities have decided to suspend the courses or to close down educational establishments due to unfavorable meteorological conditions or other extreme situations, such as the current COVID-19 pandemic. The allowance for the free paid days is 75% of the base salary for one worked day, but no more than the 75% of the average gross national salary (i.e. RON 5,429) calculated per day. The net value of the allowance paid by the employer can be recovered from the state budget.</p>	



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Russia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Short-time working regime means shortened working hours or shortened working week.

Short-time working regime could be established for an employee based on the mutual agreement of the employer and employee OR at the employer's initiative in result of changes of organizational working conditions (please see conditions that should be met under this scenario in section "Further important remarks").

Short-time working regime could be established for a limited period of time or permanently.



Critical thresholds

- Minimum loss of work required:
- N/A
- Maximum work reduction covered:
- N/A






Employee consent

- ☐ Not required ☒ Required ☐ It depends
- Form of consent: generally, mutual agreement in form of addendum to the employment contract signed by both parties. Written notification is also required if short-time working regime is established at the employer's initiative.
- What if an employee does not consent: the employer must offer to the employee any vacant job position corresponding to the employee's qualifications available within the company in writing and, if the employee agrees, document such employee's transfer OR terminate the employment contract if the employer does not have another work for the employee or the employee disagrees transfer to another work.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
All employees	Pro-rata of current salary as per working hours	Social security contributions applies to the actual salary amounts paid to the employees for actually worked time.



Implementation & settlement process

Based on mutual agreement

- Mutually agree with the employee change of working regime
- Conclude an addendum to the employment contract



At the employer's initiative in result of changes of organizational working conditions

- Notify the employee about upcoming changes of working regime and reasons for such changes 2 months in advance in writing
- If employee agrees, issue an order regarding the upcoming changes of employment contract conditions and reasons for such changes, conclude an addendum to the employment contract
- If employee disagrees, offer to the employee any vacant job position corresponding to the employee's qualifications available within the company in writing and, if the employee agrees, document such employee's transfer, or terminate the employment contract if the employer does not have another work for the employee or the employee disagrees transfer to another work

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>If short-time working regime is established at the employer's initiative in result of changes of organizational working conditions, the employer must notify the employee about upcoming changes of working regime and reasons for such changes 2 months in advance in writing.</p> <p>Short-time working regime could be established for a limited period of time or permanently.</p>	N/A	N/A

 Further important remarks	 Alternative/Additional measures
<p>According to the Russian Labor Code the employer has a right to change conditions established in the employment contract (including working regime) at its initiative only in case of changes in the organizational or technological conditions or other re-organization activity of the employer, if the existing working conditions of the employee cannot be retained (except for change in job function). The recent court practice shows that courts consider the following changes to be legitimate:</p> <ul style="list-style-type: none"> — Changes in technical equipment and (or) work/production technology; — Structural re-organization of the employer's activity; decrease of the employee's volume of work and his/her job duties along with retention of the employee's main job function; — Improvement of work places as a result of their assessment, etc. <p>At the same time employees and (or) labor controlling authorities shall possibly successfully challenge the following grounds for changes of working regime at the employer's initiative:</p> <ul style="list-style-type: none"> — Decrease of the company's volume of work (for example decrease of sales), worsening of the company's financial conditions; — Exclusion of one job position from the employer's staff schedule and set up of a new job position with lower base salary ("camouflaging" of staff reduction); — Change of the employee's job function. 	<ul style="list-style-type: none"> — Annual paid leave at the employee's initiative; — Unpaid leave at the employee's initiative; — Distant character of work; — Redundancy.



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Serbia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Kindly note that Serbian legislation does not provide the possibility to temporarily introduce short-term work.

However, Serbian Labor Law, prescribes other possibilities such as:

1. compensation of salary due to interruption of work and reduction of the volume of work which is occurred without employee's fault.
2. part-time working hours — less than full working hours (40 hours per week).



Critical thresholds

1. N/A
2. A part-time employee is entitled to salary, other benefits and other employment rights proportionate to the time spent at work.






Employee consent

1. Generally speaking, the consent for possibility under point 1 is not required. However, the employer is obliged to adopt individual decision(s) for each employee, by which all rights, obligations and responsibilities regarding this model of work will be defined and presented to the employee. The form of such decision is prescribed by Labor Law, and it shall beside other relevant elements, contain instructions on legal remedy.
2. When speaking about the part time working hours under point 2, kindly note that such model of working needs to be defined by employment agreement. Therefore, it is possible only if the employee agrees to amend the employment agreement (e.g. by signing an annex).

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees are eligible.</p>	<ol style="list-style-type: none"> 1. When speaking of option 1 — employee is entitled to compensation of salary — amounting to at least 60% of the average salary in the 12 previous months, which cannot be lower than the minimum salary determined in line with the valid law. 2. When speaking of option 2 — A part-time employee is entitled to salary, other benefits and other employment rights proportionate to the time spent at work. 	<p>Deferral of payment of salary tax and social security contributions for the private sector until beginning of fiscal year 2021 with possibility of additional extension. Deferred obligations will subsequently be repaid, in not more than 24 monthly instalments without calculated late payment interest.</p>








Implementation & settlement process

1. **Option 1** — Kindly note that the employer shall adopt a general decision on interruption of work and reduction of the volume of work which is occurred without employee's fault. After such decision is adopted, the employer shall draft concrete decisions for each employee, which shall contain all the relevant elements prescribed by Labor Law.
2. **Option 2** — Part time working hours are defined by employment agreement (or by annex to the employment agreement).

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<ol style="list-style-type: none"> 1. Interruption of work, i.e. reduction of the volume of work which occurred without employee's fault lasts for 45 working days in a calendar year. Exceptionally, in the case of interruption of work i.e. reduction of volume of work which requires a longer absence, the employer may with prior consent of the minister, assign the employee to absence which exceeds 45 days. 2. Option 2 — N/A 	<ul style="list-style-type: none"> — Direct aid to entrepreneurs, micro, small and medium size companies in the amount of minimum net salary for each employee during the state of emergency — Direct aid to large companies in the amount of 50% of minimum net salary for each employee on paid temporary leave in accordance with Articles 116 (described under point 1) and 117 of the Labor Law. 	<ul style="list-style-type: none"> — Serbian Development Fund will offer loans in the total amount of RSD 24 billion (ca. EUR 200 million). Repayment period will be 36 months with 12 months grace period. — Direct aid to Serbian citizens older than 18 year through one-off payment for the purpose of stimulation of domestic demand.

 Further important remarks	 Alternative/Additional measures
<ol style="list-style-type: none"> 1. Employers who are unable to organize the work process and therefore assign employees to absence from work (described under point 1), shall give priority to the use of annual leave of employees, when deciding on the implementation of relevant measures. 2. N/A 	<ol style="list-style-type: none"> a) Unpaid leave upon mutual agreement b) Mutual termination agreement c) Redundancies d) Usage of annual leave



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Slovakia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Contractual parties of an employment relationship may agree on reduced working time (lower than determined working time) of the employer. Upon agreement, the employee will receive proportionally lower monthly salary.



Critical thresholds

- Not applicable, it is based on agreement between the employee and the employer.
- Please note that hourly salary of every employee must be agreed at least in the amount of minimal hourly salary stipulated by law. Basic minimal salary in the Slovak Republic for the year 2020 is EUR 3.33 per hour/EUR 580 per month. However, it varies according to the category of the work performed by the employee.






Employee consent

- Required
- Form of consent:
Amendment of the employment contract.
- What if an employee does not consent:
The employment can not be changed to short time work.
Labor inspectorate may impose a penalty to the employer for breach of the Labor code;
Statutory body of an employer may be prosecuted for non-payment of salary in the amount agreed in an employment contract.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>It is possible to agree on change of working conditions (working time, salary etc.) with all employees.</p>	<p>Not applicable.</p>	<p>Social security contributions would be based on the salary agreed in the amendment to employment contract.</p>



Implementation & settlement process

Implementation






— No special implementation procedure.

Settlement

— No special implementation procedure.

Short-time work — Key information



 Time constraints	 Public funding	 Special governmental COVID-19 crisis measures
<p>The employer and the employee may agree on shorter working time/lower salary for defined/undefined period of time.</p>	<p>No public funding available in Slovakia.</p>	<ul style="list-style-type: none"> — Payment of 55% of salary for employees, who must stay at home (i) due to quarantine, or (ii) with their children due to closed school by the Social insurance company (at this time, employees receives only 55% of salary from the Social insurance company from the first day of the quarantine or child care);
 Further important remarks	 Alternative/Additional measures	<ul style="list-style-type: none"> — Payment up to 80% of wage costs of employers, who had to be closed due to COVID-19 crisis measures of the government; — The state plans to provide monthly bank guarantees in the amount of 500 million Eur, to loans provided to entrepreneurs by banks; — Under certain circumstances, the entrepreneurs have option to postpone contributions to social security system/monthly advance payment of taxes; — Please note that the measures above (except the first one) were introduced only on 29 March 2020 by the government and were not adopted yet.
<p>Unfortunately, we do not have legislation such as “Kurzarbeit” in Germany.</p> <p>If an employer in Slovakia do not have work for employees, employees should stay at home with 100 % salary. It is possible to agree on 60 % salary for such cases only with employees representatives. (no employees representatives — no reduction of salary in such situation).</p>	<p>There is no alternative measures currently available under the Slovak law. The only option is to:</p> <ul style="list-style-type: none"> — agree with the employees on shorter time work, — order the holiday (with 14 days prior notice), — reduction of salary (max. up to 60% salary) however with the agreement of the employees representative. <p>The Slovak Government currently works on measures to mitigate the impact of the crisis (including “Kurzarbeit”).</p>	



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Slovenia

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

In general short-time work in Slovenia is based on the mutual agreement between the contractual parties (employer and the employee) characterized by the principle of proportionality of rights and obligations depending on the time for which the employment relationship was concluded. An employee may also conclude short-time employment contracts with several employers in order to achieve the full working time. A special regime applies for short-time work exercised by an employee pursuant to the pension and disability insurance regulations, health insurance regulations or regulations on parental leave.

In Slovenia no special rules or governmental COVID-19 measures were adopted which would change the said rules.



Critical thresholds

N/A









Employee consent

An employment contract must be concluded for working time that is shorter than full working time.

Short-time work employment pursuant to the pension and disability insurance regulations, health insurance regulations or regulations on parental leave are based on rights that derive from such rules and may only be exercised by employees.




Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees may agree with their employers to conclude a short-time employment contract.</p> <p>Short-time work employment pursuant to rules in the social insurance field may only be exercised by those employees that acquire such rights on the basis of pension and disability insurance regulations, health insurance regulations or regulations on parental leave.</p>	<p>Notwithstanding the fact whether the short-time employment is based on mutual agreement or the law (rules in the social insurance field) short-time worker shall be entitled to remuneration according to the actual working obligation, therefore proportionately depending on the working time for which he is employed.</p>	<p>In case the short time employment is based on mutual agreement social security contributions shall be paid proportionately depending on the working time for which such employee is employed.</p> <p>Employee working short-time pursuant to rules in the social insurance field shall have the same rights arising from social insurance as if he worked full-time.</p>
 Time constraints	 Implementation	 Special governmental COVID-19 crisis measures
<p>Contractual parties may agree to change the employment relationship from full time employment to short time employment anytime.</p> <p>In cases involving changes resulting from the exercise of the right to short-time work in accordance with the regulations governing health insurance or the regulations governing parental protection an amendment to the existing employment agreement may be concluded once the employee obtains such right before the competent state authority.</p>	<p>In the event the contractual parties wish to change the employment relationship from full time employment to short time employment a new employment contract must be concluded.</p> <p>In cases involving changes resulting from the exercise of the right to short-time work in accordance with the regulations governing health insurance or the regulations governing parental protection an amendment to the existing employment agreement shall be concluded.</p>	<p>Subject to certain conditions the Act on the intervention measures to stem and mitigate the of the COVID-19 epidemic and its consequences for citizens and the economy includes the following measures for private-sector employers:</p> <ul style="list-style-type: none"> — reimbursement of wage compensations paid to workers by employers who are temporarily unable to provide workers with work as a result of the COVID 19 epidemic — exemption from social security contributions, — exemption from pension and disability insurance contributions for working employees — reimbursement of compensations paid to workers by employers due to temporary absence from work because of illness or injury

Short-time work — Key information



 Public funding	 Further important remarks	 Alternative/Additional measures
<p>Besides COVID-19 crisis measures mentioned above no other (direct) public funding exists for private-sector employers.</p>	<p>The employer must undertake certain obligations in order to exercise the rights provided by measures mentioned above.</p> <p>The text the Act on the intervention measures to stem and mitigate the of the COVID-19 epidemic and its consequences for citizens and the economy was subject to several amendments while being passed Slovenian Parliament. The final consolidated text is still not available.</p>	<ul style="list-style-type: none"> — reorganizations, larger dismissals restructuring procedures (either as part of insolvency procedures or regular reorganization) — in the event that an employer temporarily cannot provide work for a worker, for a period which may not exceed six months in one calendar year, with the aim of preserving jobs, the employer may temporarily lay the worker off by written notice (the employee shall be entitled to half of the payment he would have received if he was working, but not less than 70% of the minimum wage). — home working — granting paid holidays to the employees;



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Spain

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

- Due to the situation of COVID-19 crisis, the Spanish government has temporarily simplified the collective proceedings for short-time work, which vary depending on the grounds alleged for their implementation (majeure force or economic, technical, production-related and organizational reasons).
- Please note that the requirements and procedures stated herein for collective short-time work measures are identical to those which would apply in case a collective total suspension of employment contracts is intended to be implemented.
- For other individual short-time work measures please see section “Special governmental COVID-19 crisis measures”



Critical thresholds

- If collective short-time work measure is due to majeure force⁽¹⁾: not thresholds are foreseen.
- If collective short-time work measure is due to economic, technical, production-related and organizational reasons: a minimum of 10% and a maximum of 70% of the regular working time can be reduced.

(1) “Majeure force” is deemed to include scenarios deriving directly from reduced activity as a result of COVID-19, including the declaration of a state of emergency, entailing the suspension or cancellation of activities, the temporary closure of venues open to the public, restrictions on public transport and, in general, the movement of persons and/or goods, a shortfall in supplies posing a serious obstacle to the continuity of ordinary business activity, or from duly accredited urgent, extraordinary scenarios due to the contagion of the work force or the adoption of preventative isolation measures ordered by the health authorities.






Employee consent

- If collective short-time work measure is due to majeure force: not required, but the labor authorities’
- If collective short-time work measure is due to economic, technical, production-related and organizational reasons: no required, but an agreement with the workers’ representatives once the negotiation period is over is advisable in order to reduce potential conflicts.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees could be affected by the collective short-time work measures, as long as they and their functions are affected by the reasons alleged.</p>	<ul style="list-style-type: none"> — While the collective short-time work measure is in place, the employer is obliged to pay the salary corresponding to the not reduced working time. — The affected employees will be also entitled to receive the unemployment benefits, in a percentage proportionally to the reduced working time reduced with a maximum (in case of a reduction equivalent to 100%) of: <ul style="list-style-type: none"> — Without children: €1,098.09 per month — With one child: €1,254.86 per month — With 2 or more children: €1,411.83 per month 	<ul style="list-style-type: none"> — If the reason alleged for the collective short-time work measure is majeure force, employer is exempt from the obligation to pay employer social security contributions in the following percentages: <ul style="list-style-type: none"> — 100% in case that they had less than 50 employees. — 75% in case they have 50 or more workers. — No exemption on Social Security contributions apply in case the collective short-time work measure is due to economic, technical, production-related and organizational reasons.

Short-time work — Key information








Implementation & settlement process

Implementation and settlement process

- If the collective short-time work measure is due to majeure force:
 - Simultaneously: (i) inform to the employees and competent labor authority of the measures to be adopted; (ii) furnish to the worker's representatives, if any, and the referred labor authority a report on the relevant loss of activity, as well as any documentation they may deem necessary in order to evidence force majeure.
 - Decision of the competent labor authority within 5 days about the existence or otherwise of majeure force, which will enter into effect as from the date of the triggering event.
- If the collective short-time work measure is due to economic, technical, production-related and organizational reasons:
 - Notice of the company's intention on the workers' legal representatives, so that they may set up the representative committee in order to negotiate during the consultation period.
 - Once the representative committee has been formed, the procedure must be instituted within not more than 5 days by serving electronic notice on the competent labour authority, while simultaneously commencing the consultation period.
 - This notice must be accompanied by a report explaining the grounds for the short-time work and a technical report evidencing that such grounds have arisen (technical report not needed if the only reason alleged is economic).
 - Consultation period: maximum of 7 days (or less if the parties reach an agreement earlier). The consultation period may conclude with or without agreement. If an agreement is not reached, the employer could still unilaterally apply the collective measure.
 - On conclusion of the consultation period, employers must electronically notify the labour authorities of their decision, which will become effective as from the date of such notification.
 - An individual notice must be served on each affected employee.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The duration of the collective short-time work measure should be linked to the duration of the state of emergency or the majeure force or the economic, technical, production-related and organizational reasons in which such measure is based.</p> <p>In proceedings based on economic, technical, production-related and organizational reasons, duration can be agreed during the consultation period with the employees' representatives.</p>	<p>Additional employment measures have been implement in view of the COVID-19 crisis, such as:</p> <ul style="list-style-type: none"> — Priority is given to working from home. — “Exceptional circumstances” are set in which workers may apply for adapted timetables and reduced working hours. Workers must notify the company at least 24 hours in advance of any reductions to working hours, which may go up to 100% of the working day. — With the exception of the cases in which activities are expressly suspended by the state of emergency, companies are not obliged to cease their activities; however the obligation to protect the health and safety of their workers and to set in place all such measures as may be necessary. 	<p>Please see previous section “<i>Maximum covered/“insured” salary</i>”.</p>
 Further important remarks	 Alternative/Additional measures	
<p>The collective short-time work measure, when adopted, imply the obligation for the employers to maintain jobs and employment level for a 6 month period as from the date on which activity is resumed.</p>	<p>Please see previous section “<i>Special governmental COVID-19 crisis measures</i>”.</p>	



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Sweden

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Sweden has updated its short-time work allowance system, where the employer's personnel costs now can be reduced up to 53% while the state covers part of the employees' wages. This will help the company to improve cash flow while still maintain employees.

The employees' short-time work shall be subject to a reduction of 20, 40 or 60% of the employee's normal work time.

The employees' salary will be reduced by 4,6 or 7,5% depending on the level reduced work time.



Critical thresholds

- Minimum loss of work required:
N/A
- Maximum work reduction covered:
A maximum of 60% work time reduction is covered by the state aid.






Employee consent

- ☐ Not required ☐ Required ☒ It depends
- Form of consent:
Employers not subject to a collective agreement must enter into an agreement of short-time work with 70% of the employees to be eligible for the state aid. Such agreement must be in written form and shall be attached to the application to the Agency for Economic and Regional Growth (Sw. Tillväxtverket).
- What if an employee does not consent:
An employee' which works for an employer not bound by a collective agreement, which does not sign a written agreement with the employer does not grant the employer a right for state aid for short-time work.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All types of employments are eligible for short-time work and state support. However, only employees who were receiving wages three months prior to Tillväxtverket's approval for support are eligible for the state aid.</p> <p>Employees belonging to the employer's family are not eligible to receive support. Tillväxtverket has made an interpretation in this regard that the only employers who can be considered to have a “family” in the context of the law are sole proprietorships/self-employed persons, due to that only these are natural persons</p>	<p>The compensation will apply to wages up to SEK 44,000 per month. For income earners with a higher salary, the income will be calculated at SEK 44,000.</p>	<p>Social security contributions will remain proportional to the employee's salary.</p>



Implementation & settlement process

Implementation of Preliminary support




- The implementation process is divided into two steps
 - Application for approval
 - Application to receive preliminary support for short-time work.
- The applications shall be filed to Tillväxtverket
- Employers are allowed to seek state aid for short-term work from the 16th of March, 2020.
- Processing time of Tillväxtverket is still unknown. The process will however be digital, which allows for a swift process.
- After receiving the maximum amount of state aid for short-time work (6+3 months), the employer will be block for applying for additional state aid for short-time work under a 24-month period.



Settlement

- After obtaining a decision on preliminary support for short-term work, Aon must provide Tillväxtverket with ongoing information about the circumstances of the short-term work (e.g. that it is still eligible for the support that has been granted).
- Information shall be provided to Tillväxtverket within 3 months from the first day of the preliminary support for the short-term work.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>An employer may receive the support for a period of six months, with the possibility of extension for an additional three months. After this period, there will be a waiting period of 24 months from the date of Tillväxtverket's, the Swedish Agency for Economic and Regional Growth's, approval of the financial support. In addition, the total time period the support is received may not exceed 24 calendar months over a period of 36 calendar months.</p>	<p>The Swedish Government has among others taken the following special measures and presented the following support packages in view of the COVID-19 crisis</p> <ul style="list-style-type: none"> — Updated system for short-time work — Updated rules for state aid for sick payments — Deferrals of tax payments 	<p>Depending on the reduction of work time, the public will fund:</p> <ul style="list-style-type: none"> — 20% work reduction — 15% of the employee's salary — 40% work reduction — 30% of the employee's salary — 60% work reduction — 45% of the employee's salary

 Further important remarks	 Alternative/Additional measures
<ul style="list-style-type: none"> — In order for the employer to be eligible for state aid for short-time work, the employer must be subject to financial difficulties which are caused by the COVID-19 by other circumstances outside of the employer's control. — The employer must initiate and finalize negotiations with all relevant unions prior to making the decision to implement the short-time work. 	<p>An employer may use these additional actions to lower its costs due to the COVID-19 crisis:</p> <ul style="list-style-type: none"> — Defer tax payments — Dismissal due to redundancy — Adjustments to payments of bonuses — Collective reduction of employees' salary — Adjustments to employees' vacation — Reorganization of employees



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Switzerland

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

The instrument of short-time work compensation (SWC) is intended to compensate for a company's partial or total loss of work of a temporary nature. Such loss of work may be due to economic reasons or measures taken by the authorities. The SWC is intended in particular to prevent redundancies.

The application process takes place in two stages:

- 1) A preliminary application (German "Voranmeldung") must be filed with competent authority and
- 2) The SWC must be requested from the unemployment insurance by means of a settlement request after each accounting period (e.g. after each month).



Critical thresholds

- Minimum loss of work required:
- A loss of working hours can only be credited if, per accounting period, it accounts for at least 10% of the total number of working hours worked by the employees of either the entire company or of an individual department (in case such department is recognized as independently operating by the Swiss authorities).
- Within a period of 24 months the maximum period during which SWC is permissible is 12 months.
- In case the reduction of working hours is more than 85%, the SWC can be granted for a maximum of 4 months only. **Special governmental COVID-19 crisis measures:** The limit of max. 4 months for more than 85% work reduction is abolished



Employee consent




- ☐ Not required ☒ Required ☐ It depends
- Form of consent:
a governmental form needs to be signed by the employee and submitted with the initial application for SWC.*
- In case an employee does not agree with the short-time-work, SWC will not be granted and the employer will need to continue paying the salary according to the employment contract. The employer, however, is free to terminate the employment contract (by observing the applicable notice period)

* Special governmental COVID-19 crisis measures:

The governmental form regarding the consent of the employee only needs to be submitted with the accounting statement to the unemployment insurance and not — as usual — with the initial application.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees except for those</p> <ul style="list-style-type: none"> — who are in terminated employment; — whose working time is not sufficiently controllable; — who do not agree with the short-time work; — who are in a fixed-term employment relationship; — who are in an apprenticeship; — who are leased; — who are employed on demand. <p>Special governmental COVID-19 crisis measures:</p> <p>Employees can apply for SWC</p> <ul style="list-style-type: none"> — who are in a fixed-term employment relationship; — who are in an apprenticeship; — who are leased; — who are employer-like employees, e.g. shareholders or employees in executive functions who also are employed by the company (SWC as flat rate); — who are persons who work in spouse’s company (SWC as flat rate); — who are employed on demand. 	<p>The maximum covered annual salary is CHF 148’200.</p>	<p>Social security contributions must continue to be paid in line with the contractually agreed upon “usual” working schedule.</p>

Short-time work — Key information



Implementation & settlement process

Implementation




- Formal application to be filed with competent Swiss authority
- Application must contain the following main information: completed official form “Voranmeldung von Kurzarbeit” including the reason for application (e.g. cause and effect relationship between extraordinary external circumstances and temporary decrease in work), number of employees affected by short-time work, sales figures of the past 2 years, expected sales for the next accounting period, consent of the employees*, extract from the commercial register*, organization chart. (* **Special governmental COVID-19 crisis measures**: currently not required at the stage of the implementation.)
- Application must be filed 10 days prior to the start of short time work (**Special governmental COVID-19 crisis measures**: lead time has been cancelled.)
- Processing time for an authority decision on the implementation application under normal circumstances is about 10 days
- Blocked period (waiting period) is 3–10 working days (**Special governmental COVID-19 crisis measures**: no blocked period — entitlement as of day 1)

Settlement

- The request needs to be filed with the unemployment insurance within 3 months after each accounting period
- The employer must file the completed form “Antrag und Abrechnung von Kurzarbeitsentschädigung” together with detailed work time reports of the last accounting period as well as an overview of the hours during which the employees were not occupied (i.e. had no work to do).



Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<ul style="list-style-type: none"> — Work time can in total only be shortened during a maximum period of 12 months (within 2 years). — In case the loss of working hours is more than 85%, the work time can only be shortened up to 4 months. Special governmental COVID-19 crisis measures: The limit of max. 4 months for more than 85% work reduction is abolished. — In case short-time work exceeds a duration of 3 months, a new application (implementation) needs to be submitted. Special governmental COVID-19 crisis measures: This period has been extended from 3 to 6 months. 	<ul style="list-style-type: none"> — application process has been simplified (less information/documents required), — circle of eligible employees was extended, — lead time for application (implementation) has been lifted, — waiting period has been lifted, — employees no longer have to reduce their overtime first before they can benefit from SWC, — The application for implementation is valid for 6 instead of the usual 3 months (in case short-time-work endures, a new application is required, thereafter), — income from additional/intermediate employment is no longer counted towards SWC, — the limit of max. 4 months SWC for more than 85% work reduction is abolished. 	<p>The SWC is paid by the unemployment insurance.</p>

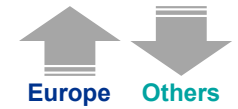
Short-time work — Key information



 Further important remarks	 Alternative/Additional measures
<ul style="list-style-type: none"> — CAUTION: SWC must be applied for, immediately once the 10% reduction of working hours takes place — i.e. no retroactive application of SWC is possible! — In principle, overtime must first be reduced before SWC can be applied for. Special governmental COVID-19 crisis measures: no overtime reduction required. — suggests the use of holidays and encourages the use of smart working, allowing employers to use it even without a written agreement with employees. 	<ul style="list-style-type: none"> — Reduction of overtime. — Reduction of holidays in agreement with the employee or at least 3 months in advance. — Deployment of the employee in other areas of the company in agreement with the employee. — suggests the use of holidays and encourages the use of smart working, allowing employers to use it even without a written agreement with employees.

Switzerland

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Turkey

Short-time work — Information for Europe



Short-time work — Key information



Characteristics of short-time work concept

Short time work is defined as a temporary shortening of the employment period in the whole or part of the workplace by at least 1/3 or complete or partial suspension of operation for at least 4 weeks without the condition of continuation not longer than 3 months (can be extended up to 6 months by the President).



Critical thresholds

- Minimum loss of work required: 1/3
- Maximum short time work period: 3 months (can be extended up to 6 months by President)






Employee consent

- ☒ Not required ☐ Required ☐ It depends
- Material changes in the employment agreement must be agreed in writing by the employees such as decrease in wage.
- However, short time work process does not require employee consent.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>Any employee who is eligible for unemployment insurance under the Law;</p> <ul style="list-style-type: none"> — employed 60 days prior to the commencement of the short-term work and — has at least 450 days of paid unemployment insurance premium within the last three years. 	<p>If the weekly working hours are reduced minimum by 1/3, an equation is applied to calculate the amount of wage to be paid by the employer and the fund.</p> <p>Monthly amount of the allowance is capped; maximum amount payable by the fund is approximately USD 675.</p> <p>[The daily allowance is 60% of the average daily gross income to be calculated taking into account the employee's income subject to social security premium payment for the last 12 months. However, such amount cannot be more than 150% of the monthly gross minimum wage.]</p>	<p>The employment agreement is deemed to be suspended during the term of the short-term work, accordingly, the employer's responsibility to pay any social security contributions ceases during the duration of the short-term work.</p>



Implementation & settlement process

Implementation






- A formal application must be filed at the Employment Agency by filling out the template to be accompanied with;
- Documents and evidence to prove the effects of COVID-19 on the business
- Under normal circumstances, the EA appoints inspectors to visit the applicant companies, verify the claims and issue a conformity certificate. Applications due to COVID-19 are being processed electronically.
- The approval may take up to 60 days.
- Once the application is approved, there needs to be a one week transition period before the commencement of the short-term work, whereby the employers are obliged to pay half of the standard wages.

Settlement

N/A

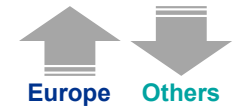
Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The short-time working allowance is applicable for 3 months but can be extended up to 6 months by the President.</p>	<p>The unemployment fund established by the Unemployment Insurance Law ('the Law') has already been in place. On 26 March 2020, the Law has been amended reducing the eligibility requirements and simplified the application/approval process.</p>	<p>Short-term work is a mechanism available under the Law which allows companies to utilize the mechanism under economic, industrial or regional crises or compelling reasons which lead to significant reduction of the normal working hours or temporary or complete suspension of business activities at the affected workplace. Pandemic is specified as a compelling reason under the Law.</p>
 Further important remarks	 Alternative/Additional measures	<p>Employees are paid the allowance during the non-working period up to certain limits and continue to be entitled to General Health Insurance.</p> <p>Pension contributions/rights will cease since the employment agreement is suspended during the term of the short-term work.</p>
<ul style="list-style-type: none"> — Minimum 1/3 of the work must be lost temporarily, or — the work must be completely or partially suspended for at least 4 weeks — Employee consent is not required. Notifying the employees through a collective announcement (or informing the Union for Collective Labor Agreements) is sufficient to fulfil notification requirements. — Redundancies will not allowed during the term of the short-term work (except for due to unethical reasons) 	<ul style="list-style-type: none"> — Unless the employer has applied for short-term work allowance, the general principles in the Employment Law will be applicable; Compelling reasons at the workplace which pause the work for more than 1 week entitle both the employer and the employee to terminate the employment agreement on just grounds. — Reduced working hours may be recovered later (in 4 months once back to normal working hours) provided that the additional working hours do not exceed three hours per day. (4 months can be extended up to 8 months by President) — Unpaid leave is available provided that the employee agrees in writing. 	

Turkey

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United Kingdom

Short-time work — Information for Europe



Short-time work — Key information



Options available

There are several options available to employers to flex their workforce in the context of the COVID-19 crisis. These include:

- **Short-time working:** putting employees on short-time working due to a down turn in work.
- **Lay-off:** Laying off employees due to a down turn in work.
- **JRS:** The Coronavirus Job Retention Scheme (JRS) was announced by the Government on 20 March 2020 to support employers who would otherwise have made redundancies



Key Considerations

- **Lay-off and short-time working:** Lay off means an employer provides employees with no work (and no pay), whereas short-time working involves providing less work (and less pay), for a period while retaining them as employees.
- **Redundancy pay:** There's no limit on how long an employee can be put on short-time or laid off. However, an employee can, subject to certain conditions, apply for redundancy and claim redundancy pay if they have been laid-off or on short-time working:
 - 4 weeks in a row
 - 6 weeks in a 13-week period
- **JRS:** As an alternative, the JRS is open to all UK employers and covers 80% of the cost of wages up to a maximum of £2,500 per employee per month.






Formalities

- **Short-time working/lay-off:** An employer requires the contractual right to place an employee on short-time working or lay off. If an employer does not have the contractual right, they will need to maintain the employee's full pay unless they are able to agree reduced pay with the employee.
- **Employee agreement:** It is important for employers to inform employees and attempt negotiation where possible as, in the absence of an express or implied contractual right, the employer is likely to be in breach of contract.
- **JRS:** Under the JRS, affected workers will need to be designated as "furloughed workers" and the employees will need to agree to the change.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<ul style="list-style-type: none"> — Lay-off and short-time working: Any type of employee could have lay-off or short-time working provisions in their contracts of employment. However, it is unusual and typically would only be included for employees in the manufacturing industry. — Employee consent: Without the contractual right, it is rare for an employer to have the implied right of lay-off or short-time working and this would need to be agreed with the employee. — JRS: All types of employees who were on the payroll as at 28 February 2020 are eligible unless they are in receipt of SSP or on unpaid leave. Further, to qualify for the JRS, employees must not undertake any work for their employer while they are furloughed. 	<ul style="list-style-type: none"> — Lay-off and short-time working: Employees should receive full pay in any short-time working or lay-off period unless their employment contract allows unpaid or reduced pay short-time working or lay-offs or this has been agreed separately with the employees. — SGP: If employees are unpaid, they may be entitled to a statutory guarantee payment (SGP). The maximum SGP is £29 a day for 5 workless days in any 3-month period. — JRS: Under the JRS, the grant covers 80% of the employee's salary up to a maximum of £2,500 per employee per month. An employer may top up at their discretion. 	<ul style="list-style-type: none"> — Payments: Any payments paid are subject to normal deductions including tax and national insurance contributions. — JRS: It is expected that the JRS grant to be paid to employers will 80% up to a maximum of £2,500 per month per employee plus Employer national insurance contributions and pension contributions

Short-time work — Key information



Implementation

Implementing lay off and short-time working:

If the employer has a contractual right to put their employees on short-time working or lay-off, there is no prescribed procedure.

Contract permits lay-off or short-time working

Employer should write to the affected employees and confirm the period of lay off or short-time, including details of the expected length of time and pay.

Contract does not permit lay-off or short-time working

Employers should inform employees and attempt negotiation where possible. If an employer lays off an employee or puts them on short-time working in the absence of an express or implied contractual right to do so, the employer will be in breach of contract.






Implementing the JRS:

Employers will need to:

- Decide which employees to designate as furloughed employees.
- Notify those employees of the intended change and consider whether it needs to consult with employee representatives or trade unions.
- Agree the change with the furloughed employees. Most employment contracts will not permit an employer to reduce an employee's pay, provide them with no work, without agreement.
- Confirm the employees' new status in writing. Ideally, the employer should advise how long it expects furlough leave to continue. Employers may wish to put employees on furlough leave for an initial period, subject to review.
- Apply for the JRS grant through the new online portal. The relevant authorities are currently setting this up.
- Ensure that the employees do not carry out any further work for that employer while they are furloughed.

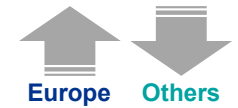
Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<ul style="list-style-type: none"> — There are no specific time constraints when implementing short-time working or lay-off. — However, if the employer seeks the employees' consent to changes to their terms and conditions (such as reduced pay), if employees refuse and the alternative would be to terminate and re-engage or make redundancies, this may trigger collective consultation requirements if there is a proposal to terminate 20 or more employees in a 90 day — If collective consultation is triggered it requires that consultation begins "in good time" and at least 30 or 45 days (depending on the numbers affected) before the first dismissal takes effect. 	<p>In addition to the JRS scheme mentioned above, the Government has adopted other measures including cashflow bridge options.</p> <p>The Government has also legislated for Statutory Sick Pay (SSP) to be paid from day 1, rather than day 4, of the absence from work if a worker is absent from work due to sickness or need to self-isolate caused by COVID-19.</p> <p>The Government will also refund employers with fewer than 250 employee up to 14 days' SSP per eligible employee. The Government will work with employers over the coming months to set up the repayment mechanism for employers as soon as possible.</p>	<p>The Government has announced several measures to help employers who are struggling with the economic consequences of COVID-19. These include:</p> <ul style="list-style-type: none"> — the JRS; — business rates reliefs; — a Coronavirus Business Interruption Loan Scheme; — a grant scheme for small businesses; — a grant scheme for the self-employed; and — a dedicated helpline for those who need a deferral period on their tax liabilities.
 Further important remarks	 Alternative/Additional measures	
<p>While guidance has been issued on the JRS scheme we await confirmation of the practical details on how employers will be able to apply for the grant.</p>	<p>Where lay-off, short-time working or the JRS are not available or appropriate, depending on the employer's circumstances, the employer may wish to consider other alternative arrangements such as: redeployment, asking employees to take annual leave, agreeing unpaid leave or sabbaticals or, ultimately, making redundancies</p>	

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Ukraine

Short-time work — Information for Europe






Short-time work — Key information



 Characteristics of short-time work concept	 Critical thresholds	 Employee consent
<p>In Ukraine short-time work can be used as one of instruments for staff optimization amidst stagnation of business</p> <p>An employer can reduce working hours without approval from the trade union or government</p> <p>If introduced at the initiative of the employer, short-time work is considered alteration of significant conditions of employment and requires notification of employees 2 months prior to doing so</p> <p>In order to compensate loss of income to employees, upon request of the employer government (subject to many conditions) may provide funds to the employer, who distributes them among employees. On 2 April 2020 a new specific procedure related to COVID-19 was introduced. However, it is not clearly regulated. Therefore, it is likely that many employees will not be able to receive compensation</p>	<ul style="list-style-type: none"> — Minimum loss of work required: N/A for COVID-19-related procedure — Maximum work reduction covered: N/A 	<ul style="list-style-type: none"> — <input type="checkbox"/> Not required <input checked="" type="checkbox"/> Required <input type="checkbox"/> It depends — Form of consent: It is crucial to have written confirmation that employees were notified 2 months prior to working hours reduction. After notification, it is recommended to obtain a written consent of an employee, preferably a hard copy — What if an employee does not consent: If an employee does not consent, it may be grounds for termination of employment with severance payment amounting to one average monthly salary

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees are eligible for short-time work</p> <p>Within COVID-19 specific procedure for compensation, only employees who do not receive pensions and are employed at small or medium businesses are eligible for compensation from the state</p> <p>It is unclear if any kind of business may be eligible, or only manufacturing business</p>	<p>Within COVID-19 specific procedure, state compensates two thirds of hourly wage for every reduced working hour. Total amount of compensation shall no be more than the amount of one minimum salary provided by legislation</p>	<p>Social security contributions in Ukraine are made in a form of a Unified social contribution (USC). It is paid by the employer from its own funds</p> <p>There is no special method for calculation of USC in case of reduction of working hours. In general, USC is calculated based on the de-facto accrued salary, but not less than minimal amount of the USC provided by legislation</p>



Implementation & settlement process

Implementation




- If short-time work is introduced by the employer, the employer must notify the employees 2 months prior to doing so. The employer shall obtain written confirmation that employees were duly notified
- Form of employee consent is not provided by Ukrainian legislation. However, it is recommended to obtain a written consent of an employee. If written consent was not provided, employee's ongoing work after 2-months waiting period may be regarded as silent consent
- After 2-months waiting period new working regime enters into force
- As an alternative, short-time work can be introduced for an employee at this/her written request, with no need for 2-months waiting period. There are categories of employees (pregnant women, parents of children under the age of 14 etc.) whose request the employer cannot deny



Settlement

N/A

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>There are no constraints regarding maximum period of time, during which short-time work can be introduced</p> <p>Within COVID-19-related procedure, the state will provide compensation during the whole period of working hours reduction, but no longer than duration of the quarantine</p>	<ul style="list-style-type: none"> — An employer is allowed to introduce work from home regime without employee's consent — Upon agreement of the parties, an employee may take an unpaid leave for a longer period than normally allowed — Prohibition/limitation of work for most client-facing businesses — "Tax holiday" for some categories of business 	<p>N/A</p>

 Further important remarks	 Alternative/Additional measures
<p>N/A</p>	<p>The following measures can be taken as an alternative:</p> <ul style="list-style-type: none"> — Unpaid leave — Staff reduction — Temporary transfer of an employee to a different position — Idle time

Ukraine

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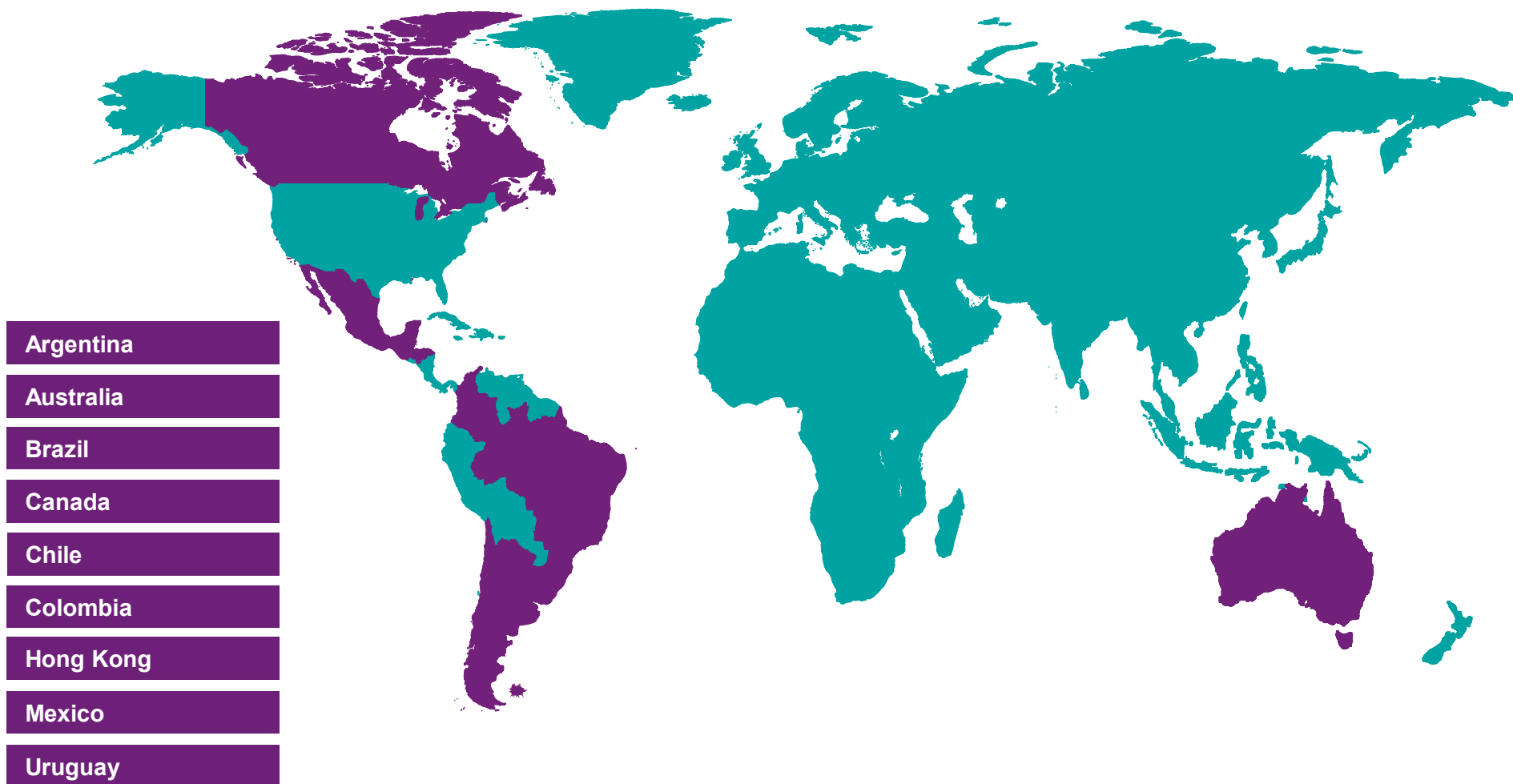
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Short-time work — Information outside Europe





Argentina

Short-time work — Information outside of Europe



Short-time work — Key information



Characteristics of short-time work concept

Suspension of personnel due to lack or reduction of work or force majeure.



Critical thresholds

- Suspensions of personnel due to lack or reduction of work duly proved and not attributable to employer, cannot exceed 30 days within a year.
- Suspensions of personnel due to force majeure, cannot exceed 75 days within a year.



Employee consent

— ☐ Not required X Required ☐ It depends




— Form of consent:

Employers have to file a presentation before the Ministry of Labor and negotiate terms of suspension and suspension salaries with the involved Unions.

- Without the referenced procedure, any agreement reach upon the parties, could be declared null and void.
- With respect to ununionized employees, private agreements could be celebrated and registered before the Ministry of Labor.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>In general terms Labor Contract Law refers to unionized employees. However, measures could be applicable to all employees.</p>	<p>Subject to negotiation.</p>	<p>Salaries paid to employees are considered a non-remunerative payment, thus no social security contributions are due, except with respect to mandatory Health Plans.</p>



Implementation & settlement process

Implementation






- In order to minimize risks of claims, employers have to file a presentation before the Ministry of Labor, at least 10 days before the implementation.
- There are two different legislations depending on the number of employees involved.
- Application must contain the following main information: circumstances which justify an exceptional measure, identification of affected employees, term during which adopted measures will be in force.
- According to labor law, processing time is about 30 days. Experience indicates that it takes longer.

Settlement

- If settlement is reached the Ministry of Labor approves the agreement.
- If there is no settlement, and even though lack of agreement employers implement suspensions or other measures that reduces labor conditions, employees could consider themselves as dismissed and claim the payment of legal severance and pending salaries.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>Depending on the causes adopted measures could not last more than 30 days or 75 days within a year.</p>	<p>Argentinian government has adopted special measures in view of the COVID-19 crisis, such as for example</p> <ul style="list-style-type: none"> — Reduction on contributions to social security with respect to employers whose employees cannot work due to preventive and compulsory isolation (special quarantine). — During the emergency period all new hired employees will be considered as temporary employees not as permanent employees. — Overtime payments during the emergency period will be subject to a considerable reduction on social security contributions. 	<p>In addition to the contribution's reductions, the Government is analyzing new measures in order to reduce labor costs in companies affected by this global emergency.</p>
 Further important remarks	 Alternative/Additional measures	
<p>Argentine Government is enacting measures almost on daily basis. Accordingly this paper could be updated.</p>	<p>Already indicated in slides above.</p>	



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Australia

Short-time work — Information outside of Europe






Short-time work — Key information



 Characteristics of short-time work concept	 Critical thresholds	 Employee consent
<p>Australia does not have a distinct legal concept of 'short-time working'.</p> <p>Full-time or part-time employees may, at any time, agree to vary their working hours with their employer. The employee's consent is generally necessary subject to the terms of any applicable industrial instrument.</p> <p>Generally speaking, employers can unilaterally vary the working hours of casual employees without the need to obtain employee consent, although this will depend on the terms of any applicable industrial instruments and/or employment contracts.</p> <p>However, the Australian Government recently introduced legislation in response to COVID-19 (COVID-19 legislation) which, amongst other things, enables certain eligible employers to unilaterally reduce a certain eligible employee's hours of work (including down to nil) without an employee's consent for the period until 27 September 2020.</p>	<p>Generally speaking, a reduction in working hours is considered a private matter between employer and employee. In these circumstances, no "thresholds" are applied.</p> <p>However, for the duration of the COVID-19 legislation, a reduction in working hours is a statutory entitlement conferred upon eligible employers where the requisite "threshold" test is met. In this respect, in order for an employer to unilaterally reduce an employee's hours of work, the COVID-19 legislation requires that:</p> <ul style="list-style-type: none"> — the employee cannot be usefully employed for their hours of work due to COVID-19; — the direction is safe having regard to the nature and spread of COVID-19; — the employee is eligible for the "JobKeeper" payment (see following pages for more detail); and — the hourly base rate of pay that an employee receives is not less than their existing pay. 	<p>The COVID-19 legislation enables eligible employers to unilaterally reduce an employee's working hours — no employee consent is required although there is a formal written consultation process that must be followed.</p> <p>For employers who are not eligible under the COVID-19 legislation, employee consent is generally required for full-time and part-time workers subject to the terms of any applicable industrial instrument.</p> <p>Form of consent: Consent can be verbal, but we recommend obtaining written consent to evidence the agreement. An exchange of emails is generally suitable.</p> <p>What if an employee does not consent: If an employee does not consent to a reduction in working hours, unilaterally reducing the employee's hours may amount to a breach of the employment contract or a breach of an applicable industrial instrument. The employee may be entitled to damages, and additional penalties may apply.</p>

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>Subject to the terms of an applicable industrial instrument, all part-time and full-time employees can agree to a reduction in working hours.</p> <p>Subject to the terms of an applicable industrial instrument, employers may in some circumstances be able to unilaterally reduce the working hours of full-time and part-time employees.</p> <p>Casual employees can have their hours reduced by the employer unilaterally.</p> <p>Applicable industrial instruments or employment contracts may impose additional obligations including, for example, obligations to consult with staff prior to changing rostering arrangements.</p> <p>However, as noted above, the introduction of the COVID-19 legislation enables an eligible employer to unilaterally reduce a JobKeeper eligible employee's hours of work (including down to nil) without an employee's consent, amongst other things, until 27 September 2020.</p>	<p>There are no arrangements for any part of any employee's salary to be covered or “insured” following a reduction in an employee's working hours.</p> <p>The introduction of the COVID-19 legislation confers eligible employers with an entitlement to a “JobKeeper” payment of \$1,500 per fortnight for employees whose hours of work are reduced as a result of COVID-19. The JobKeeper payment is paid to employers by the Government and must be passed on in full to each eligible employee.</p> <p>Unless an employee agrees otherwise, an employer must ensure that, amongst other things, the hourly base rate of pay that an employee receives is not less than their existing pay during the period in which an employer reduces an employee's working hours.</p> <p>Example: An employee usually earns \$3,000 per fortnight and is directed by employee to work 60% of his or her usual hours (i.e. the salary is reduced from \$3,000 to \$1,800 per fortnight).</p> <p>The employer will be required to pay the employee \$1,800 per fortnight, but \$1,500 of this payment will be subsidised by way of the JobKeeper payment. The employer will be required to ‘top up’ the additional \$300 payment per fortnight.</p>	<p>Employers in Australia are not required to make “social security” contributions as such. However, an employer's obligation to make contributions to an employee's superannuation fund are calculated on the basis of the employee's income.</p> <p>Subject to the terms of an applicable industrial instrument, contract or other discrete legislation which may apply to certain types of employment, where an employee's income is reduced as a result of an agreement to reduce the employee's working hours, the employer's obligation to make corresponding superannuation contributions will be reduced in proportion with the reduction in the employee's income.</p> <p>Additionally, where eligible employers pay employees the JobKeeper payment, superannuation contributions must only be made in respect of any payment made to the employee by way of payment for the employee's salary. Any part of the JobKeeper payment paid to an employee that exceeds the employee's entitlement to salary for the relevant period will be excluded from any calculation of the employee's entitlement to superannuation contributions by the employer.</p>

Short-time work — Key information



Implementation & settlement process

Implementation

- The implementation of a change to an employee's working hours will be subject to the terms of any applicable industrial instrument or employment contract.
- For employees that are not covered by an industrial instrument, it is usually sufficient to enter into a written or verbal agreement to reduce the employee's working hours.

Settlement

- Generally, an employees' working hours can be changed immediately upon agreement between the employee and the employer.



Time constraints

Subject to the terms of any applicable industrial instrument or employment contract, there are no applicable time constraints — employees and employers can generally agree to an indefinite reduction in working hours.



Special governmental COVID-19 crisis measures

At a high level, the introduction of the COVID-19 legislation confers eligible employers with an entitlement to a JobKeeper payment of \$1,500 per fortnight for employees whose hours of work are reduced as a result of COVID-19. The JobKeeper payment must be passed on in full to each eligible employee.

The Australian Government has also introduced a range of changes to social security eligibility entitlements to support employees whose income has been affected by COVID-19. Employees whose hours have been reduced, and whose income falls below a defined threshold, may be eligible for social security payments.



Public funding

- Employees who have had their hours reduced and whose income falls below a defined threshold may be eligible to receive social security payments.
- Employers may be eligible to access various assistance programs being implemented by the Australian Government, including the JobKeeper payment.

Short-time work — Key information



Further important remarks

Employment conditions in Australia are governed by a mixture of instruments, including “modern awards” that regulate minimum entitlements and conditions for entire industries or occupations.

Unions and employer groups have negotiated amendments to modern awards in the clerical services, restaurant and hospitality industries by introducing more flexible terms and conditions with respect to operational requirements, working hours and annual leave, which will operate until 30 June 2020.

For example, modern awards covering these industries have been amended such that employers and employees may agree to an employee:

- performing duties outside the scope of their normal duties;
- working reduced hours; and
- taking twice as much annual leave at half the rate of pay.



Alternative/Additional measures

In the absence of an established ‘short-time work’ concept, employers are implementing alternative strategies to manage employment costs including:

- requiring employees to take paid leave;
- asking employees to agree to taking unpaid leave;
- “standing down” employees with no pay (but access to leave entitlements and, where eligible, JobKeeper payments);
- redeploying employees where possible; and
- implementing redundancies.

Many of the above strategies, amongst others, are available to employers as a result of the implementation of the COVID-19 legislation.



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Brazil

Short-time work — Information outside of Europe



Short-time work — Key information



Characteristics of short-time work concept

- Possibility of reducing working hours and workers' wages by the following percentage: 25%, 50% and 70%.
- The Brazilian government pays to the employees the "Emergency Employment and Income Preservation Benefit" (short-time-work support) for their loss of earnings. The referred benefit will be paid based on the percentage of workload reduction multiplied by the cap amount of the unemployment insurance value (BRL 1,813.03).
- The employer, at its discretion, could afford a financial support for short-term work to its employees for the loss of earnings.
- The employee will maintain the benefits perceived due to employment, such as meal ticket, health insurance, and others.



Critical thresholds

- The reduction in workhours and wage of employees must respect the maximum period of 90 days and the percentages indicated in the new legislation, unless collective bargaining is carried out in different percentages and terms.
- Reductions higher than the percentage of 25% must only be made through prior collective bargaining for employees earning between BRL 3,135.00 and BRL 12,202.11 (the latter provided it must have a higher level diploma).






Employee consent

- The employer needs to find an agreement about the implementation of short-time work in writing with:
 - each employee concerned, if it chooses to make an individual agreement; or
 - the union, if it chooses to make and collective bargaining.
- The employer and the union, or the employer and the employee will sign the agreement. The agreement is only valid and effective to the parties after 2 days.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/"insured" salary	 Impact on social security contributions
<p>All employees, without exceptions.</p>	<p>The maximum amount paid by the Brazilian government is BRL 1,813.03, which is the cap amount for unemployment insurance.</p> <p>The "Emergency Employment and Income Preservation Benefit" will be paid based on the percentage of workload reduction (25%, 50% or 70%) multiplied by the cap amount of the unemployment insurance value (BRL 1,813.03)</p>	<p>The wage paid by the employer is subject to social security contributions. The "Emergency Employment and Income Preservation Benefit" paid by the government, however, doesn't subjected to social security contributions.</p> <p>Unless the employee is receiving a death or accident benefit, if it's receiving another social benefits it won't be able to receive the "Emergency Employment and Income Preservation Benefit".</p>



Implementation Process

Implementation I

- Step 1: The employer should find an agreement about the implementation of short-time work, in writing with:
 - each employee concerned, if it chooses to make an individual agreement; or
 - The labor union, if it chooses to make and collective bargaining.
- Step 2: The employer and the labor union, or the employer and the employee must sign the agreement.

Implementation II

- Step 3: The employer must inform the Ministry of Economy within 10 calendar days of signing the agreement. In the same period, the employer needs to notify the labor union if an individual agreement have been signed.
- Step 4: The employer, at its discretion, may anticipate the end of the short-work agreement by sending an email or written notification to the employee. Notified the employee, the workday and the salary will return to normal after a 2 days period.

Short-time work — Key information



Time constraints

The maximum time for proportional reduction of hours and wages must not exceed ninety days. The maximum time for temporary suspension of the employment contract must not exceed sixty days.

The other crisis measures apply only during the state of public calamity.






Special governmental COVID-19 crisis measures

The Brazilian government, due to the COVID-19 pandemic, changed labor legislation to make procedures more flexible and provide alternatives to prevent mass layoffs. The referred measures, intitled "Emergency Employment and Income Maintenance Program", include the following possibilities and options:

- Anticipate vacations (individual and collective) and holidays of a non-religious nature.
- Establish a special regime for working hours compensation ("time credits").
- Employees can do home office;
- Chance of individual or collective adjustment for proportional reduction (25%, 50% or 70%) of the working hours and salary of employees for a period of 90 days, with part of the wage supplemented by the Federal Government through the "Emergency Employment and Income Preservation Benefit".
- Temporary suspension of the employment contract for a maximum period of 60 days. During the suspension, the employee will receive all benefits granted by the employer and another compensatory aid may be granted by the employer. Important: The payment of 30% of the employee's salary is mandatory as compensatory aid for companies with gross revenue above BRL 4.8 million in 2019.
- Suspension of collective bargaining between the employer's union and the worker's union.
- Suspension of medical examinations, except layoff's medical examination and employee's periodic training.
- Suspension of payment of the Guarantee Fund for Length of Service (FGTS) from March, April and May 2020.

Short-time work — Key information

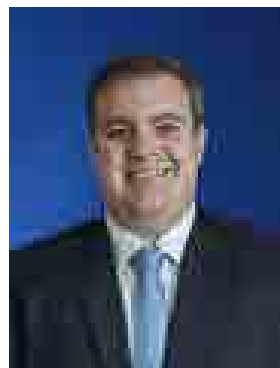


 Public funding	 Further important remarks	 Alternative/Additional measures
<p>The Brazilian government, through the Ministry of Economy, will subsidize part of the employee's wage through the "Emergency Employment and Income Preservation Benefit". The referred benefit will be paid exclusively for the duration of the reduction of working hours and salary or the temporary suspension of the employment contract.</p> <p>The Brazilian government also instituted the "Emergency Employment Support Program", opening credit lines to employers for the payroll subsidy of companies with annual gross revenue of BRL 360,000.00 up to BRL 10,000,000.00 (according to the 2019 fiscal year). The allowance will cover the period of two months, the amount being limited to the amount of twice the minimum wage in force in Brazil per employee.</p>	<p>The "Emergency Employment and Income Preservation Benefit" is based on the amount of unemployment insurance to which the employer would be entitled. It has an indemnity nature and will not be included in the calculation of the Guarantee Fund for Length of Service (FGTS).</p> <p>If there is a reduction in wages or hours or even suspension of the employment contract, the affected employees cannot be dismissed without just cause in the period in which they are implemented. In the same way, after reestablishing the workday in the usual terms, the employee will have job stability for the same period in which the contract was suspended or the workday and salary were reduced.</p> <p>The employee will be indemnified in case of dismissal without cause while the provisional guarantee is in force.</p>	<p>N/A</p>



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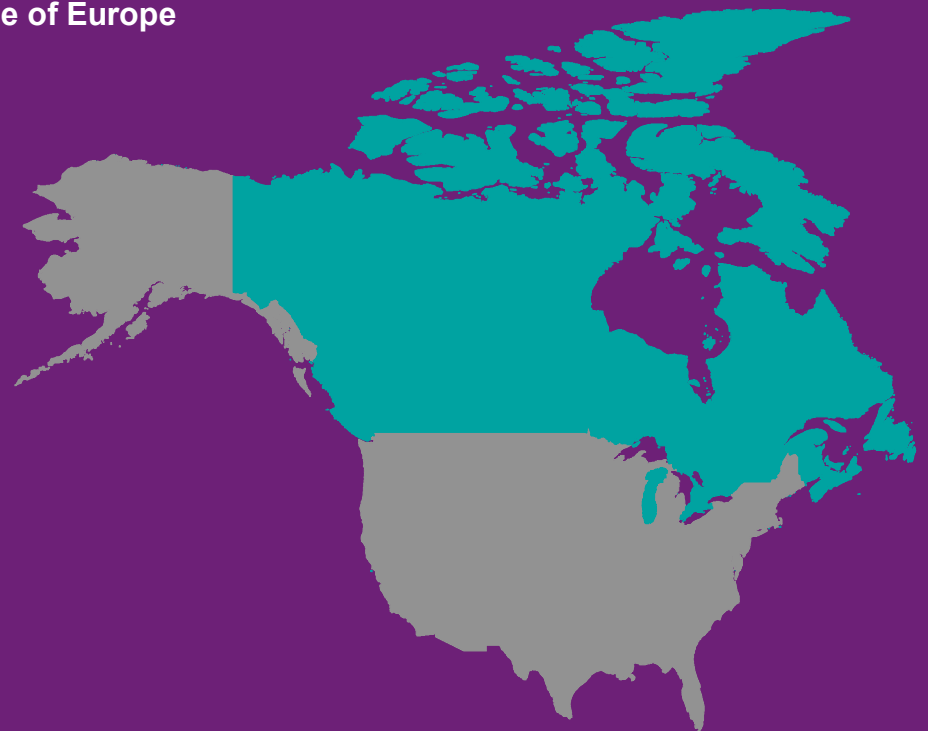
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Canada

Short-time work — Information outside of Europe



Short-time work — Key information



Characteristics of short-time work concept

In Canada, there are 3 types of short-time work:

1. **Reduced working hours** — parties may agree to a reduction of no more than 50% of the weekly wages (varies between provinces)
2. **Job protected leave of absence** — employee may take a leave from employment, including medical leave for COVID-19 related reasons
3. **Temporary layoff** — parties may agree to suspend work without ending employment, for a specified period under the province's legislation



Employee consent

- ☐ Not required ☐ Required ☒ It depends
- **Form of consent:**
Under Option 3 — Depending on the Jurisdiction Employment contract must contain the employee's consent
- **What if an employee does not consent:**
Options 2 or 3 may be used following certain notice requirements and conditions under the employment legislation of the province



Critical thresholds

Job protected leave may not exceed:





- (i) 16 weeks (**Federal regulations**)
- (ii) 14 days (**Alberta**)
- (iii) 3 days (**B.C. and Ontario**). **COVID-19:** leave for as long as needed if employee is diagnosed with COVID-19, caring for a child or relative with COVID-19, or as directed by employer
- (iv) 12 weeks if serious sickness, otherwise 12 days (**Saskatchewan**) [**COVID-19:** Leave for as long as needed]
- (v) 7 days for illness, or 27 weeks to care for critically ill child or relative (**Newfoundland**) [**COVID-19:** Public Health Emergency Leave for as long as needed]
- (vi) 26 weeks (**Québec**)
- (vii) 17 weeks (**Manitoba**)
- (viii) 3 days (**Nova Scotia**) [**COVID-19:** Emergency Leave for as long as needed]

Temporary layoff may not exceed:

- (i) 3 months, or 12 months if the employee is part of a trade union (**Federal regulations**)
- (ii) 60 days within 120 days of layoff, can be extended if the employer continues to pay wages or benefits (**Alberta**) [**COVID-19:** extended temporary layoffs from 60 to 120 days]
- (iii) 13 weeks within 20 weeks of layoff (**B.C.**)
- (iv) 13 weeks within 20 weeks of layoff, can be extended to 35 weeks within 52 weeks if the employer continues to pay wages or benefits (**Ontario**)
- (v) 12 weeks within 16 weeks of layoff (**Saskatchewan**)
- (vi) 13 weeks within 20 weeks of layoff (**Newfoundland**)
- (vii) 6 months (**Québec**)
- (viii) 8 weeks within 16 weeks of layoff (**Manitoba**) [Layoffs due to **COVID-19** are exempted from this time limit]
- (ix) 12 months (**Nova Scotia**)




Short-time work — Key information



 Eligible employee categories	 Maximum covered/"insured" salary	 Impact on social security contributions
<p>All employees.</p>	<p>Leaves of absence or temporary layoffs may be unpaid.</p> <p>If employees are unpaid, the employees may access CERB if they are eligible.</p>	<p>Workers' compensation relief measures for employers in response to COVID-19</p> <p>Alberta: All private sector employers will have their 2020 workers' compensation premiums deferred to 2021. In 2021, small and medium-sized private sector employers will have 50% of their 2020 premiums waived.</p> <p>B.C.: Employers who report payroll and make payments on a quarterly basis can defer payments without penalty until June 30, 2020. Employers who report payroll on an annual basis do not have to pay 2020 premiums until March 2021.</p> <p>Ontario: Businesses will be permitted to defer Workplace Safety & Insurance Board premium reporting, and payments until August 31, 2020. No interest will accrue on outstanding premium payments for Schedule 1 businesses and no penalties will be charged during this six-month deferral period. Schedule 2 account balances will not accrue debit interest.</p>
 Implementation & settlement process		
<p>Temporary layoff — Option 3 above:</p> <ul style="list-style-type: none"> — If the employer has a contractual right to put their employees on layoff, the employer must follow a prescribed procedure <ul style="list-style-type: none"> — Write to the affected employees, or their trade representatives, and confirm the layoff — Consult with the employees' representatives or trade unions, if applicable — Provide a recall letter to the employees before the expiry of the time constraints specifying their return to work date 		

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>If the employment contract does not permit a layoff, the employer may be in breach of contract if a temporary layoff is implemented. The laid off employee may bring an action for constructive or wrongful dismissal.</p> <p>If the employer does not recall the employee within the prescribed period of layoff, the employment is considered terminated and the employee may be entitled to termination pay.</p>	<p>The Government of Canada enacted the Canada Emergency Response Benefit (CERB) to provide eligible employees who have stopped working due to COVID-19 with an income support payment for up to 16 weeks.</p> <p>The Government of Canada passed the Canada Emergency Wage Subsidy (CEWS) plan, to assist businesses, non-profits and charities in paying their employees for a 12-week period.</p> <p>CEWS covers up to 75% of employee's wages on the first \$58,700 earned, with a maximum of \$847 per employee, per week, from March 15, 2020 to June 6, 2020.</p> <p>Eligible organizations have to show that their business experienced a reduction in revenue of at least 15% in March, and 30% in April or May.</p>	<ul style="list-style-type: none"> — Employment Insurance (EI) is available to eligible employees facing a reduction in normal weekly earnings of at least 40% due to illness, unemployment, injury or quarantine. — Employers may use the Work-Sharing Program to avoid layoffs during times of temporary economic difficulty. It allows employers to schedule reduced work weeks for employees, who can then access EI for an income supplement. Due to COVID-19 the Work Share has been extended from 38 to 76 weeks <p>In addition to the federal benefits outlined above, certain provinces have announced interim assistance measures for employees affected by COVID-19.</p> <ul style="list-style-type: none"> — B.C. Emergency Benefit for Workers: one-time payment of \$1,000 to employees whose ability to work has been affected — Saskatchewan's Self-Isolation Support Program: payment of up to \$900 to self-isolating employees not covered under federal benefits

Short-time work — Key information



Further important remarks

Employment law in Canada is divided between the federal and provincial governments. Federally regulated sectors include banks, air transportation, marine shipping, and radio and television broadcasting, among others.



Alternative/Additional measures

- Use of paid leave
- Use of unpaid leave
- Termination



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Chile

Short-time work — Information outside of Europe






Short-time work — Key information



 Options available	 Key Considerations	 Employee/Works Council consent
<ul style="list-style-type: none"> — Due to COVID-19 emergency, companies and its employees can agree upon a reduction of the working hours with a maximum of 50% worktime currently equivalent to 45 hours weekly. — Accordingly, the employer can reduce the remuneration and the employee can access the unemployment funds. — The employer is liable for paying social security contributions calculated over the reduced remuneration. — Additionally, companies and employees can agree upon a total suspension of the employment contract, in which case employees can access fully to unemployment funds. The employer's activities must be partially or totally paralyzed. — The employment contract will also be legally suspended in case the authority decrees a full stop of activities. 	<ul style="list-style-type: none"> — Only companies under particular circumstances can agree upon workday schedule reduction with their employees, such as a) over a 20% decrease in sales in the period October 2019-March 2020, compared to the last commercial year (2018), b) going under a restructuring process due to bankruptcy, c) going under an advisory process due to insolvency and d) companies exempted from authority suspension declaration in order to maintain minimum operation continuity or protect the life or health of its employees. — These pacts will be in effect for 5 months. — Full suspension pacts will last maximum 6 months counted from the date the law that allows them is published. — Legal suspension will last the same period the authority decree. 	<ul style="list-style-type: none"> — Employment suspension and workday reduction must be agreed upon with each employee, prior consulting the respective union. — Please note that in Chile there is no work council, thus unions operate on a company per company basis.

Short-time work — Key information



 Eligible employee categories (for all cases)	 Maximum covered/“insured” salary	 Impact on social security contributions
<ul style="list-style-type: none"> — Employees must be affiliated to the Unemployment Insurance. — Employees must be ruled by the Chilean Labor code (excludes state employees) — Workday reduction: employees must register 10 unemployment contributions if hired under an indefinite contract or 5 if hired under a fixed term contract. — Employment contract suspension: 3 consecutive unemployment contributions in the last three months prior the suspension or 6, continuous or not within the last 12 months prior the suspension. 	<p>Workday reduction</p> <ul style="list-style-type: none"> — Employees will be entitled to receive a reduced remuneration calculated over the equivalent to the average of the last 3 accrued remunerations. — Unemployment complement will be up to the 25% of the average of the last 3 accrued remunerations, capped in CLP\$ 225.000 (EUR 238) for those employees whose reduction is up to 50%. If the reduction is lower, the complement will be calculated proportionally. <p>Employment suspension</p> <ul style="list-style-type: none"> — Employees will be entitled to withdraw the funds of their individual unemployment account starting with a 70% in the first month, 55% in the second, 45% in the third , 40% in the fourth 35% in the fifth. 	<ul style="list-style-type: none"> — Workday reduction: employer must pay the social security contributions calculated over the reduced remuneration. Unemployment funds are granted free from contributions. — Employment suspension: employer must continue paying the social security contributions, except for work accidents insurance contributions. Payable contributions shall be calculated over the 50% of the employees ordinary remuneration.

Short-time work — Key information



Implementation process

Implementation I (Workday Reduction)






- The employer must be in one of the situations that allow agreeing upon the workday reduction, duly validated by the tax authorities or bankruptcy authorities.
- The employer and employees must subscribe electronically the agreement where workday schedule is reduced.
- For these purposes the Labor authority shall provide an electronic template of the agreement containing all legal requirements.
- Employer must submit a sworn statement before the Unemployment Insurance Fund with a list of the employees entitled to receive the benefit

Implementation II (Employment suspension)

- The employer and the employees or respective union must subscribe the suspension pact.
- The employer must submit a sworn statement indicating that its activities are fully or totally paralyzed.
- Subsequently must submit to the Unemployment Insurance Fund a list of the employees eligible to receive the benefits.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<ul style="list-style-type: none"> — The access to the unemployment funds shall be granted once the law that regulates the matter is published but starting from March 18th. — Workday reduction agreements cannot exceed 5 months. — Full suspension agreements cannot exceed 6 months counted from the date the law is published. — Legal suspension will last as long as the authority decree is in effect. 	<p>In order to provide support due to COVID-19 emergency, the government has provided the following measures:</p> <ul style="list-style-type: none"> — Family bonus — Tax benefits such as delay in VAT and income tax payments — Stamp tax reduction — State Bank capital increase — The Chilean state can acquire debts up to USD \$4,000 million in bonds or similar instruments — Access to unemployment funds. 	<ul style="list-style-type: none"> — Fiscal loan of up to USD \$2,000 to cover solidary unemployment funds. — Up to around USD 11,750 millions to face the COVID-19 emergency.
 Further important remarks	 Alternative/Additional measures	
<ul style="list-style-type: none"> — Employees under full suspension regimes cannot be terminated without severance payment. — Companies that have agreed upon workday reduction cannot hire new employees. Any new positions must be firstly offered to the employees whose workday schedule has been reduced. — Vacations will continue accruing during the suspension and reduced workday schedule regimes. — Years of severance would also accrue during this period. — Employees subject to labor privilege cannot undertake suspension or reduction agreements. 	<ul style="list-style-type: none"> — Unpaid leave — Remote work if possible. Consumption of vacation and time credits 	



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Colombia

Short-time work — Information outside of Europe



Short-time work — Key information



Characteristics of short-time work concept

In Colombia there is a figure called “contract review” in which the parties review the conditions of the contract when unforeseeable and serious alterations of economic normality occur (COVID-19). The parties, by mutual agreement, can modify the working conditions such working hours, functions, salary. However, this figure it is not common used, and in the current situation the Labor Ministry suggest other measures mentioned in the slide 5.



Critical thresholds

The parties agree on the working conditions to be modified by mutual covenant. The employee’s salary can be reduced as long as this also implies a modification in the functions and/or working hours.







Employee consent

- ☐ Not required ☒ Required ☐ It depends
- Form of consent:
To modify the working conditions, a written document is required in which the new conditions and the consent of the parties are explicit.
- What if an employee does not consent:
If the employee does not consent, the conditions of the contract cannot be modified and the contract remains in force.

Short-time work — Key information








 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>The figure called “contract review” can be applied to all employees.</p>	<p>Does not apply.</p>	<p>Contributions to the social security system must be made in the same established percentages (health 12.5%, pension 16% and labor risks), however, even if the salary is lower than the legal monthly minimum wage, contributions must be made at the legal monthly minimum wage.</p>

 Implementation & settlement process	
<p>Implementation</p> <p>The change of conditions must be implemented by means of a written document (addendum to the employment contract), which is signed by the parties.</p>	<p>Settlement</p> <p>The new working conditions begin to apply as soon as the parties agree.</p>

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>The parties may restrict the duration of new working conditions according to existing economics alterations.</p>	<p>The Colombian government has indicated the following measures that employers could take as a consequence of the crisis caused by COVID-19:</p> <ul style="list-style-type: none"> — Work at home — Telecommuting — Flexible working hours — Annual, anticipated and collective vacations — Paid leave — salary without provision of the service 	<p>Does not apply.</p>
 Further important remarks	 Alternative/Additional measures	
<p>Argentine Government is enacting measures almost on daily basis. Accordingly this paper could be updated.</p>	<p>As mentioned previously, the employers could make use of the following measures to meet the current challenges: Work at home, telecommuting, flexible working hours, annual, anticipated and collective vacations, paid leave — salary without provision of the service.</p> <p>In addition to the above, employment contracts could be suspended for the duration of the emergency, however, the labor judge must determine if the COVID-19 crisis is a force majeure that allows the suspension of employments contracts.</p>	



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Hong Kong (SAR)

Short-time work — Information outside of Europe



Short-time work — Key information



Characteristics of short-time work concept

Hong Kong does not have a distinct legal concept of 'short-time working'.

If change of normal work hours is required, except for employees who under their employment terms have no fixed hours, there must be agreement between employer and employee.



Critical thresholds

While the legislation does not impose any threshold for the purpose of 'short-time working', employees who have their hours reduced to less than 18 hours in a period of 4 weeks, may potentially be considered be no longer continuously employed. This may mean that the employee may no longer enjoy certain protections under the employment legislations.






Employee consent

- Employee consent is required in order to reduce the hours of employment.
- **Form of consent:**
A formal agreement should be entered into in order to deal with the ongoing duties/responsibilities and benefits.
- **What if an employee does not consent:**
If an employee does not consent to a reduction in working hours, the employer should not place the employee on reduced hours. The employee may claim that the employer has breached the employment contract and/or the employee is deemed to be constructively dismissed.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>All employees may agree to reduction of hours.</p> <p>For employees who do not work fixed amount of hours, subject to other terms of the employment, can have their hours reduced without consent.</p>	<p>There is no concept of insured salary in Hong Kong.</p>	<p>Employers in Hong Kong are required to make monthly contributions to the mandatory provident fund (i.e., a pension fund). Such obligation is calculated on the basis of a percentage of the employee's income. If the reduced hours leads to the reduction of salary, then the contributions would likewise be impacted. If no salary is payable because an employee has been put on unpaid leave, then the employer will not have to make any contribution.</p>



Implementation & settlement process

Implementation






- The basis for an employee's working hours is in his/her employment contract. If the employee is not on a full-time contract and it does not specify the hours, the employer may potentially unilaterally reduce working hours.
- The employer should enter into a formal agreement with the employee following discussions. It is highly recommended that all correspondence be recorded to avoid disputes.

Settlement

- The revised arrangement can be implemented as per the agreement between the parties.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
There are no time constraints as long as the parties are in agreement.	The Hong Kong Government has not implemented any measures to support Hong Kong employees. However, there are plans to distribute a one-off payment of HK\$10,000 to each adult permanent resident.	There is no public funding afforded to the employees on unpaid leave or reduced hours.
 Further important remarks	 Alternative/Additional measures	
Reduced hours, while relatively passive, is still very impactful on employees during these times. In the event the employee disagrees with the reduced hours, the employer should not unilaterally impose reduced hours on the employees. This is to prevent employees from claiming that they have been constructively dismissed, and therefore be entitled to redundancy payments.	Reduced hours is a popular measure, however there are also alternative arrangements including: <ul style="list-style-type: none">— requiring employees to take paid annual leave;— asking employees to agree to take unpaid or part-paid leave; and— terminations.	

Hong Kong

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Mexico

Short-time work — Information outside of Europe






Short-time work — Key information



 Characteristics of short-time work concept	 Critical thresholds	 Employee consent
<ul style="list-style-type: none"> — The salary payment is less than the normal payment. — The work hours are reduced to less of the normal weekly working hours. — The cause to reduce the hours/and pay must be economic and temporary. 	<p>Minimum loss of work hours required: N/A</p> <p>Maximum work reduction covered: N/A</p> <p>The economic circumstances are assessed by specialized experts and evaluated by the employment authorities during a special process.</p>	<ul style="list-style-type: none"> — <input type="checkbox"/> Not required <input checked="" type="checkbox"/> Required <input type="checkbox"/> It depends — Form of consent: Signed hard copy is mandatory. — Notice through the intranet if the electronic identification is recognized in the employment contract. — Unionized employees — Signed hard copy by the representatives. — What if an employee does not consent: Termination of the employment relationship without employee liability

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>It applies to executive, trusted and unionized employees, as long as the continuity of the activities affects the company financially.</p>	<p>Employer must pay at least the minimum general salary.</p> <p>The minimum salary amount is:</p> <ul style="list-style-type: none"> — Border Zone \$7.99 USD per day — General Zone \$5.31 USD per day <p>Or the minimum professional salary if applicable.</p> <p>Also must include the mandatory benefits established in the Mexican Labor Law.</p>	<p>Notice of a salary adjustment must be filed in order to pay social security contributions according to the new conditions.</p> <p>Social security benefits will be calculated according to the new salary.</p>

Implementation & settlement process

Implementation






- Settlement executed by employers and employees or union.
- To fill the agreement before the labor authorities.
- Application must contain the following main information: new working conditions and salary, temporary period, signed by both parties.
- Notify to the social security authorities the adjusted salaries

Settlement

- Negotiation with employees or union.
- Agreement of new working conditions.
- Settlement takes place once new working conditions are agreed.
- Ratify it before labor authorities.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures	 Public funding
<p>There is no time constraint according to Mexican Employment Law but if there is an enforced instruction by competent authority then must be only for the period of time stipulated.</p>	<ul style="list-style-type: none"> — Federal Government issued preventive measures that recommend suspending activities. — Health and Occupational Hazard measures stipulated by the employment authority. — Suspending activities of vulnerable employees: seniors, pregnant women, chronically ill persons, who must be paid 100% salary — Some State Governments issued an extension for the payment of local payroll taxes 	<p>There is no public funding regulated in Mexico but Government could establish one according to tax incentives being the requirements discretionary.</p>
 Further important remarks	 Alternative/Additional measures	
<ul style="list-style-type: none"> — Working conditions cannot be changed solely by the employer or it will be considered an unjustified dismissal with settlement payments — If the competent authorities issue the “Decree of Health Emergency”, the employment relationship will be suspended and the employer is obliged to pay compensation of at least one minimum wage per day for up to 30 days. <p>* On March 26th it has not yet been issued by the federal authority</p>	<ul style="list-style-type: none"> — Comply with the Health and Security measures in the workplace. — Review the conditions of salary payment in order to consider them as welfare benefits 	



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Uruguay

Short-time work — Information outside of Europe



Short-time work — Key information



Characteristics of short-time work concept

The short-time work scheme allows the Employer to reduce the employee working hours during the day or working days during the month. The employee receives a subsidy from the social security system for the reduced working time.

The short-time work scheme includes only daily workers. Monthly workers are not included.



Critical thresholds

The minimum loss of work required is the 25% of the normal working days during the month or working hours during the day.






Employee consent

The employee consent is not required.

Short-time work — Key information



 Eligible employee categories	 Maximum covered/“insured” salary	 Impact on social security contributions
<p>To be eligible for the short-time work scheme the employee needs to have been registered at the Social Security Office for a minimum period of 180 days in the previous year (either with the same or with another employer).</p> <p>All employees are eligible to the short-time work scheme, except employees with another job, company Directors and employees on strike.</p>	<p>Currently, the social security system covers the reduction up to a maximum of \$ 44.606 (approximately USD 1.000).</p>	<p>In the short-time work scheme the employer has to pay social security contributions only for the effective working time.</p>



Implementation & settlement process

Implementation





- Formal application to be filed online with the Social Security Office.
- Application must contain the reduced working hours during the day or working days during the month and the current salary of the employee.
- Processing time is within the same day.

Settlement

- Settlement takes place within approximately 15 days after each month.
- For settlement purposes, the Social Security Office will consider the information previously provided on a monthly basis by the employer.
- The payments are made on a monthly basis.

Short-time work — Key information



 Time constraints	 Special governmental COVID-19 crisis measures
<p>Work time can only be shortened during a maximum period of four months.</p>	<p>Due to COVID-19 crisis, the Uruguayan government implemented a special short-time work scheme for a 30 day period as from March 18th (with the possibility of extending it for another 30 days). This special scheme:</p> <ul style="list-style-type: none"> — Includes monthly workers. — Includes employees from all activity sectors. — Includes employees who have utilized the regular short-time work scheme in the last year. — A minimum of six working days is required. — The subsidy to be received by the employee will be calculated based on 25% of the monthly average of computable nominal salaries received in the last six months. Its calculation will be proportional to the number of suspended or reduced days.
 Public funding	
<p>Unfortunately, at the moment there is no public funding available for short-time work, besides the Social Security Office subsidy already mentioned.</p>	
 Further important remarks	 Alternative/Additional measures
<p>A full reduced working subsidy scheme is possible to adopt for a maximum period of six months. The Social Security Office pays 50% of the employee salary, and the employer has no salary obligations.</p> <p>The employer may complement the public subsidy with the amount necessary to complete the regular employee salary (this complement is exempt of social security contributions).</p>	<p>Other employment law tools available in Uruguay that employers could use to address the current challenges are:</p> <ul style="list-style-type: none"> — Regular unemployment subsidy scheme. — Grant of generated vacations. — Grant of advanced not generated vacations. — Unpaid leave. — Redeployment. — Redundancies.

Uruguay

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