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Factsheet for case **LT-2020-12/311**

## Wage subsidies for companies declaring idle time due to quarantine regime

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|              |   |
|--------------|---|
| Country      | Lithuania, applies nationwide   |
| Time period  | Temporary, 19 March 2020 - 27 April 2020  |
| Type         | Legislation or other statutory regulation   |
| Category     | Employment protection and retention<br>– Income support for people in employment (e.g. short-time work) |
| Case created | 06 April 2020 (updated 29 April 2020)   |

### Background information

Law No. XIII-2821 amending Articles 47 and 49 of the LC, effective as of 17 March 2020, introduced new conditions for companies to declare idle time. Pursuant to Article 47 of the LC, the employer may declare idle time for an employee or a group of employees, inter alia, if the Government declares quarantine and for this reason the employer is not able provide the employee with the work agreed upon in the employment contract. On 7 March 2020, the Seimas adopted the Law amending Articles 5-1, 13, 24, 35, 37, 38, 39, 41, 42, 44, 49 and 50 of Law on Employment of the Republic of Lithuania (No. XII-2470) which provides for the payment of wage subsidies to employers who retain jobs during idle time established as a result of an emergency situation or quarantine. The idea is to help employers retain jobs.

### Content of measure

When the government declares a state of emergency and quarantine and for this reason the employer is not able to provide employees with the work agreed upon in the employment contract, the employer has the right to establish idle time or partial idle time. According to the amendments to the Law, the amount of the subsidy may reach 90% or 70% of the wage amount subject to the employer's choice. If the employer contributes 10% and chooses a 90% subsidy, the state will contribute max. one minimum monthly wage (MMW) (EUR 607 gross); if the employer chooses a 70% subsidy, the state will be able to contribute more - 1.5 MMA or EUR 910.5 gross. Wages accrued during idle time may not exceed those fixed earlier in the employment contract. Payment of the subsidy shall be terminated when the government revokes the emergency or

quarantine. Employers shall have to inform the State Labour Inspectorate on the establishment of idle time for employees. Having used the subsidy, the employer is required to retain at least 50 percent of jobs for at least three months from the end of the payment of the subsidy.

## Use of measure

No information to date.

## Actors, target groups and funding

| Actors   | Target groups              | Funding                                       |
|--|----------------------------|---|
| National government<br>Social partners jointly<br>Company / Companies<br>Public employment service | Employees<br>All companies | Companies<br>European Funds<br>National funds |

## Social partners

|                         |                     |
|-------------------------|---------------------|
| Role of social partners | Consulted           |
| Form of involvement     | Direct consultation |

Social partners consulted only ad hoc, the tripartite meeting was not held.

## Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

## Sources

- 17 March 2020: Lietuvos Respublikos darbo kodekso 47 ir 49 straipsnių pakeitimo įstatymas Nr. XIII-2821 (2020-03-17) ([e-seimas.lrs.lt](https://e-seimas.lrs.lt))
- 07 April 2020: LR užimtumo įstatymo Nr. XII-2470 5-1, 13, 24, 35, 37, 38, 39, 41, 42, 44, 49 ir 50 straipsnių pakeitimo įstatymas (2020-04-07) ([e-seimas.lrs.lt](https://e-seimas.lrs.lt))