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Factsheet for case **AT-2020-10/229**

Corona short time work scheme

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Country	Austria, applies nationwide
Time period	Temporary, 01 March 2020 - 30 September 2020
Type	Tripartite agreement
Category	Employment protection and retention – Income support for people in employment (e.g. short-time work)
Case created	31 March 2020 (updated 06 May 2020)

Background information

Short-time work enables working hours to be reduced within a company during temporary economic difficulties. Short-time work has been a well established crisis measure for a long time and was last used to a great extent during the 2008/09 financial crisis, alleviating the economic downturn to quite some extent. (see e.g. a Eurofound report from 2010:

<https://www.eurofound.europa.eu/publications/report/2010/austria/working-conditions-labour-market-business/austria-short-time-working-subsidy>).

Content of measure

Short time work scheme applies if a company temporarily reduces the working time. In order to prevent dismissals and to protect businesses and employees from negative economic and social impacts of COVID-19, social partners (Chamber of Labour, Trade Unions, Economic Chamber) negotiated the current scheme.

Working hours of employees can be reduced up to zero hours keeping full / almost full pay. The employer only pays for the actual working time.

Reduced working hours: The reduced standard working hours must be on average between 10% and 90% of standard working hours as agreed under collective working arrangements. A new aspect of this is that it may temporarily also be set at zero. Thus, for instance, in the context of a short-time working period of six weeks,

it may be set at 0% for five weeks (i.e. no work will take place, and for one week at 60%). Another important point to note is that, in some business sectors, the agreement on short-time work may also include overtime.

Use of measure

As of 14 April 2020, short-time work applications have been made for the jobs of 608,607 people. Therefore, the funds for short-time work support are increased for the second time, from three to five billion euros (Source: Der Standard, 14 April, 2020).

Actors, target groups and funding

Actors	Target groups	Funding
National government Social partners jointly	Employees All companies	National funds

Social partners

Role of social partners	Negotiated
Form of involvement	Bi-or tripartite social dialogue bodies

This is based on a social partner agreement.

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 26 March 2020: WKO Fact Sheet Corona short-time work (Corona-Kurzarbeit – Betriebe sichern, Arbeitsplätze erhalten) (www.wko.at)
- 31 March 2020: Federal Ministry of Labor, Family and Youth, FAQ short-time work (Bundesministerium für Arbeit, Familie und Jugend, FAQ Kurzarbeit) (www.bmafi.gv.at)
- 14 April 2020: 608 000 short time work applications, funds increased from 3 to 5 bio euros (www.derstandard.at)