

#### La Kanzlei

# Corona: Further assistance for employees in Germany

Arbeitsrecht



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The German government wants to reduce the financial consequences of the corona pandemic for employees who are currently on short-time work: to this end, the short-time work allowance is to be increased, the possibilities for additional income are to be expanded, and the period during which unemployment benefits are paid is to be extended.

### 1. Short-time work

The German government has passed the bill for the Social Protection Package II: For employees who have reduced their working hours by at least 50 %, the short-time work allowance is to rise to 70% of the lost net wage as of the fourth month, and to 80 % as of the seventh month. For employees with children, it will rise to 77 % and 87 % respectively. This regulation is to apply until the end of the year.

For employees on short-time work, the federal government is also expanding the possibilities for additional income: from 1 May, it will be possible to earn up to the full amount of the previous monthly income in all occupations. The restriction to systemically important occupations will be abolished. This also applies until the end of the year.

# 2. Unemployment benefit

In addition, the government decided to extend the unemployment benefit by three months for those whose entitlement would end between 1 May and 31 December 2020. The parliament still has to approve the bill.



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