



Focus on
COVID-19
Coronavirus

A&L Goodbody

COVID-19: *Employer and employee supports*

The government recently announced a number of changes to the **COVID-19** employment income supports, as well as introducing new supports that will run to 2021.

We outline below key details in relation to the measures introduced and a summary of the changes.



You will find a full range of timely materials for businesses in our dedicated **COVID-19 HUB** on our website.

COVID-19: Employer and employee supports

Support	General Information	Amounts
Temporary Wage Subsidy Scheme (TWSS)	<p>Available to employers who:</p> <ul style="list-style-type: none"> ▪ have experienced a significant negative economic disruption due to COVID-19 ▪ can demonstrate, to the satisfaction of Revenue, a minimum of a 25% decline in turnover for Q2 2020 ▪ are unable to pay normal wages and normal outgoings fully ▪ retain their employees on the payroll <p><i>The TWSS will remain in place until 31 August 2020</i></p> <p>From 31 July 2020, employers availing of the TWSS may claim for non-TWSS employees (new hires) under the EWSS.</p>	<p>The current subsidies available¹ are as follows, for employees whose NAWW² was:</p> <ul style="list-style-type: none"> ▪ less than €412 per week, a subsidy of 85% of the employee's wage is payable and tapering is not applied where employers top-up by more than 15% so that the employee receives €350 per week ▪ between €412 and €500, a flat rate subsidy of €350 is payable ▪ between €500 and €586, a subsidy of 70% of the employee's average net weekly pay, up to a cap of €410 is payable ▪ between €586 and €960, the subsidy available is based on a tiered system depending on the level of employer top-up as follows: <ul style="list-style-type: none"> » employer top-up up to 60% of the employee's NAWW, a subsidy of €350 is payable » employer top-up of between 60% and 80% of the employee's NAWW, a subsidy of €205 is payable » no subsidy is payable where the employer top up is more than 80% of the employee's NAWW

¹ Tapering will be applied to the subsidy amount in some cases.

² NAWW = Net Average Weekly Wage in Jan / Feb 2020

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Support	General Information	Amount
Employment Wage Subsidy Scheme (EWSS)	Available to employers who, as a result of COVID-19, have experienced a 30% reduction in turnover or orders between 1 July and 31 December 2020.	Employers will receive a flat rate subsidy for each employee based on their gross weekly wage as follows:
	<p>The reduction in turnover is relative to:</p> <ul style="list-style-type: none"> the same period in 2019 where the business was in existence prior to 1 July 2019 the date of commencement to December 2019 where a business commenced after 1 November 2019, the projected turnover or orders <p>Employers must undertake a review on the last day of each month to ensure they continue to be eligible for the EWSS – employers who are no longer eligible must deregister with effect from the following day (i.e. the 1st day of the next month)</p> <p>Certain categories of employees are excluded and safeguards will be included to minimise abuse of the EWSS.</p> <p>The EWSS will run in parallel with the TWSS until 31 August, after that date, the TWSS will cease and will be replaced by the EWSS.</p> <p>The EWSS will remain in place until 31 March 2021.</p>	

Employee gross weekly wages	Subsidy payable
Less than €151.50	No subsidy is payable
Between €151.50 and €202.99	A subsidy of €151.50 is payable
Between €203 and €1462	A subsidy of €203 is payable
More than €1462	No subsidy is payable

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Support	General Information	Amount
Pandemic Unemployment Payment (PUP)	<p>The PUP is available to anyone who registers before 17 September 2020 and:</p> <ul style="list-style-type: none"> ■ is aged between 18 and 66 years old ■ is currently living in the Republic of Ireland ■ has lost their job or been temporarily laid off due to the COVID-19 pandemic ■ worked in the Republic of Ireland or was a cross border frontier worker ■ is not in receipt of any employment income ■ is genuinely seeking work <p><i>The PUP will be in place until April 2021 and the rates of payment will change on 17 September 2020, 1 February 2021, and 1 April 2021.</i></p>	<p>The PUP is currently paid at two rates depending on the individual's previous wage in 2019 and January / February 2020³ as follows – if the employee used to earn:</p> <ul style="list-style-type: none"> ■ €200 per week or more, the rate of the PUP is €350 per week ■ less than €200 per week, they will receive €203 per week⁴. <p>From 17 September 2020 until 31 January the PUP will be paid at three rates depending on how much the individual used to earn as follows – if the employee used to earn:</p> <ul style="list-style-type: none"> ■ less than €200 per week, the rate of the PUP will be €203 per week ■ between €200 and €300 per week, the rate of the PUP will be €250 per week ■ over €300 per week, the employee will receive €300 per week <p>From 1 February until 28 February 2021 the PUP will be paid at two rates depending on how much the individual used to earn as follows – If the employee used to earn:</p> <ul style="list-style-type: none"> ■ less than €300 per week, the rate of the PUP will be €203 per week ■ over €300 per week, the employee will receive €250 per week <p>The PUP will cease on 1 April 2021 and anyone receiving the PUP on that date will need to apply for either Jobseeker's Benefit or Jobseeker's Allowance, as applicable.</p>

³ Average gross weekly earnings in 2019 and January and February 2020 are reviewed by Revenue and, where there is a difference, the higher figure will be used. For example, if an employee's gross weekly earnings were €195 in 2019 and €210 in 2020, the figure of €210 will be used. Similarly, if the employee's average gross weekly earnings in 2019 were higher than in 2020, the 2019 figure will be used.

⁴ This is the same as the primary rate of Jobseeker's Benefit

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Support	General Information	Amount
COVID-19 Enhanced Illness Benefit	<p>To be eligible for Enhanced Illness Benefit, an individual must be:</p> <ul style="list-style-type: none"> ■ unable to attend work ■ self-isolating on the instruction of a doctor or the HSE due to being a probable source of infection or diagnosed with COVID-19 ■ confined to their home or a medical facility <p>The normal six day waiting period for Illness Benefit does not apply to the Enhanced Illness Benefit.</p> <p>The Enhanced Illness Benefit will be in place until 31 March 2021.</p>	<p>Enhanced Illness Benefit is paid at a flat rate of €350 and is paid for:</p> <ul style="list-style-type: none"> ■ a maximum of two weeks where a person is self-isolating due to being a probable source of infection ■ a maximum of 10 weeks if a person has been diagnosed with COVID-19⁵.

⁵ If a person has been certified for less than 10 weeks, they will be paid for the duration of their certificate.

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Support	General Information
Other Measures and Supports Announced in the July Stimulus Package⁶	<p>The government has announced a number of further measures in the July Stimulus Package aimed at assisting the economic recovery or Ireland in the wake of the COVID-19 pandemic. These include:</p> <ul style="list-style-type: none"> ■ an extension of the Restart Grant for Enterprises to a broader base of SMEs and expanded by €300 million, bringing the total funding to €500 million. The payment level is also being increased to €25,000 ■ all businesses (subject to some limited exceptions), will be granted a waiver of commercial rates for the six months to end-September 2020 ■ the €2 billion COVID-19 Credit Guarantee Scheme will see government provide an 80% guarantee for a wide range of credit products from €10,000 to €1 million up to a maximum term of six years ■ a package of liquidity and enterprise investment measures worth €55 million will be put in place to support small and micro companies ■ the expansion of the Future Growth Loan Scheme from €200 million to €500 million, so businesses with up to 499 employees can invest for the longer-term at competitive rates ■ €10 million to be provided to support businesses engaging in green research, development and innovation, capital investment, and capacity building, through the first phase of a new Green Enterprise Fund ■ a €200 million investment in training and education, skills development, work placement schemes, recruitment subsidies, and job search and assistance measures to help those who have lost their jobs find a new one, retrain, or develop new skills, in particular for emerging growth sectors. This will include: <ul style="list-style-type: none"> » 10,000 extra places for work placement and experience programmes / Youth Employment Support Scheme » 12,500 extra places for the training support grant and an increase from €500 to €1000 » enhanced JobsPlus recruitment subsidies paid to employers to create an estimated 8,000 new hires from the Live Register » 3,000 extra places on State Employment Schemes, such as Community Employment and Tús » Back to Education Allowance extended to those who received COVID-19 Pandemic Unemployment Payment » additional support for jobseekers to start a new business will be available with the Back to Work Enterprise Allowance » a €2,000 apprentice hire payment to support employers in taking on new apprentices in 2020 under a new Apprenticeship Incentivisation Scheme

Further information about government supports for COVID-19 impacted businesses can be found [here](#).

⁶ You can access the July Stimulus Package [here](#).

Please do not hesitate to contact A&L Goodbody, including any member of the [Employment, Pensions & Incentives team](#), if you wish to discuss the impact of COVID-19 or any of the matters raised in this publication.



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Disclaimer: A&L Goodbody 2020. The contents of this document are limited to general information and not detailed analysis of law or legal advice and are not intended to address specific legal queries arising in any particular set of circumstances.