



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	Amount										
Employment Wage Subsidy Scheme (EWSS)	<p>The EWSS replaced the Temporary Wage Subsidy Scheme with effect from 1 September 2020. 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.</p> <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 remain in place until 31 March 2021.</p>	<p>Employers receive a flat rate subsidy for each employee based on their gross weekly wage as follows:</p> <table border="1"> <thead> <tr> <th>Employee gross weekly wages</th> <th>Subsidy payable</th> </tr> </thead> <tbody> <tr> <td>Less than €151.50</td> <td>No subsidy is payable</td> </tr> <tr> <td>Between €151.50 and €202.99</td> <td>A subsidy of €151,50 is payable</td> </tr> <tr> <td>Between €203 and €1462</td> <td>A subsidy of €203 is payable</td> </tr> <tr> <td>More than €1462</td> <td>No subsidy is payable</td> </tr> </tbody> </table>	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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Pandemic Unemployment Payment (PUP)	<p>The PUP is available to anyone who registers before 31 December 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 changes to the rates of payment take effect on 17 September 2020, 1 February 2021, and 1 April 2021.</i></p>	<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>

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Support	General Information	Amounts
Short Time Work Support (STWS)	<p>STWS is an income support payment for people who have been temporarily placed on a shorter working week by their employer in respect of the days of work that have been lost.</p> <p>To qualify, an employee must be:</p> <ul style="list-style-type: none"> ▪ Temporarily working a standard reduced weekly work pattern ▪ Working three days or less per week having previously worked full time ▪ Under 66 years of age ▪ Be capable of work and be available for full time work ▪ Have sufficient social insurance (PRSI) contributions¹. 	<p>The rate depends on the change in the work pattern. For example, if placed on a three day week having previously worked five the payment will be a maximum of €81.20 representing two fifths of maximum jobseeker’s benefit of €203.</p>

¹ The Department of Employment Affairs and Social Protection has confirmed that STWS is available even where the employer is claiming the EWSS for days of employment. See [here](#).

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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-19².

² 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 Package³	<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 €300m, bringing the total funding to €500m. 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 €2bn COVID-19 Credit Guarantee Scheme will see government provide an 80% guarantee for a wide range of credit products from €10,000 to €1m up to a maximum term of six years ▪ a package of liquidity and enterprise investment measures worth €55m will be put in place to support small and micro companies ▪ the expansion of the Future Growth Loan Scheme from €200m to €500m, so businesses with up to 499 employees can invest for the longer-term at competitive rates ▪ €10m 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 €200m 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 <p>Further information about government supports for COVID-19 impacted businesses can be found here.</p>

³ 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.