



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 these measures.



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
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Employment Wage Subsidy Scheme (EWSS)

The EWSS replaced the Temporary Wage Subsidy Scheme with effect from 1 September 2020.

What are the eligibility criteria?

It is 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.

The reduction in turnover is relative to:

- The same period in 2019 where the business was in existence prior to July 2019 or
- The date of commencement to December 2019 or
- Where a business commenced after 1 November 2019, the projected turnover or orders.

Employers must also have an up-to-date tax clearance certificate to be eligible for the EWSS.

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 of the next month)

Can it be applied to business divisions?

The EWSS is available to businesses as a whole or “Business Divisions” if the company is (i) formally structured into Business Divisions”, (ii) the reduction in turnover can be separately identified, and (iii) the Business Divisions have clearly defined and distinct management structures which have been formalised prior to pandemic.

When is it paid?

The EWSS subsidy is paid to employers as soon as practicable after the monthly ‘Employer PAYE Return Submission Statement’ is available (5th of the following month).

Employers receive a flat rate subsidy for each employee based on their gross weekly wage. Until end of January 2021 the rates are as follows:

Employee gross weekly wages	Subsidy payable
Less than €151	No subsidy payable
Between €151 and €203	€203
Between €203 and €300	€250
Between €300 and €400	€300
Between €400 and €1426	€350
More than €1426	No subsidy payable

The EWSS can only be claimed in respect of payroll submissions of at least monthly pay frequency i.e. quarterly/bi-yearly claims will not be processed.

Certain categories of employees, such as domestic employees (e.g. childminders etc), are excluded and safeguards are included to minimise abuse of the EWSS.

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Support	General Information	Amounts										
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 and ▪ is currently living in the Republic of Ireland and ▪ has lost their job due to the COVID-19 pandemic or ▪ has been temporarily laid off due to the COVID-19 pandemic or ▪ was self-employed and their trading income has ceased or reduced due to COVID-19 to the extent that they would be available to take up full-time employment; and ▪ is not in receipt of any income from an employer and ▪ is genuinely seeking work <p>The PUP is in place until April 2021.</p>	<p>From 16 October 2020 to 31 January 2021, the PUP is paid at four rates depending on how much the individual used to earn as follows:</p> <table border="1"> <thead> <tr> <th>Previous weekly earnings</th> <th>PUP amount available</th> </tr> </thead> <tbody> <tr> <td>Less than €200</td> <td>€203</td> </tr> <tr> <td>Between €200 and €300</td> <td>€250</td> </tr> <tr> <td>Between €300 and €400</td> <td>€300</td> </tr> <tr> <td>More than €400</td> <td>€350</td> </tr> </tbody> </table>	Previous weekly earnings	PUP amount available	Less than €200	€203	Between €200 and €300	€250	Between €300 and €400	€300	More than €400	€350
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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.

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.