

Coronavirus - Short-time work

Due to the current Corona-Virus situation, the Federal Council has decided on certain facilitations in connection with short-time working. In this respect, the following must be observed in particular:

- the Federal Council has instructed the SECO (State Secretariat of Economic Affairs) to examine an extension of the right to short-time work compensation to temporary (non-cancellable) employees and temporary worker until 20 March 2020.
- the grace period for short-time working has been reduced to one day until 30 September 2020.
- With reference to questions 9 to 12 of the form "Pre-registration of short-time work", only the following needs to be answered:
 - 9 a) Your company's field of activity
 - 10 b) Monthly sales / fees in the last 2 years
 - 11 (a) Reasons for short-time working
 - 11 (c) Type and scope of postponed orders
- The "Consent to short-time work" form and a copy of the current commercial register extract do not have to be enclosed with the application.
- Pre-registration must be submitted to the relevant cantonal office 3 days before the start of the planned short-time work.
- In principle, absences from work are compensated for economic reasons and if unavoidable. Losses of work due to official measures (e.g. closure of cities) or other circumstances for which the employer is not responsible shall be compensated if the employers concerned cannot avoid these absences by appropriate, economically viable measures or cannot hold a third party liable for the damage.
- The general reference to the new coronavirus is not sufficient to justify entitlement to short-time working allowance. On the contrary, employers must continue to demonstrate credibly why the expected absences from work in their establishment are due to the occurrence of the coronavirus.

In addition, the following additional conditions must be met in particular in order to be entitled to short-time working:

- the employment relationship must not be terminated
- the loss of work is expected to be temporary and it may be expected that short-time working can be used to preserve the jobs
- the working time can be controlled
- the loss of work accounts for at least 10 percent of the hours worked in an accounting period
- There is no employer-like function (e.g. managing director) of the employee in question or is not the cooperating spouse of the employer
- the loss of work is not caused by circumstances that are normal for operational risks

In the event that short-time work allowances are entitled, particular attention should be paid to:

- The short-time working allowance amounts to 80 percent of the eligible loss of earnings. The contractually agreed wage in the last pay-day period before the start of short-time working is decisive, up to the maximum amount for the calculation of contributions.
- The employer must carry out a company working time control (e.g. stamp cards, hour reports). This includes the daily hours worked incl. any additional hours and the economic downtime hours as well as all other absences such as absences as due to holidays, illnesses, accidents or military service. The company's working time control is not to be mixed with the settlement of hours lost, which must be made available to the unemployment insurance fund.
- Within two years, the short-time working allowance is paid for a maximum of twelve accounting periods and the loss of work may exceed 85 percent of the normal working time during a maximum of 4 accounting periods. In the event of persistent significant unemployment, the Federal Council may extend the maximum duration of benefits by a maximum of six accounting periods.
- Pre-registration must be renewed if the short-time working period lasts longer than three months.

For further information / measures and binding information, please refer to the following websites of SECO, the Office for Economic Affairs and Labour of the Canton of Zurich as well of work.swiss:

- <https://www.seco.admin.ch/seco/en/home.html>
- <https://awa.zh.ch/internet/volkswirtschaftsdirektion/awa/en/arbeitslosenversicherung/kurzarbeit/KurzarbeitCoronavirus.html>
- <https://www.arbeit.swiss/secoalv/en/home/menue/unternehmen/versicherungsleistungen/kurzarbeit.html>

We strive to provide accurate and up-to-date information. However, there is no guarantee for the information listed above. In a specific case, it is essential to clarify the facts and to assess them on the basis of the legal provisions and detailed administrative instructions.

We are at your disposal to prepare an application for short-time work compensation and any further questions in this regard.