

The Temporary Emergency Measure for Bridging Work Retention replaces the Working Time Reduction Scheme

As of March 17, 2020, the Working Time Reduction Scheme (WTV) has been abolished. The Temporary Emergency Measure for Bridging Work Retention (NOW) replaces the WTV. The NOW aims to ensure that more employers receive a financial contribution to their labor costs more quickly.

The NOW in short

- ▶ Employers who expect a loss of turnover of at least 20% as of March 1, 2020, can apply to the UWV for an allowance of labor costs for a period of three months.
- ▶ Employers must continue to pay 100% of the salary to their employees.
- ▶ The amount of the contribution depends on the loss of turnover. With a loss of turnover of 100%, the allowance is 90% of the wage bill, with a loss of turnover of 50%, the allowance is 45% of the wage bill, and so on.
- ▶ After the application, the employer will receive a payment in advance of at least 80% of the expected compensation. The actual loss of turnover is subsequently determined. For large applications, an auditor's report is required (the extent of this has yet to be determined). If the advance payment turns out to be incorrect a subsequent payment or recovery can take place.
- ▶ The allowance for labor costs can also be claimed for employees with flexible contracts, such as on-call workers.
- ▶ The three-month period may be extended once for the same period. This extension may be subject to conditions.
- ▶ During the period in which the employer receives the allowance, he may not dismiss employees for business economic reasons.
- ▶ Under the NOW, employees do not consume unemployment benefit rights.

2 Request for WTV already filed?

- ▶ Nothing changes for WTV permits already granted; these remain valid.
- ▶ WTV permits already applied for, but not yet processed will be treated as applications under the NOW. This means that a new application is not required.
- ▶ The UWV will request further information from employers.

3 Can the NOW already be applied for?

- ▶ The NOW cannot yet be applied for, but it is expected soon.
- ▶ Regardless of the date of submission of the application, loss of turnover may be eligible for compensation as of March 1, 2020.

4 Finally

- ▶ The specific wording of the NOW has yet to be determined. We will inform you of any update. If you already have questions, please feel free to contact us.

What HVG Law can do for you

The new coronavirus also affects the Netherlands. We are ready to help you with all challenges in these disrupting times. We understand your business and partner you through uncertainty with practical advice and solutions, so you can focus on what needs your attention most.

COVID-19 helpdesk

Contact our helpdesk via: info@hvglaw.nl



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