Increase in short-time working compensation
Because of the serious economic consequences of the Corona crisis Hundreds of thousands of employees on short-time working. The Federal Agency for Work replaces part of the lost net income: In the case of 60 per cent for employees without children and 60 per cent for employees with Children 67 percent.

The Federal Government will adopt on 29 April the Draft Law increasing the short-time work allowance. For those who receive the short-time work allowance for working hours reduced by at least 50 %, it is to rise to 70 percent and 77 percent for households with children from the fourth month of receipt, and to 80 percent and 87 percent for households with children from the seventh month of receipt. This is to apply until the end of 2020 at the latest. In addition, existing additional income opportunities for employees on short-time work will be extended from May 1 until the end of 2020.

Assessment BDA: The across-the-board increases in short-time work compensation are not intended to specifically combat emergencies in individual cases - which would be right and necessary - but rather fuel expectations of the welfare state that will completely overwhelm it financially in the long term. The decision will place a considerable financial and administrativ burden on companies and the Federal Employment Agency

Extension of unemployment benefit
Economic life has come to a standstill in many areas because of the restrictions, and many companies have seen their orders and sales collapse. This also has consequences for the labour market, where hardly any new jobs are currently being offered. For this reason, the period of entitlement to unemployment benefit will be extended - by three months and for those whose entitlement would end between 1 May and 31 December 2020. The Draft Law will be adopted on 29 April by the federal Government.

Anyone who becomes unemployed is currently receiving unemployment benefit for 12 months. This applies to employees up to the age of 50 - provided they were previously liable for insurance for 24 months or more. For unemployed persons from the age of 50 onwards, the duration of entitlement increases in several steps up to 24 months. Prerequisite: You were subject to compulsory insurance for 48 months or longer. The level of unemployment benefit is 60 percent of the last net income, and 67 percent for unemployed persons with children.

Assessment BDA: The extension of the period for which unemployment benefit is paid will lead to further financial burdens on unemployment insurance, but will also relieve the BA of some administrative work. Even though the scheme is limited in time, there is still a risk that it will continue to feed further entitlement claims even after the Corona crisis.

Aid for catering businesses
The value-added tax for meals in the gastronomy sector will be decreased to the reduced rate of 7% on 1 July 2020 for a limited period until 30 June 2021. Small and medium-sized enterprises are enabled to offset the foreseeable losses in 2020 against the advance tax payments already made for 2019 (loss offset).

Assessment BDA: Aid for gastronomy businesses is to be welcomed as absolutely necessary, as they are among the businesses most economically shaken by the necessary contact restrictions. Above all, the agreed loss offsetting is very target-oriented for the economy, as it helps to secure short-term liquidity for the companies.
Aid for schools
The federal government wants to provide schools and pupils with 500 million euros in an immediate funding programme to support digital teaching.

Assessment BDA: The decision to provide schools and pupils with a Special equipment programme within the framework of the Digital Pact in order to support schools in the creation of online teaching materials and in the purchase of tablets etc. is unrestricted appreciated especially if it is implemented quickly and unbureaucratically. This is an important contribution to the promotion of equal opportunities, which is indispensable especially in the field of education.