

**Question for written answer E-002699/2023
to the Commission**

Rule 138

Pascal Arimont (PPE)

Subject: German short-time work benefits scheme

In his reply to question E-001779/2023 of 20 July 2023, Commissioner Nicolas Schmit states that the German short-time work benefits scheme does not breach Regulation (EC) No 883/2004.

In this regard, it should be noted that the short-time work benefits scheme is 100% financed by contributions to the unemployment insurance scheme in Germany, the payment of which is split equally between employers and employees. EU employers without a subsidiary in Germany (i.e. without a permanent establishment with wage tax liability), but with employees in Germany pay monthly unemployment insurance contributions for these employees. However, these EU employers cannot draw the 'short-time work benefit', as it can only be drawn by companies established in Germany for wage tax purposes.

This means that EU employers (and their employees) in Germany are paying towards a social security benefit to which they have no entitlement whatsoever.

Is this practice in line with EU law?

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