

IDEA anti COVID-19 # 3

Helping companies to maintain employment: fast, simple, economically meaningful¹

(short recommendation)

MARCH 2020 Daniel Münich

Summary

This recommendation describes the basic characteristics of deferring the due date for payment of employers' social security and health insurance contributions from their employees' salaries, as one of a range of necessary measures that the Czech government should bring into force as quickly as possible in order to reduce the negative economic impact of the ongoing COVID-19 epidemic on companies, employees and residents and to shorten the domestic economy's future period of consolidation. The measure is in line with the recommendations in the study *IDEA anti COVID-19 #2* study, which emphasises the significance of bringing in measures quickly and targeting them at the survival of well-established economic structures during the most difficult period.

¹ This study represents the author's own views and not the official position of the Czech Academy of Sciences' Economics Institute nor of the Charles University Centre for Economic Research and Graduate Education (CERGE). The author is grateful to the following people for helpful comments on the working version of the text: Michal Šoltés and Filip Matějka. Any inaccuracies or errors are the author's responsibility. The study was produced with support from the Czech Academy of Sciences as part of its AV21 Strategy programme and Foundation Experientia.