

Czech Kurzarbeit: Evidence from the First Pandemic Wave

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Abstract

We describe the firm-type structure of the use of the main Czech *kurzarbeit* program (called Antivirus B) during the spring 2020 pandemic wave. Evidence based on the Structure of Earnings Survey shows large participation gaps in favor of large employers, and disproportionately high intensity of use of the program by manufacturing companies, in particular those exhibiting a declining wage bill already prior to the pandemic. Compared to other industries, manufacturing is thus able to ‘cover’ by *kurzarbeit* support the largest share of the decline in hours worked between the 2nd quarters of 2019 and 2020, with the exception of the hospitality and culture industries, which were directly affected by pandemic measures, such as restaurant closures.

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