



PEACE WATCH EMPLOYMENT MEASURES TO FACE THE EFFECTS OF SANCTIONS BRIEFING NOTE

21 APRIL 2022

Measures to support employment as a consequence of sanctions imposed to the Russian Federation

INTRODUCTION

ETUC supports all political and diplomatic initiatives and sanctions on the Russian Federation to secure peace and calls for humanitarian aid for the Ukrainian population in Ukraine and to welcome and support refugees in Europe.

ETUC is calling on the European Commission and member states to introduce measures of compensation and alternative supply of goods and energy sources, and the related sanctions on the populations of the EU Member States and neighbouring countries.

This peace watch presents a relation of the measures negotiated or implemented by trade unions, employers, and governments to support companies operating in Ukraine and/or companies affected by the sanctions imposed to Russia or by the scarcity or rise of imports.

This document is an updated version of the peace watch sent on April 1st, including information on latest developments reported from Belgium, Ireland, and Latvia.

One note of caution, this briefing note captures a dynamic situation which is subject to ongoing change. We therefore kindly ask affiliates to provide us with further information on any further related measures that have been introduced in your country so that we can update this briefing note.

Austria

OEGB is currently engaged in tripartite negotiations to adapt the existing short time working schemes for the new challenges caused by the war, especially due to the economic sanctions and high energy prices.

Belgium

Belgium introduced a flexible system of temporary unemployment for companies affected by the covid19 crisis in March 2020 with improved benefits. This scheme should run until March 31st 2022, but the government decided to extend this system by 3 months, until June 30th 2022, and also to extend it to companies affected by the Ukraine crisis, in the broadest possible sense.

France



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A first meeting took place on the 8th of March 2022 between the government and social partners, including French trade unions, to discuss about the consequences of the conflict in Ukraine and in extenso the sanctions imposed to the Russian Federation.

During this exchange, the French trade unions discussed the economic and social consequences for workers and households across Europe and in France, going back mostly to the issue of wages and purchasing power but also to the need to extend the French short-time work scheme to protect workers in the most impacted sectors by the conflict, facing further pressure on energy and fuel prices, and the sanctions targeting the Federation of Russia, that may have disrupted significantly existing value chains.

By the end of the meeting, the details of the foreseen measures were limited but the French government proposed an economic and social resilience plan on the 16th of March 2022 that includes some provision in defense of the purchasing power of French workers in front of the explosion of energy and fuel prices. This plan also includes the extension of the French short time work scheme called APLD (for “*activité partielle de longue durée*” – with company level agreements supported by sectoral collective agreements on the retention of employment in exchange of reduced working hours with an impact on pay) with the following arrangements:

- Possibility to extend by 12 months maximum the use of APLD for the agreements already signed and extension of the deadline to negotiate APLD agreement from the 30th of June 2022 to the 31st of December 2022
- Possibility to adapt existing APLD agreements during its implementation period to take into account the evolution of the economic situation of the company during the crisis
- Further support by the State services to the sectors and the companies not covered by an APLD agreement that wish to negotiate one quickly

The French Labour ministry has also published a Q&A on the implementation of the French short time work schemes in the context of the conflict in Ukraine ([link here](#)) serving mostly as further guidelines.

This new resilience plan also foresees further support to companies to avoid any bankruptcy that could lead to massive job losses. This support is mainly an extension of the measures put in place during the COVID-19 crisis in support to company liquidities, deferral or limitation of social and fiscal obligations of companies and further State aid to support the economic activity of the companies selected. This resilience plan falls however short on the need to respect and strengthen the right of information and consultation of French workers in light of the economic and social consequences of the conflict.

Germany

The provisions to access to short-time work schemes have been extended until June 30, 2022, in order to stabilize employment relationships with the help of short-time work and to avoid unemployment and company insolvencies.



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Also, the maximum period of entitlement to short-time allowance was extended to 28 months and the allowance was increased [60 percent or 67 percent (for workers with children) of the lost pay; from the fourth month of short-time work, 70 percent or 77 per-cent (for workers with children); from the seventh month of entitlement, an increase to 80 percent or 87 percent (for workers with children)].

The entitlement to short-time work allowance was also extended until June 30th for temporary agency workers.

An initiative to enable the full or partial reimbursement of social security contributions until September 30, 2022 has yet to be implemented. The half reimbursement of social security contributions by the Federal Employment Agency (BA) ends on March 31, 2022.

In the larger context of sharply rising costs for electricity, food, heating and mobility, the federal government has launched two major packages to relieve the burden on citizens and businesses. These packages include among others the following measures:

- Abolition of the EEG (Renewable Energy Act) surcharge
- Increase in the long-distance commuter allowance
- Tax relief measures to businesses.
- Reduction of energy tax on fuel: 30 cents less for petrol and 14 cents less for diesel (Euro-pean minimum) for 3 months.
- Public transport flat rate for 9 euros per month: valid for 90 days for all citizens.
- New credit assistance programme to support particularly affected companies (this still has to be finalised in the Government and approved by the EU Commission)

Ireland

The Irish Congress of Trade Unions (ICTU) and Ibec, the leading representative employer body in Ireland, have come together to facilitate and encourage workers and employers to give practical support to the humanitarian relief efforts of the International Red Cross and UNICEF Ireland in Ukraine.

Latvia

Most of the support activities to support enterprises and citizens in light of the rising inflation and rising energy process are related to the consequences of Covid-19 and other sanctions that were imposed prior to 24.02.2022. These support activities are applied also in the current circumstances. The activities include, among others, the following:

The Latvian Investment Development Agency (LIAA) is supporting different actions to broaden international markets. ALTUM, a state-owned development finance institution, is providing credit guarantee to support the activities of export companies.



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Regarding support for rapidly rising energy prices, the Electricity Market Law stipulates that protected groups of users [poor or low-income households (or persons), families with many children or families (or persons) caring for children with disabilities, and persons with a disability] are guaranteed the right to receive the so-called “protected user's service”. This service takes the form of the compensation of part of the monthly electricity bill by the state budget according to the reality of each case.

Other measures foreseen relate to the covering of other components of the electricity bill and the costs of electricity system services.

Sweden

As part of the work to strengthen Sweden's preparedness, the government is now establishing a closer dialogue with the business community, the trade unions and the relevant authorities in order to get an overall picture of the situation.

Measures are being discussed to support the Swedish agriculture sector, and the provision of help for Swedish households on electricity and fuel supply.