

SICK PAY AND SOCIAL PROTECTION 31 MARCH 2020

Sick pay and social protection-related interventions: extraordinary measures to protect workers in times of Covid19

The ETUC calls for emergency measures from the European Commission and other EU institutions including the ECB, and Member States, including financial support to workers who are quarantined, sick, suspended from their jobs, kept at home by care duties (especially child-care) because of COVID-19.

ETUC affiliated organisations have reported different measures undertaken at national or sectoral level, most of them are state level financial support packages, including a range of social protection and income maintenance measures.

As well as many measures negotiated by social partners, governments have been adopting measures or making emergency changes in laws to ease access to sick pay. Some governments are making use of such benefits as well as income maintenance measures to cover periods of quarantine. In many cases the changes cover employers' payments normally due for the first period of sickness. Parental leave and sickness benefits are often used in support of childcare duties. Some member states use sickness and other social protection benefits to pay workers whose workplace has been closed as well as parents with children up to a certain age whose schools have been closed. The sickness benefits are also used in case the worker has to assist children with disability.

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Extraordinary measures concern workers that contracted Covid19 while performing their duties:

• Lithuania: From March 16, when Lithuanian government decided to stop the process of education in kindergartens, schools, day centres for young children or children with disabilities for two weeks, caregivers were advised to consult with employers and work remotely, take vacation, or to ask for sick leave and receive sickness benefit from "Sodra". Sickness benefit is 65,94% from BRUTO salary. Higher sick pay was set for employees who became infected while performing their duties. If health care professionals, officials or other staff are exposed to an illness that is declared emergency, they will be paid the maximum amount of sickness benefit. In that case, they would receive 100% from NETTO salary.



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• **Belgium**: Workers who work in the health sector and have a higher risk of contracting the corona virus are eligible for a higher sick leave pay in recognition of the sickness being a professional one.

In many countries, measures have been undertaken to facilitate access to sickness benefits and ensure income maintenance in case of Covid19:

- Germany: Statistics predict that by 23.03., there will roughly 25.000 diagnosed corona cases in Germany. Numbers continue to increase but vary depending on the region. The confederation of public health insurances and the head organization of doctors working within the health insurance system have issued a temporary easing of requirements for sick leave. People with symptoms may call their doctor instead of a visit and go into sick leave afterwards for a max of 7 days. Notification of sick leave will be sent to employers and public health insurance by the doctor. This regulation came into effect on 9 March and will last for four weeks but will probably be prolonged. DGB warns about the situation of self-employed. Solo-self-employed people would usually not benefit from sick leave or sick pay. If they already have public health insurance, they would have had the option to increase their monthly social insurance contribution in exchange for receiving sick pay if sick. However, since most solo-selfemployed and some of the self-employed view such precautions as too cost intensive or unnecessary. DGB estimates that it will not be available for many of them. This is clearly a negative result of the lack of mandatory regulations on public health insurance schemes for self-employed workers as well as for genuine self-employed.
- Belgium: In case of suspicion of contamination (based on symptoms) after medical advice by phone, confirmed by the medical doctor through a simplified certificate, the worker has a right to continued remuneration paid by the employer. A guaranteed salary applies in case of inability to work for sickness, which is due from the employer for the first 30 days, after which social security benefits take over. In the event of temporary unemployment, instead, as it is the case in many sectors following collectively agreed decisions due to the Covid-19 crisis, the worker receives immediately an allowance from the social security (it is set at 70% of salary capped at 2,754.76 euros gross per month, between February 1 and June 30, 2020. Usually temporary unemployment is set at 65%).
 - Several abuses have already been reported in certain sectors. In order to avoid paying the first 30 days of guaranteed salary, some employers retroactively register their sick employees as temporarily unemployed, so that the due pay ends up with the social security from day 1 of absence from work. Thus, all the costs are paid directly by social security and not by the employers. Unions denounced this practice.
- Sweden: Deductions suspended: The first day of sickness is usually not covered by sickness insurance, to prevent people going to work for economic reasons even if they fell sick, the government has temporarily suspended the deduction and those who stay home because they are sick are compensated also for the first day of sickness. The suspension of deductibles is also benefitting the self-employed up to a certain limit. In the first 14 days of sickness the employers compensate their employees through sick pay that amount to 80 percent of the salary. This sick pay is regulated through collective



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agreements. To reduce the cost for employers the government has for two months taken over this cost to support employers: the state has taken over the sick pay responsibility from employers, for the two weeks' sick pay before the public insurance kicks in. Usually, those who are on sick leave are required to show a doctor's certificate after 7 days of sick leave. To reduce the strain on health care the government has decided that such a certificate is needed after 14 days of sick leave.

- Austria: If an employee is on sick leave because of the coronavirus, there is a right to continued payment in Austria sick leave with the corresponding consequences, such as continued remuneration by the employer. The net replacement rate that covers sickness benefit is 50% in the first week and then 60%. If the employee is quarantined by the doctor or the authorities (§§ 7, 17 Epidemic Law), the employer is entitled to full reimbursement of the continued remuneration (§ 32, 1 Epidemic Law). To make the claim, an application must be submitted to the district administrative authority. The deadline for this is six weeks. The period starts with the day of the cancellation in the area where the measures were taken. There is no uniform application form. In many cases, an informal letter to the district administrative authority with some info is sufficient.
- Latvia: between 22 March 2020 to 30 June 2020, the sickness benefit shall be granted and paid to a person who is being issued incapacity sheet due to the illness Covid-19 from second day of incapacity for work The sickness allowance shall be granted at the rate of 80 percent of the average insurance contribution salary of the employee. The sickness allowance will be fully paid by the state at the rate of 80 percent of the average insurance contribution salary of the employee (except first day which is neither paid by state nor by the employer). Before the emergency amendments, sickness benefit was due from the 11th day of incapacity to work; the first day of incapacity for work was not paid but an employer had a duty to disburse sick pay in an amount that is not less than 75 per cent of the average earnings for the second and third days of temporary incapacity and in an amount that is not less than 80 per cent for the time period from the fourth day of incapacity for work but not longer than 10 calendar days.
- Spain: As per art. 5 of Royal Decree-Law 6/2020, of March 10, which adopts certain urgent measures in the economic field and for the protection of public health. On the first day of the causal event, the worker will receive his entire salary. As of the second day, a 75% benefit is established from the regulatory base, based on the contribution base for professional contingencies available to the worker the month prior to the diagnosed infection. This benefit can be improved if it is established in the Collective Agreement.
- Czech Republic: A specific governmental Programme covers a contribution towards the reimbursement of employers' eligible costs incurred after 1 March 2020. The government will provide employers with full reimbursement of wage compensation paid in the event of sickness or the quarantine of their employees. CMKOS managed to achieve the abolition of the three-day limitation period last year, during which sick employees did not receive any wage compensation. At the same time, CMKOS pushed through higher sickness benefits for long-term illness. Employees are thus better financially secured.



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- **Estonia**: For the period March to May, the state will compensate the first three days of sick leave for all incapacity leave applications.
- **Poland**: At the moment there is a possibility to get a proper medical certificate without visiting a doctor one can have the medical check on-line or on telephone. In Poland every insured person has access to e-sick leave which means also that employers as well as the Insurance Institution get the documentation from the doctor on-line. Persons quarantined are eligible to sick leave
- Portugal: The government approved a new regime for workers infected by the coronavirus. In this case the regime is more favourable than the normal one: 1) the benefit is paid from the first day (the waiting period of 30 days doesn't apply); the benefit varies between 55% of the reference remuneration (up to 30 days) and 75% (more than 365 days). UGT-P flags that some workers are using the sick leave as a measure of last resort for maintaining income, for instance in case of the closure of the company and in the absence of the other measures taken by employers.

Measures related to **periods of quarantine**:

- **Belgium**: The Government decided on extraordinary unemployment benefits in cases of quarantine and in case of no possibility to smart/tele-work from home. Unemployment benefit is 75% of the gross salary with a supplement of 5, 63 EUR.
- **Italy**: as from the "Care-Italy" decree of 16 March, quarantine days are considered as sick leave.
- Austria: In relation to coronavirus, all related measures the Epidemic Law applies. If an employee is quarantined by the authorities, the employer must continue to pay the remuneration on the basis of the provisions of the Epidemic Act. However, the employer has a claim against the Federal Government for reimbursement of these costs. The net replacement rate that covers sickness benefit after the end of the remuneration is 50% in the first week and then 60%.

Employees are entitled to remuneration if they are placed in quarantine, by the district administrative authority (health authority) because of suspected infectious disease and are therefore unable to work. The Epidemic Law provides that the employer must pay his worker or employee a remuneration amount which is based on the regular remuneration within the meaning of the Continued Remuneration Act (EFZG). This amount must be paid on the dates customary in the company. Compulsory insurance continues to exist for the time of the interruption of work according to the Epidemic Law. The Federal Government may, however, reimburse the employer for the amount paid. The employer is also entitled to the employer's share of social insurance contributions (and a possible supplement under the Construction Workers' Leave and Severance Pay Act). For this purpose, an application must be submitted within six weeks - from the day the official measures are lifted - to the district administrative authority in whose area the measures were taken.

The Austrian Epidemic Law does not apply to employees who are quarantined abroad and therefore cannot appear at their workplace in Austria. However, general labour law provisions remain applicable without change.



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In the event of illness, continued remuneration is to be paid in accordance with the known regulations.

- Spain: The periods of isolation or contagion of workers as a consequence of the COVID-19 virus are included. The periods of preventive isolation ordered by the Public Health Service are assimilated to the situation of Temporary Disability, so that the workers found in these cases cannot work, nor can they be penalized for not doing so and, of course, they cannot be fired. In particular, on the one hand, in order to prevent the spread of the disease and maintain social protection for self-employed or self-employed workers, it is included that the periods of isolation or contagion of workers as a consequence of the COVID virus- 19 will be considered a situation assimilated to a work accident for the purposes of the economic benefit for temporary disability of the Social Security system. The duration of this exceptional benefit will be determined by the part of withdrawal for isolation and the corresponding discharge.
- Poland: Persons quarantined are eligible to sick leave as per the rules applicable described above.

Schools have been closed, as well as childcare services, many parents face the need to perform childcare duties. Measures have been undertaken in many countries, **combining the extraordinary ones with the use of different leave schemes, social protection benefits and family allowances, in order to meet the care and income maintenance needs:**

- Lithuania: From March 16 the Lithuanian government decided to stop education in kindergartens, schools, day and employment centres for young children or children with disabilities for two weeks. Parents and caregivers were advised to consult with employers and work remotely, take vacation, or can ask for sick leave and receive sickness benefit from "Sodra". Sickness benefit is 65,94% from BRUTO salary. Sickness benefit will be provided until the end of the emergency. Leave for family reasons can be taken by both parents if there are at least 2 kids up to 12 years old. Sick certificates are issued upon call to family doctor.
- Bulgaria: The National Council for Tripartite Cooperation approved the proposal of CITUB for all sectors affected by the current crisis to be eligible for state aid under the 60:40 scheme, which envisions the government covering 60 per cent of salaries and the employers the remaining 40 percent. The list of sectors that will be eligible for support will only be valid if the enterprise has ceased operations as a result of the orders issued by the Health Minister for the closure of malls, restaurants, amusement arcades, cinemas, etc.
 - Workers that have passed to part-time work by order of the employer will also receive a proportionate compensation from the state for their lost income as a result of the reduced working hours, but not exceeding 60 percent of their remuneration. Support for part-time work implemented as a result of the crisis will apply to all sectors of the economy.
- **Luxemburg**: Following the Government's decision to suspend all teaching, education and care activities, parents with the care of a child under the age of 13 will be entitled to extraordinary family leave. The age limit also applies to children who benefit from



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the additional special allowance (handicap of at least 50%). A legislative amendment is planned to grant leave for family reasons up to the age of 18. As soon as the request is sent and throughout the duration of the crisis, the leave for family reasons is not limited in time. The number of legal days remaining will not be exhausted by this measure. In principle, the request cannot be refused by the employer if the procedure has been followed by the employee. However, since the declaration of the state of crisis (March 18, 2020), the employer has the right to refuse any leave.

The request for this leave for family reasons is made on the basis of a special CNS form, to be sent to CNS and to the employer. One only needs to complete this form once during the entire COVID-19 measurement period. On the form, it is not necessary to indicate a start or end date for the leave. The dates must only be communicated to the employer. The latter communicated actual days off for family reasons to social security organizations.

The procedure is identical for resident and cross-border parents. For cross-border commuters, only parents affiliated to Luxembourg on the basis of a professional activity will be entitled to leave for family reasons.

Leave for family reasons cannot be taken by both parents at the same time. The leave must therefore be taken entirely by one of the parents or alternately between the two parents. In the event of alternation, both parents must submit a form.

If one of the parents is on maternity or parental leave, the other parent cannot in principle take leave for family reasons.

As in the case of incapacity for work due to illness or leave for legal family reasons, employees on leave for extraordinary family reasons are entitled to the continuation of the salary. Until the end of the month in which the 77th day of incapacity for work occurs during a reference period of 18 successive months, remuneration is provided by the employer. Then the CNS takes over.

Employees who are on leave for family reasons are not eligible for partial unemployment.

Italy: 400 million euros have been allocated by the government for an extraordinary fund to help households most in need to satisfy basic needs with food vouchers. This fund will be distributed to the municipalities, which will then transfer it to households. CGIL also appealed to the government to extend the extraordinary social protection measures to domestic workers, in accordance with Convention ILO 189 ratified by Italy. On March 16, the government approved the "Care-Italy" decree which invested 25 billion euros and mobilized 350 bln euros resources. Measures include postponing the main fiscal deadlines, support to the sectors most affected by the crisis (tourism, transportation, sports, cinema and performing arts, press). Funds have been mobilized to increase the capacity of hospitals, hire new medical staff and support personal protective equipment (like face masks). Other measures include: extraordinary one-off 600 euros compensations for self-employed, independent, performing arts and agriculture workers: up to 600 euros baby-sitting bonus or extraordinary 15 day parental leave paid 50%; 100 euro one-off extraordinary compensation for those who work at their workplace; 12 additional days of paid leave; inclusion of quarantine days in the sick leave.



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• Romania: with the Government Decision no. 217/2020 of 21 March 2020 and the Emergency Ordinance 30/2020 published in the same day, certain conditions have been identified for companies and their employees to benefit from urgency provisions: companies that had to interrupt (totally or partially) their activity based on the decisions issued by the competent public authorities according to the law, during the emergency state decreed and have a certificate of emergency situations issued by the Ministry of Economy, Energy and Business Environment that they reduced their activity due to the effects of the COVID-19 epidemy and do not have the financial capacity to pay all their employees' salaries.

The employees in these companies receive a payment equal to 75% of his/her gross salary, but no more than the daily equivalent of 75% of the gross average wage used to substantiate the state social insurance budget. The allowance provided is subject to taxation and payment of social insurance contributions under the conditions provided by Law no. 227/2015 regarding the Fiscal Code, with subsequent amendments and completions.

Employers may benefit from the reimbursement by the State of the aforementioned allowance for up to 75% of the employees who have individual employment contracts active at the date of entry into force of this emergency ordinance (21/3/2020).

The provisions of these laws and decisions are applicable to workers who cannot work from home/do telework and in some sectors/domains; the employer's approval is essential, because it may affect the functionality of certain services (social assistance, telecommunication, public transportation, pharmaceutics, water & electricity providers etc.).

Starting the 14th of March 2020, when the Romanian Government published the Law 19/2020 regarding the days off for parents with the purpose of taking care of their children (under 12 years old or children with disabilities under 18.), during the closing of kindergartens and schools, one parent was allowed to stay at home, as long as the other parent can prove he/she is not benefitting from the provisions of this law. With the increasing numbers of people confirmed with COVID-19 and the Decree n. 195/2020, the law was updated by the Government Decision no. 217/2020 on the 21st of March 2020 and the Emergency Ordinance 30/2020 published in the same day.

• Spain: Workers affected by exceptional circumstances related to the actions necessary to avoid community transmission of COVID-19 have the right to an adaptation and reduction of working day. Exceptional circumstances include decisions made by the governmental authorities related to the COVID-19 that lead to closure of educational centres or any other need to provide care or attention to the person affected by these decisions. Workers whose presence is necessary for personal and direct care of any of the persons who, for reasons of age, illness or disability, need it (a spouse or family member until second degree), as a direct consequence of COVID-19, will be entitled to a special reduction in working hours, but with the proportional reduction of their salary. 25 million euros have been destined to aid that guarantees the basic right to food for children in vulnerable situations (children who received a dining scholarship in their educational centres, and who, before their closure, are devoid of this essential food).



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Turkey: Extra 2 billion TL will be saved for the cash needs of families in need that are determined by the Minister of Family, Labour and Social Services. 1.000 TL cash support will be provided for 2 million families with low income.

Short Work Allowance will be implemented: working times will be reduced by 1/3 but workers will be compensated with funds from the public health insurance. The required procedure to benefit from it was made easier, while the coverage has been enhanced for this particular period of time so that everyone can get an advantage from it. To provide sustainability of the employment, compensated working times has been increased from 2 months to 4 months.

The minimum pension will be increased from 1000 to 1.500 TL.

Regularly transferred funds for the social assistance and solidarity foundations will be increased to 180 million TL.

HAK-IS refers about measures to protect 65+: Administrative leave is provided promptly for those who are 65+ years, pregnant and for those who have chronic diseases. Thus, the biggest risk group could have a chance to be in self-isolation without any concern regarding the work. This particular risk group hasn't been left alone and their daily life needs such as food, hygiene equipment and medicine are provided by the aid groups that are assigned by governorships from the Ministry of Interior. In addition to this respect, elderly citizens are provided free food packages, free masks, free cologne and free soap periodically. A periodic monitoring program was established, to cover social services and home healthcare services for people who are 80 years and older.

The Public Health System provides equal, free and easily accessible care during this crisis. Corona treatment is free even at the private hospitals.

- Slovakia: A result of a pre-existing pandemic crisis is the Social Insurance Agency's administrative measure, which was adopted on the basis of the Central Crisis Staff's recommendation and consists of providing a sickness benefit for caring for a child up to ten years of age. It follows that in this case, the Social Insurance Agency will provide the parent of a child up to 10 years of age + 364 days of the child's age with a sickness benefit of 14 calendar days (the law currently in force allows this benefit to be provided for up to 10 calendar days). At that time, the new government (assuming power after the regular parliamentary elections on 21 March 2020) announced that the payment of the sickness benefit for an employee's incapacity for work in the event of a pandemic is to be paid by the State Social Insurance Agency. Under the law in force, the first ten calendar days of an employee are paid by the employer to the employee. In order to adopt this measure, KOZSR calls the government to amend the current relevant laws.
- Czech Republic: Nursing allowance (sickness insurance benefit) the payment of benefit for parents whose children are in quarantine or have closed schools is extended for the whole time of school closing (only for 9 days) and will be paid for a child up to 13 years of age.
 - Self-employed workers receive the same benefit regardless of whether they are sickness insured (in the CR, the insurance of these persons is voluntary).
- **Poland**: At the moment care allowance for parents of children aged f 8 or less has been introduced in length of 2 weeks extra.



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Solidarnosc and the Polish trade unions are being consulted on new solutions for the most vulnerable – the act is to be introduced by the end of March. The project includes another 2 extra weeks of parental care allowance.

• Hungary: Childcare allowances and child-care benefits expiring during the state of emergency will be prolonged until the special legal order terminates. In struggling sectors such as tourism, catering, the entertainment industry, sport, cultural services, performing arts, beauty services, repair services (gas, water, glass, etc), passenger transport and taxis, employers' contributions will be reduced to zero. More than 81 thousand private entrepreneurs and small businesses will be exempted from paying the "KATA" flat tax and social security contributions for their employees. Employees' contributions will also be significantly reduced: they will not be required to pay pension contributions, and their health insurance contributions will be reduced to the statutory minimum. At present these measures are planned to remain in place until 30 June.

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