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Report of the Committee of Experts on the Application of Conventions and Recommendations of the International Labour Organization concerning social security measures taken at national level in response to the COVID-19 pandemic

Introduction

The Committee notes the information provided by the Governments of the Contracting Parties to the European Code of Social Security in their reports for the period 1 August 2019–31 July 2020 concerning the social security measures adopted in response to the COVID-19 pandemic, and thanks the governments concerned for responding to this invitation of the Council of Europe.

Europe, one of the first regions to become affected by COVID-19 on a large scale, has been at the forefront of the crisis since the early stages. Based on its review of state practice, the Committee observes that the outbreak and spread of the new coronavirus called for emergency measures to address and contain the health crisis, and for rapid action to mitigate the economic and social impact of the pandemic. Social security became a key part of this response, with wide-reaching measures implemented in the vast majority of countries across the European continent. These measures, detailed below, fall under eight main categories: (1) strengthening the health care system; (2) extending sick leave entitlement; (3) supporting employment; (4) extending income protection in case of unemployment; (5) reinforcing leave entitlements and family support; (6) recognizing COVID-19 as an employment injury; (7) extending social security coverage for self-employed workers; (8) adapting operational measures (continuity of social security services). [3]

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1. Strengthening the health care system

Strengthening the health care system was a priority concern for countries in coping with the crisis. All Governments (in particular, **Italy, Estonia, Belgium, Czechia**) reported the allocation of additional monetary resources to the health-care sector to cover medical costs related to COVID-19 activities and treatment, to allow for the recruitment of health workers and even, in some instances, for the construction of new hospital wards dedicated to the treatment of COVID-19 patients. In **Estonia,** subsidies were provided for the entire public health sector thus ensuring, for instance, the coverage of expenses due to the cost of testing and treatment of persons, even if uninsured, if there is a doubt that they are infected by the virus or that they have been in contact with another person who has tested positive. In **France**, benefits were provided for vulnerable groups, including for persons with chronic conditions and those receiving state medical aid and reimbursement of telemedicine consultations with medical professionals. A significant financial contribution was also made by many governments for the purchase of medical equipment and protective gear for hospitals. In some countries, special

[3] It should be noted that the information contained in this report may not be entirely up-to-date at the time of publication of this report, due to the rapidly evolving nature of the pandemic.

payments were also made to medical staff for working overtime and to compensate for risk exposure during the emergency response. Specific measures were also taken in a number of countries to widen access to essential health care. These included the exemption from any co-payment for persons receiving treatment due to COVID-19 (**Turkey, Ireland, Belgium, France**), the extension of essential health care provided by publicly financed health systems to vulnerable people such as undocumented migrants, refugees, asylum seekers or people working in the informal economy (**Portugal, Belgium**) and the grant of additional state subsidies to drug and biotech companies for the development and manufacture of drugs and of a vaccine against the coronavirus (**Germany, United Kingdom**).

The provision of medical care of a preventive and curative nature is specified in Part II of the Code, and includes a wide range of benefits which have proven to be essential for dealing with the health-related consequences of COVID-19. While noting that Part II of the Code does not require universal health coverage, the Committee observes the positive impact in the context of the pandemic of removing barriers to effective access, taking into account, in particular, that gaps in the coverage of certain parts of the population can become a health risk for the population as a whole. Coping with these risks has required Governments to take rapid measures aimed at strengthening the public health system and at providing medical care to all those in need, regardless of the residence or insurance status of the persons concerned. The pandemic has also highlighted the importance of preventive medical care which, under Article 7 of the Code, shall be provided alongside medical care of a curative nature.

Based on the above, the Committee is of the view that, to the extent possible, all persons affected by COVID-19 should have access, for as long as required, to adequate health care and services of a preventive and curative nature, including general practitioner care, specialist care (at hospitals and outside); the necessary pharmaceutical supplies; hospitalisation where necessary; and medical rehabilitation, following the guidance provided in international social security standards. [4]

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2. Extending sick leave entitlement

Extending paid sick leave entitlement has been another means of combatting the spread of the pandemic in the workplace and in the community, by ensuring that workers infected by COVID-19 did not have to go to work to earn a living.

Cash sickness benefits, under Part III of the Code, are intended to protect individuals against loss of earnings in the event of incapacity for work resulting from a morbid condition. According to the Code, they may be limited in time, and paid after a three-day waiting period.

The COVID-19 pandemic, however, required additional measures to be taken, not only in the interest of the individual, but in the interest of public health and with a view to protect the whole population against the spread of the disease. In **Italy** and **Portugal**, if an employee has been quarantined by a public health authority (the relevant regional public health office or an attending physician) this constitutes an obstacle to work for which the employee should be entitled to wage compensation as in the case of normal incapacity for work – irrespective of whether the person is affected by the disease or not, i.e. even if he or she shows no signs of infection.

Moreover, in order to remove any financial incentive for infected persons to continue working or to resume work instead of staying at home, even if this poses a health risk to other persons, many countries expanded the provision of cash sickness benefits, as follows:

In **Czechia**, employees are entitled to wage compensation of 60 per cent of average reduced earnings for the first 14 days paid by the employer. Under the antivirus employment protection program adopted by the Government, however, employers became entitled to receive a state contribution of 80 per cent of paid wage compensation, including taxes. Moreover, employees who cannot be assigned to work due to closure of the

[4] In addition to Part II of the European Code of Social Security, see notably the Social Protection Floors Recommendation, 2012 (No. 202) (Paras 4, 5 and 8), Part II of the Medical Care and Sickness Benefits Convention, 1969 (No. 130) and Part II of the Social Security (Minimum Standards) Convention, 1952 (No. 102).

establishment on the basis of a government order became entitled to 100 per cent wage compensation, while the employer will again receive a state contribution of 80 per cent of the paid salary, including taxes.

In **Luxembourg**, the payment of sickness benefit is limited to 78 weeks within a frame period of 104 weeks. A Grand-Ducal Regulation of 3 April 2020, however, provided for periods of personal inability to work during the crisis to be disregarded for the calculation of the 78 weeks.

Sweden temporarily abolished the qualifying period of sickness benefit *(karensdag)*. This means that workers will receive sickness benefits from the moment that they are absent from work due to illness and that the State (rather than the employer) will cover the cost from the first day of leave.

In addition, for sick or quarantined workers, the Government assumed the entire cost of all sick pay (including for the first two weeks of sick leave usually paid by the employer) between April and July of 2020 in order to reduce costs for employers.

In **Norway**, employers are to be reimbursed for sickness benefits paid from the fourth day onwards for absences due to the coronavirus.

The **United Kingdom** also provided for statutory sick pay (SSP) to be paid for individuals from day 1, rather than day 4, of absence from work.

In **Belgium**, self-employed workers are now covered as of day 1 (instead of day 8) of sickness by the incapacity for work benefit.

In **Denmark**, entitlement to sickness benefits normally expires when a person has received sickness benefits for more than 22 weeks in the last 9 months. The Act No. 275 of 26 March 2020 introduced the right to 3 months extension of sickness benefits for persons who have received sickness benefits for 22 weeks during the period 9 March to 30 June 2020, and it ensured that no person will lose their right to sickness benefits during the period from 9 March until the 30 June 2020. Moreover, the Act entitled the employers to reimbursement from the employee's first day of absence due to COVID-19, while normally it is only after 30 days of absence from work that the right to reimbursement takes effect. Self-employed persons became entitled to sickness benefits from the first day of absence due to COVID-19 instead of after two weeks, which is the normal waiting period.

To protect employees against infection with COVID-19, the Act No. 190 of 20 May 2020 entitled employees at increased risk and employees who are relatives of persons with increased risk to stay at home and receive sickness benefits, even if they do not fulfil the normal requirement of being incapacitated.

Along the same line, **Estonia** provided that during the COVID-19 state of emergency the sickness benefit was paid from the first day of sickness, while normally, the benefit is payable only from the ninth day on and employers are obliged to pay 70 per cent of the insured's average wage in the last six months from the fourth day to the eighth day of incapacity.

In **Ireland**, the COVID-19 illness payment was increased to €350 per week (instead of previously €203) and by an additional weekly supplement for the spouse subject to an income test. This IQA rate (Increase for Qualified Adult) during COVID-19 pandemic increased from €134.70 to €147.00.

From the information provided by **Governments**, the Committee observes that the extension of the coverage and duration of sickness benefits, as well as the increase of the amounts paid, are among the measures that have been the most widely used by European Governments to address the impact of COVID-19 on workers and their families. Where financed through social insurance funds and/or Government revenue, these measures have also relieved employers from bearing related costs.

The Committee considers that sickness benefits provided to persons who are temporarily incapable to work due to illness, accident or another health condition, as set out in Part III of the Code, have a dual function which is especially significant in times of pandemic. Not only do they ensure that the persons concerned and their family have a steady source of income despite the person being incapable to work, they also enable workers to stay at home and to properly recover before returning to work, when accompanied by the necessary health care, thereby breaking the chain of transmission.

The Committee therefore not only calls upon all member States party to the Code to ensure the provision of sickness benefits or paid sick leave, to the extent possible, to all workers who have contracted COVID-19 as long as they are incapacitated to work in order to compensate for the suspension of earnings they incur as a

consequence. The Committee further encourages Governments to consider, in addition, extending sickness benefits provision to workers who are absent from work for the purpose of quarantine or for undergoing preventive or curative medical care and whose salary is suspended, following the guidance provided in the Medical Care and Sickness Benefits Recommendation, 1969 (No. 134). To the extent possible, these measures should be financed collectively, through contributory schemes and/or public revenue to relieve employers from the costs associated with periods of leave.

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3. Supporting employment

Supporting employment by reducing lay-offs and providing incentives for rehiring workers was another important government objective in the initial period of the crisis.

As an incentive to employers, the **Spanish** Government has for example covered up to 85 per cent of the employer contributions for rehired workers during the month of May and 70 per cent in June. Employers must reimburse these amounts in case they dismiss these workers within a period of six months.

Spain also prohibited objective dismissals due to COVID-19 and ruled that businesses cannot terminate their temporary contracts due to the coronavirus epidemic. The **Turkish** Government banned layoffs to secure employment and to protect employees who are not eligible for short-labour pay and are put on unpaid leave.

France and **Cyprus** also provided incentives for recruitment of apprentices and the employment and training of young people.

In **Greece**, private-sector employers who are significantly affected (the list is determined by a decision of the Minister of Finance) may suspend the employment contracts of part or all of their staff for up to one month, starting from 20.03.2020. Private-sector employers making use of the said measure are expressly prohibited from terminating the employment contracts of their entire personnel. They are also required, after the expiry of the measure, to maintain the same number of headcount for a period equal to that of the suspension.

In **Sweden**, the period during which a person may have a subsidised job (extra job, new start job or introductory job) was extended by an additional year for those who already have such jobs; also the maximum time for support for starting a business was extended from six to twelve months.

Although these measures fall outside of the scope of the Code per se, the Committee wishes to underline their importance in view of the reduction in economic activity and working time triggered by the COVID-19 crisis, and its severe impact on incomes and jobs. The Committee considers that, in coordination with measures extending the provision of unemployment benefits (to cover, e.g., partial unemployment or temporary suspension of employment), employment support measures such as the ones reported above contribute importantly to stabilizing economies, livelihoods and income, and to safeguarding business continuity.

The Committee further encourages member States who have not taken such measures to refer to the guidance provided in the Termination of Employment Recommendation, 1982 (No. 166) which, in its paragraphs 21 and 22, calls for the adoption of targeted measures to avert or minimize employment termination.

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4. Extending income protection in case of unemployment

A. Job retention through partial unemployment schemes

Partial unemployment schemes, sometimes called short-time work schemes, are one of the key mechanisms used by Governments to reduce the shock of sudden economic downturns on their labour market and to mitigate related social impacts. These schemes, which allow employers to flexibly reduce their employees' working hours while the income loss of employees is covered by unemployment benefits, were extended or newly implemented at a massive scale shortly after the onset of the COVID-19 crisis. Their objective remains to protect employment and the productive capacity of companies while at the same time maintaining workers' income and sustaining consumption in view of continued crisis. In many cases, they are considered an essential measure to cushion the economic shock resulting from lockdown restrictions, in addition to fulfilling an income protection function for beneficiaries and their families.

Another variant of such schemes are job retention or wage guarantee schemes, which provide for (partial) wage compensation being financed by the state (frequently via an Employment Fund).

The Committee recalls that Part IV of the Code makes provision for unemployment benefits that workers whose earnings are suspended due to inability to obtain suitable employment shall be entitled to, under certain conditions. While the Code does not require partial unemployment to be covered, probably due to the fact that this contingency was not frequently encountered in the 1960s, when the Code was adopted, the Committee draws member States' attention to the provisions of the Revised Code, adopted nearly three decades later, in 1990, which addresses this issue. In its Article 21, the Revised Code makes a distinction between total and partial unemployment and provides that "in the case of unemployment other than total, the benefit shall take the form, under prescribed conditions, of periodical payments constituting equitable compensation for loss of earnings due to unemployment, such that the sum of the recipient's earnings and this benefit at least equals the amount of the benefit which would be paid pursuant to the foregoing paragraph in case of total unemployment."

Partial unemployment is also addressed by the Employment Promotion and Promotion Against Unemployment Convention, 1988 (No. 168), which calls for the extension of unemployment benefits to: (1) workers whose earnings have been lost or reduced due to a temporary reduction in their working hours (i.e. partial unemployment); and (2) workers who incur a suspension or a reduction of earnings due to a temporary suspension of work, without any break in the employment relationship for reasons of, in particular, an economic, technological, structural or similar nature.

During the financial crisis of 2008-2009, such partial unemployment schemes or wage guarantee schemes have proven to be among the most effective intervention mechanisms to maintain employment and the productive capacity of the economy, protect income levels, and support companies during the crisis. Schemes providing higher levels of benefits and a wider population coverage were also put in place in many countries soon after the onset of the COVID-19 crisis in March and April, aimed, in particular, at absorbing the economic shock caused by lockdown restrictions. In view of the sharp decline of economic activity that many countries are currently experiencing, partial unemployment benefits and short-time work schemes have been extended by European Governments to unprecedented levels.

In **Germany** for instance, which already had one of the most developed short-time work schemes before the COVID-19 crisis, the minimum number of workers required to be on short-term in a company to access the scheme has been reduced from 33 per cent to 10 per cent. In addition, short-term work benefits are now also available for contract workers, and social security contributions for workers on short-term work are now fully or partially paid by unemployment insurance. Moreover, the benefit was increased from 60 per cent for a single worker (67 per cent for a beneficiary with children) of the former net income for the first three months to 70 per cent (77 per cent) from the 4th month of short-time work and to 80 per cent (87 per cent) from the 7th month until the end of 2021, under certain conditions.

In **France**, a special long-term partial activity scheme was set in place. This system allows a reduction in working time over a period of 6 to 24 months with 84 per cent of net salary being paid until the summer of 2021 for businesses in sectors that have suffered a very sharp decline in activity, such as the tourism, hospitality, catering, sports, culture, air transport and events sectors.

Switzerland facilitated access to short-term work and waived the waiting period for benefits. Entitlement to benefits was extended to contract and temporary employees. Budgetary means for financing short-term work benefits have been significantly increased as part of an emergency economic support package.

In **Italy**, existing provisions that support employers facing economic difficulties were expanded significantly. This included, in particular, the wage guarantee schemes that provide compensation in the case of temporary, partial or full reduction in working time. The first emergency response established access to up to nine weeks of compensation for the period from 23 February to 31 August. In view of the continued economic crisis, an additional nine weeks were added in May, of which four weeks had to be taken during the period of September to October. This requirement was later lifted and legislation in August established 18 additional weeks of compensation to be accessed between July and the end of December 2020. While the first nine weeks of this additional period would not include any cost for the employer, further access is subject to a cost-participation by the employer.

The scheme provides for income support or wage compensation (up to 80 per cent of gross salary and full social security contribution) during periods of temporary reduction of activity or reduction of hours of work.

The access to these wage guarantee benefits was facilitated through a change in the payment mechanism. While the National Social Security Institute (INPS) had usually reimbursed employers for the wages paid to workers, employers could now request the direct payment of wage guarantee benefits to their employees. To accelerate payments, a compensation for up to 40 per cent of the authorized working time reduction was paid within 15 days of the application date, and the remainder after receipt of all necessary data from employers.

These efforts to support employment through wage guarantee schemes was complemented by the freezing of collective and individual dismissal procedures for an initial duration of 60 days, which was later extended to five months. This also included fixed-term contracts and temporary agency work, which had to be extended during the period of suspension of work due to the generalized lockdown.

Luxembourg enhanced benefits by providing that during the state of COVID-19 crisis, the benefit of partially unemployed persons shall not be lower than the minimum social wage of an unqualified worker.

Moreover, the Government set up a "force majeure" short-time working scheme benefitting those businesses that have had to partially, or completely cease their activities due to COVID-19 measures. Under the umbrella of the scheme, the Government will pay compensation of up to 80 per cent of the salaries (limited to 250 per cent of the social minimum wage). Any difference between this threshold and the salary will be borne by the Employment Fund. A company benefitting from the scheme is not allowed to dismiss workers for economic reasons.

From 1 July, companies affected by the measures to curb the COVID-19 pandemic are eligible for the simplified short-time work scheme. Those companies will have to present a recovery plan and should limit dismissals as much as possible.

Similar emergency measures have been taken in **Belgium**: temporary unemployment benefits have been increased from 65 per cent to 70 per cent of previous wages plus an additional corona supplement of €5.63 per day.

The option of temporary unemployment due to force majeure has been relaxed and enhanced. Companies can invoke temporary unemployment due to force majeure upon proof that it is linked to the coronavirus. It has been extended to interim workers (among other non-standard contracts) and then to workers and artists in the cultural and amusement sector for work and contracts lost due to cancelled events/festivals. Workers in temporary unemployment will receive an advance of €1,450 while their dossier is being processed. The worker receives 70 per cent of his/her capped average remuneration (before 65 per cent), with €5.63 per day of unemployment.

The system has subsequently been extended as well as adapted (starting September 2020). From that date, two systems will apply: one for companies or sectors that are considered to be very badly hit and one for companies that are less impacted but still require the measure. The sectors that are badly hit are: the audio-visual sector, the entertainment companies, the socio-cultural sector, the taxi sector, the hotel industry, the tourist attractions sector. These are automatically recognised.

In response to the COVID-19 crisis, the **Dutch** Government has also adopted a range of emergency financial schemes for employers and self-employed people and also for flex workers. Three of these measures are the "temporary emergency bridging measure for sustained employment" *(NOW)*, the "temporary bridging measure for self-employed professionals" *(TOZO)* and the "temporary bridging measure for flex workers" *(TOFA)*.

If an employer employs staff and expects to lose at least 20 per cent of his/her turnover, he/she can claim a grant towards wage costs under the temporary emergency scheme for job retention *(Tijdelijke noodmaatregel overbrugging voor behoud van werkgelegenheid; NOW)*. The employer can claim a maximum of 90 per cent of the wage costs, depending on how much turnover he/she loses, provided he/she commits not to proceed to dismissals of employees on economic grounds.

The self-employment income support and loan scheme *(Tijdelijke overbruggingsregeling zelfstandig ondernemers; TOZO)* offers support for self-employed professionals, such as sole proprietors, self-employed people with no employees, partners in a general partnership or owners of a private limited company, who are experiencing financial difficulties due to the COVID-19 crisis. It provides for an additional benefit for living expenses if income falls below the social minimum and a loan for working capital to deal with cash-flow problems.

A scheme providing for temporary bridging measure for flex workers (*TOFA*) has been designed for flex workers who suffered substantial loss of income due to the COVID-19 crisis and who cannot claim benefits.

In **Spain**, access to the ERTE furlough scheme *(Expediente Temporal de Regulación de Empleo)* was facilitated and extended. Under this scheme, companies suffering losses from the COVID-19 pandemic and the confinement measures can temporarily send home workers or reduce their working hours. Workers affected by such a temporary employment adjustment procedure become entitled to the unemployment benefits without detracting their right to such benefits in the future. Companies with less than 50 workers do not have to pay the social contributions and those above 50 have to pay 25 per cent of them. These periods count as contributions for workers.

Portugal has a temporary lay-off scheme supporting the maintenance of employment contracts for companies in crisis. Workers affected receive 2/3 of their wage (70 per cent paid by social security, 30 per cent by the employer). Within this regime there is also an exemption of payment of employer’s social security contributions up to 3 months, an extraordinary financial incentive for the normalization of economic activity (minimum wage per worker) and an extraordinary support for part-time professional training plan. Access to credit lines and to the simplified lay-off regime are subject to the condition of no dismissals.

The **United Kingdom** established a special Coronavirus Job Retention Scheme where the Government pays 80 per cent of the wages of furloughed workers, up to £2,500 per month.

Sweden introduced the possibility of short-term layoffs, which means that the employers’ pay costs can be reduced by half, while the worker gets at least 90 per cent of the pay. Three quarters of the costs will be covered by the state. Short-term layoffs need to be agreed to by the social partners (or 70 per cent of employees).

In **Denmark**, a short-time work scheme is available and has been made more flexible and allocated more resources. A tripartite agreement on wage subsidies was reached with social partners on March 15. For firms experiencing large falls in demand, the employees can be sent home and the Government will cover 75 per cent of the salary, if the firm promises not to lay off any workers for economic reasons. Firms will also have to cover the remaining 25 per cent to ensure employees can keep their full salary. Employees contribute by taking five days of mandatory annual leave.

In **Norway**, eligibility for wage subsidies in the event of temporary layoff was expanded to 40 percent (instead of 50 per cent) work reduction. Those wage subsidies for temporary layoffs are paid via the unemployment scheme. Temporary legislative amendments enable employers to decide that employees being temporarily laid off can continue as members of the pension scheme.

Slovenia also provided for compensation in case of temporary lay-off. Under this scheme, employers may apply for reimbursement of salary compensation paid through the Employment Services.

Temporary unemployment benefit as a COVID-19 measure was also introduced at the end of April 2020. It is applicable for persons that became unemployed in the time of coronavirus epidemic (13 March till the end of May 2020) and are not eligible for the unemployment benefit according to the conditions under the respective stipulations of the Act on Labour Marker Regulation. The measure is relevant for those whose employment was terminated either due to so-called business reasons (economical, organisational, technological) or their employment contract has expired (temporary employment). The amount of temporary unemployment benefit is set at €513.64.

Romania has also adopted wage subsidies for workers in temporary (technical) unemployment. The Government covers up to 75 per cent of wages, but not exceeding 75 per cent of the national gross average salary, of workers who are employed, but unable to work because their company had to suspend activities following government-imposed restrictions, or the turnover of the company was reduced by at least 25 per cent due to the pandemic.

In **Turkey**, the Government also eased the application criteria for the short-term work allowance (SWA) (equivalent to 60 per cent of a minimum wage). Workers who have paid social security premium for the last 60 days, and have paid unemployment insurance premium for at least 450 days in the last three years will benefit from SWA. The application process has also been eased.

Cyprus established support plans for businesses that have suffered losses or a reduction in turnover to avoid redundancies subsidising salaries or by paying unemployment allowances to affected workers.

Social security institutions, in particular employment offices are at the forefront of the implementation of such emergency measures, and are often the first contact point for affected companies and workers. Responding rapidly, many institutions have increased their capacity to respond to short-term and partial unemployment benefit applications and have launched pro-active information and communication approaches.

Most governments report that they have put in place an accelerated procedure to deal with support requests and process payments as fast as possible. The **Belgian** employment office, for instance, communicates regularly with updates on eligibility requirements and has committed to respond to any applications for partial unemployment benefits within three days.

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B. Extending the duration of unemployment benefits

As set out in Part IV of the Code, unemployment benefits are short-term benefits, i.e. benefits whose payment may be limited in time which can be made contingent on the “inability to obtain suitable employment in the case of a person protected who is capable of, and available for, work” (Article 20).

The economic crisis caused by the COVID-19 pandemic, notably due to periods of lockdown imposed by the state, made it particularly difficult for unemployed persons to find such employment. For this reason, many countries have adopted measures to extend the provision of unemployment benefits during the period of crisis.

In **Luxembourg** and **Portugal**, unemployment benefits that were to expire during the state of crisis were extended until the end of the crisis. In **Germany**, the payment of unemployment benefit was extended for three additional months if it would expire between 1 May 2020 and 31 December 2020.

Greece extended regular unemployment benefit, long-term unemployment benefit and unemployment allowance for two months from their expiration date for beneficiaries for whom the relevant entitlement expired by 31 March 2020.

Denmark provided that unemployed people’s unemployment benefit seniority is paused until 30 June 2020. This means, that the period from 1 March 2020 to 30 June 2020 will not be included in the unemployment benefit seniority. Unemployed beneficiaries may thereby receive unemployment benefits for up to four months longer. To be covered by the measure, it is a condition that the citizen is a member of an unemployment insurance fund in the period until 30 June 2020. Moreover, all job search and activation requirements were cancelled during this period.

In **Sweden**, the membership condition to an unemployment insurance fund was reduced from 12 months to three months and the qualifying period was from 80 hours of work per month to 60 hours of work and from 480 hours of work for the last 6 months and at least a minimum of 50 hours each of these months to 420 hours of work during the last 6 months and at least a minimum of 40 hours for each of these months. Moreover, the basic amount was increased from SEK365 per day to SEK510 per day and the highest possible amount from SEK910 to SEK1,200 per day.

Norway removed three waiting days between the period when employers have to provide salary to workers in temporary layoffs and workers’ entitlement to daily unemployment benefits.

Belgium and **France** froze the gradual decrease of unemployment benefit rates depending on the period of payment until the end of December 2020, as a general measure.

In **Ireland**, a special COVID-19 Pandemic Unemployment Payment (PUP) was introduced as a time-limited, emergency income support measure to address the public health crisis and meet the dramatic surge in unemployment, as a consequence. This emergency payment, of €350 per week, was introduced to support employees and the self-employed of working age between 18 and up to 66 years old who had lost their job due to the pandemic. To qualify for the PUP a person had to have been between the ages of 18 and 66 and in employment immediately before 13th March. No waiting days or qualifying period is required to qualify for the PUP. In addition, since 19 March, as a temporary measure, no waiting days are required to be served on an ordinary unemployment benefit claim.

The Committee welcomes these measures which have resulted in extending and improving the income protection of workers whose employment was reduced, suspended or terminated, and have benefited the economy as a whole by allowing economic activity to continue, as much as possible. The Committee encourages Governments that have not yet done so to consider putting in place such measures, following the guidance set out in international social security standards, or to consider extending current measures beyond their initial term to mitigate the impact of the second wave of the COVID-19 pandemic on households, the labour market and their national economy. The Committee also draws Governments' attention to the importance of employment promotion measures, including employment placement and related services, as well as skills development, to promote the reintegration of workers who have lost their jobs into the labour market, as set out in the Employment Promotion and Protection against Unemployment Convention, 1988 (No. 168).

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5. Reinforcing leave entitlements and family support

For many countries, support to families was an important priority during the crisis, in particular during the initial period of lockdown when schools and child-care facilities were closed, too.

Belgium introduced a special "corona parental leave" by Royal Decree. This leave, which is more attractive in financial terms than regular parental leave, provides full-time workers who have been on duty for at least one month the possibility to work only part-time or 4/5th time, with the consent of their employer, to care for their child or a child in care under the age of 12 during the COVID-19 epidemic. For children with disabilities, the age limit is increased to 21 years and, in certain specific circumstances, does not apply at all.

France also introduced exceptional parental leave entitlements for child-care during periods of school closures. Persons taking such leave were entitled to the same benefit as employees during temporary unemployment.

Luxembourg adapted the rules regarding special leave entitlements for family reasons. According to the Labour Code, such a right was available for salaried employees with a child, under the age of 18, who requires the presence of one of his/her parents in the event of a serious illness, accident or other compelling health reason. The situation that a child has been isolated or placed in quarantine or confinement at home by the competent authorities with a view to contain the spread of an epidemic has been added to the list of compelling health reasons. Later, also the situation that a child in school under the age of 13 whose school was closed or whose classes remained suspended for reasons directly related to the health crisis or who cannot be cared for by any school or reception facility has been added to the list.

Italy introduced a special parental leave entitlement of up to 15 days, which was later extended to 30 days (COVID-19 leave). Such leave was granted to employees and the self-employed covered by the national social security scheme. The persons taking that leave were entitled to an allowance of 50 per cent of their previous wage or income. Significant funds were also allocated to assist persons with disabilities and families with disabled family members, and vouchers for accessing care services were introduced.

Cyprus granted special leave to parents employed in the private sector for the care of children up to 15 years old due to suspension of school and care facilities.

Portugal introduced exceptional financial support for employees that must stay at home to accompany their children younger than 12 years of age due to the suspension of classroom activities. Half of the benefit (66 per cent of the base wage) was financed by employers and another half by social security.

The Committee commends member States for having taken measures allowing workers to care for their families without financial hardship. While these measures go beyond the minimum requirements set out in the Code, they follow the guidance set out in the Workers with Family Responsibilities Recommendation, 1981 (No. 165) and the Medical Care and Sickness Benefits Recommendation, 1969 (No. 134). Recommendation No. 165 provides, notably, that it should be possible for a worker with family responsibilities in relation to a dependent child – or another member of the worker's immediate family who needs that worker's care or support – to obtain leave of absence in the case of the family member's illness (paragraph 23(1) and (2)). In complement,

Recommendation No. 134 states that appropriate provision should be made to help a person protected who is economically active and who has to care for a sick family member (paragraph 10).

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6. Recognizing COVID-19 as an employment injury

The rapid spread of the coronavirus raised the urgent demand to recognise COVID-19 as an occupational injury in order to ensure easier and faster access to associated benefits under the work injury insurance system, in particular for workers in the most exposed sectors. Some countries (in particular, **France, Italy, Switzerland, Spain, Sweden, Norway**) have expressly recognised that infection by COVID-19 could be considered an employment injury, notably with respect to health workers. In other countries, there are no special rules, but infection by COVID-19 could nevertheless be classified as an occupational disease depending on the circumstances, i.e. if the general conditions laid down in the legislation are met (**Czechia, Estonia, United Kingdom**).

In **Belgium**, the recognition of COVID-19 as an occupational disease for workers in the healthcare sector was later extended to those who were active in one of the crucial sectors or services during containment, such as food store personnel or police. These are specifically workers who were unable to telework or respect the social distance of 1.5 meters due to the nature of their job. Thus, any person suffering from COVID-19, diagnosed by a laboratory test, and clearly having a higher risk of being contaminated by the virus, may claim compensation for occupational disease.

Italy recognized COVID-19 as a work-related accident for doctors, nurses and other employees of the National Health Service as well as of any other public or private health facility. The causal link between the work and the infection is automatically assumed for this group of employees in order to also provide coverage to cases in which the identification of the specific causes and working methods of the infection is problematic. Furthermore, COVID-19 cases where SARS-CoV-2 is contracted while commuting to work or back home are also covered by the National Wok-Injury Insurance Fund (INAIL).

Germany considers virus infections as an occupational disease if the employee works in the healthcare sector.

In **Denmark**, workers in hospitals and care homes have been covered from the onset because of the nature of their work. However, more groups of workers have been explicitly included, such as day care workers, parking attendants and others who come into regular close contact with the public. The proof of risk of infection can now be based simply on a description of work and extent of contacts with citizens.

The Committee considers that, in line with Part VI of the Code and international standards,* [5] *infection by COVID-19, if contracted as a result of work, must be considered an employment injury, i.e. an occupational disease or a work accident, as the case may be, and if the nature of work involves close regular contact with co-workers or the public, should be considered an employment injury. Accordingly, workers who are infected by COVID-19 as a result of their work should be entitled to health care and, to the extent that they are incapacitated for work, to cash benefits or compensation, as set out in these instruments. The dependent family members (e.g. spouses and children) of those who die from COVID-19 contracted in the course of work-related activities should be entitled to cash benefits or compensation, as well as to a funeral grant or benefit.

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7. Extending social security measures for self-employed workers

Self-employment is a pillar of economic activity in many European countries. Yet, self-employed workers, in most cases, enjoy a significantly less comprehensive social protection than workers in a former employment relationship, even when belonging to lower income groups. OECD's estimates show, for example, that workers

[5] The most up-to-date standards are the Employment Injury Benefits Convention, 1964 (No. 121) and the Social Security (Minimum Standards) Convention, 1952 (No.102), Part VI.

engaged in independent work, short-duration or part-time employment are 40–50 per cent less likely to receive any form of income support during an out-of-work spell than standard employees. [6]

As a consequence, many self-employed persons affected by health problems, self-quarantine obligations, care responsibilities or loss of income due to economic restrictions in the context of the COVID-19 crisis find themselves in a vulnerable situation for not being eligible to sickness benefits, unemployment benefits or other income protection measures. This vulnerability is exacerbated for self-employed workers in the informal economy, freelancers and gig economy workers who often do not have sufficient savings to bridge even short periods without income.

Supporting the self-employed during the COVID-19 crisis has therefore been a focus of many governments for both social and economic reasons. In addition to tax systems and interest-free loans, social security benefits have been at the centre of these measures. These measures can be classified in five main categories:

1. **Extension of coverage** of existing social security programmes to the self-employed, in particular with regard to cash sickness and unemployment benefits. Some countries have specifically highlighted freelancers and gig economy workers as an important target group for this extension:

    - In **Spain**, self-employed workers affected by the crisis were made eligible for an income replacement benefit similar to that of employees in receipt of unemployment benefits. The extraordinary benefit for cessation of activity was payable until the last day of the month in which the state of alarm expired, to self-employed persons who have had to suspend their activity under Royal Decree 463/2020 of 14 March, or, in another case, when their invoicing in the month prior to which the benefit is requested is reduced by at least 75 per cent in relation to the average turnover for the previous six months.

    - The **United Kingdom** introduced a self-employment Income Support Scheme providing broadly the same level of support for the self-employed as is being provided for employees through the Job Support Scheme. Moreover, the UK based Small and Medium Enterprises (SME) with fewer than 250 employees became entitled to Statutory Sick Pay paid for sickness absences due to COVID-19.

2. **Increase in benefit levels:** Where the self-employed already had access to social security benefits, increases in benefit levels, relaxed eligibility criteria or temporary flexibility measures have improved their economic situation. While such measures usually benefit all eligible groups irrespective of their employment status, some measures have also been tailored to the self-employed. **Sweden**, for instance provided that the self-employed can now also receive sickness pay during the first 14 days of sickness.

3. **Temporary special income support measures** targeted specifically at the self-employed, which aim to provide temporary income support in the context of the coronavirus crisis, were introduced by most countries. Eligibility requirements usually include self-quarantine, care for family members, business closures or reductions in demand. Often based on a standardized average income or consisting of flat rate payments, most of these measures are restricted in time, usually for up to three or six months.

    - In **Portugal** and **Switzerland**, a special compensation for loss of earnings is paid to self-employed persons whose income is reduced due to quarantine ordered by a doctor or care responsibilities for a child up to 12 years old due to school closure.

    - The **Netherlands** has introduced a temporary income support allowance for the self-employed.

    - In **Belgium,** a temporary bridging right was introduced for the self-employed who had to suspend their activities (extended until end of August 2020 under general conditions and extended for the period August – December 2020 under more strict conditions). A new bridging right was in place for the self-employed in support of the renewal of their activities

[6] OECD 2018, The Future of Social Protection – What works for non-standard workers.

for the period 1 July until 31 October 2020 for specific economic sectors (it may be extended until 31 December 2020 under certain conditions).

- **Slovenia** also introduced a temporary basic income for the self-employed (up to 70 per cent of the net minimum wage).

4. **Assistance to business and business continuity:** All Governments also reported specific support measures for businesses, in particular for SME's and specific industries in difficulty, including the hotel, travel, catering and entertainment industry, provided that the economic difficulties were directly linked to the COVID-19 crisis. Credit lines and state guarantees were extended, special business loan schemes were provided or tax and loan deferrals allowed (**Germany, Belgium, Luxembourg, Estonia, Ireland, Romania, Sweden, Slovenia, Italy**). In order to either enhance consumption or help businesses in difficulty, some countries reduced the Value-Added Tax (VAT) (**Germany, Belgium, Romania, United Kingdom**) or introduced special support packages for start-ups and artists (**Germany, Belgium, Sweden**).

    - Some countries (**Germany, Denmark, Norway**) even introduced a special compensation scheme providing for temporary compensation for some of the unavoidable fixed costs of firms forced to temporarily close due to the lockdown. In **Denmark**, self-employed and freelancers experiencing a drop in turnover of more than 30 per cent could, for a limited time, get cash support amounting to 90 per cent of lost revenue resulting from COVID-19.

5. **Temporary flexibility or exemptions from social security contributions:** Many governments implemented the possibility for companies and self-employed persons to be exempt from social security contributions (in particular, the SMEs) or to delay their payment without penalties as a temporary means to further reduce business costs. These measures usually complement similar delays granted with regard to tax payments.

    - In **Norway,** employer's social insurance contribution was reduced by 4 percentage points for one term, equivalent to two months. In **Czechia**, the self-employed were allowed to apply for a six-month waiver of health insurance payments.

    - In **Italy**, the mandate to pay social security contributions was suspended from March to the end of May. The payment deadline for these contributions was later extended to the middle of September. While this deadline was not extended further, employers have been given the option to pay the outstanding contributions in instalments. Other countries which provided for the possibility to delay the payment of social security contributions for a certain period without any penalties include **France, Luxembourg, Portugal, Greece, Estonia, Spain, Switzerland** and **Turkey**.

The Committee welcomes the concrete measures taken by many European Governments to ensure that the self-employed, amongst the workers most affected by the restrictions imposed in many countries to curb the spread of COVID-19, benefit from effective social protection. These measures have led to unprecedented social security coverage levels. The Committee recalls in this regard the guidance set out in ILO social security recommendations, and notably the Medical Care and Sickness Benefits Recommendation, 1969 (No. 134), which calls for the extension of medical care and sickness benefits to persons whose employment is of a casual nature and to all economically active persons, as well as to their family members. [7] ***The Social Protection Floors Recommendation, 2012 (No. 202) also provides that all residents in active age who are unable to earn sufficient income due, amongst others to sickness and unemployment, should have access to at least basic income security.*** [8] ***In addition, the Committee further notes that the extension of social security coverage and benefits to the self-employed have contributed significantly to maintaining employment and supporting companies during the past months. Considering this, the Committee hopes that Governments will be in a position to ensure that at least some of these measures are sustained throughout and after the crisis.***

[7] Para. 11, Recommendation No. 134.

[8] Paras 5(c) and 6, Recommendation No. 202.

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8. Operational measures (continuity of social security services)

In the context of the generalized lockdown, social security institutions had to rapidly adapt their operational measures to ensure continuity of social security services, implement emergency response measures and contribute to national efforts to contain the spread of the virus. Existing and newly developed e-services reduced the need for face-to-face interactions with customers and facilitated the implementation of mandatory teleworking for most staff. The commitment to communication with the public and the dissemination of information on the emergency situation through improved online channels and multimedia tools proved to be an essential factor in the crisis response. This required in particular:

- a reorganization of the working environment through the massive adoption of teleworking for all back-office and management staff,
- systematic use of digital services, e.g. via existing e-service portals and personal accounts allowing the digital submissions of files and provision of services,
- ensuring remote access to business tools as well as the strengthening of IT security measures accompanied by administrative and procedural flexibility.

In **France**, a massive adoption of teleworking for all back-office and management staff required ensuring remote access to business tools as well as the strengthening of IT security measures. Most call-centre staff of social security institutions have been teleworking during the lockdown. Remote work, whenever compatible with the tasks performed, became mandatory in **Portugal**.

A strict lockdown in **Spain** over several weeks obliged social security institutions to suspend all in-person customer services as well as to implement teleworking for most of their staff. A number of organizational measures facilitated the implementation of teleworking. This included streamlined access to the corporate email to all staff, the distribution of laptops and virtual desks toolboxes as well as the extension of remote access of staff using secured connections and virtual private network.

In **Italy**, the access to these online services was simplified through the relaxation of identification procedures.

During the confinement period, the **Belgian** public employment services prioritised job vacancies via hashtag #covid19 to support employers in key sectors.

Luxembourg provided that teleconsultations by doctors, dentists and midwifes shall be reimbursed at 100 per cent. **Greece** abolished the requirement of a written approval by a medical practitioner for the receipt of benefit in kind provided by the scheme in order to avoid overcrowding and unnecessary additional movement. **Belgium** and **Ireland** initiated teleconsultations in primary care and removed user charges for this new method of service delivery. **Germany** and the **United Kingdom** provided that sick notes may also be obtained online by persons who are self-isolating or cannot work because of COVID-19.

In **Spain**, the application of certain legal deadlines was put on hold if this would have been detrimental to beneficiaries.

In the **United Kingdom**, access to social protection (Universal Credit) was also eased. Claimants of benefits who are staying at home as a result of coronavirus will have their mandatory work search and work availability requirements removed to account for a period of sickness.

Moreover, continued customer service tailored to the needs of clients required the establishment of flexible timetables, the use of digital channels and a significant reliance on call centres for customers not using digital tools. Special communication measures using radio, web portals and Frequently Asked Questions (FAQs) through various means to inform the public on the pandemic and emergency measures as well as outreach to vulnerable population groups played a key role in informing and familiarizing customers to frequently changing rules.

Challenges encountered related both to service delivery and in particular how to reach beneficiaries with low digital literacy, and to operational matters, such as securing remote access of staff on telework to various IT-systems. The importance of promoting e-services, e-administration and digital literacy will be important for the future.

The capacity, flexibility and commitment of social security institutions enabled governments to secure the impact of its measures for individuals, the society and the economy. The investment in digital services has also emerged as an area of strategic importance.

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Concluding remarks

As the COVID-19 pandemic unfolded across Europe throughout the year, social protection emerged as a fundamental component of the crisis response in the vast majority of countries. The Committee commends the Governments concerned for having taken a vast array of measures, within a short timeframe, to increase the income and health protection of their population in face of the pandemic and to contain its devastating impact on people and on the economy. Among the measures introduced, some have guaranteed that persons who fell ill with COVID-19 had access to medical care, medication and rehabilitation. Some of the other measures in place enable persons who are incapacitated for work due to illness and those who need to take leave from work to care for a sick relative, or to self-isolate after a close contact with a confirmed or probable case of COVID-19, to rely on income support while being unable to perform their work. In other cases, measures have been adopted to ensure that persons who lose their job or whose work engagement is temporarily suspended have access to other sources of income. In this way, social security systems have proven their effectiveness in mitigating the social and economic impact of COVID-19 on the world of work and beyond, and their capacity to serve as a tool for effectively combating the pandemic itself, by ensuring the acceptance among the population of precautionary measures which governments had to take with a view to stop or slow down the spread of the coronavirus.

From its analysis of the information provided by most Governments of State parties to the Code, the Committee concludes that countries with strong social protection systems, underpinned by a well-developed and robust healthcare system, have been able to cope with the consequences of the COVID-19 pandemic and to ramp up support to their impacted populations quickly and effectively. Governments' responses also show that comprehensive and sustainable social security systems have the capacity to expand on a temporary basis in response to a crisis by extending social security coverage under existing provisions to a larger group of the population, or by providing higher benefits or a longer benefit duration.

As the second wave has now become a reality throughout Europe, it is to be expected that the effects of the pandemic will worsen in the immediate future, and be felt for some time. In this context, the Committee can only encourage Governments to strive, to the maximum of their available resources, to extend or adjust the scope of protection and duration of the measures taken so far, and to envisage taking additional measures, as need be, to strengthen the social protection of all persons in need, in particular the most vulnerable, and enable societies to better cope with the impact of the crisis. Mindful of the costs associated with these measures, which are likely to be needed for quite some time, and of the challenge for member States to secure appropriate financing over time, the Committee invites member States to pay careful consideration to the principles of social solidarity, solidarity in financing and economic, financial and fiscal sustainability, laid down in the Code and in ILO social security standards, in this process.

Last but not least, the Committee recalls the importance of social dialogue and tripartite participation, as well as consultations with representatives of other persons concerned, in the formulation and implementation of social security measures, including measures taken in response to the pandemic.

Finally, the Committee hopes that the governments of all State parties to the Code, in collaboration with social partners and other stakeholders, will take this opportunity to strengthen their social security systems, guided by international standards. The Committee invites Governments to provide updated information on this issue in their next report on the application of the Code, indicating, in particular, whether some of the temporary or emergency measures taken in response to the pandemic have been maintained once the crisis is over, or are envisaged to become part of the social security system in the longer-term