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Social protection and inclusion policy responses to the COVID-19 crisis

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1. Objectives of the report
2. Main findings
1. Objectives of the report

➢ *Provide* an **overview of the main measures** put in place by countries to help address the social and financial distress created by the COVID-19 pandemic and by the lockdown policies (March 2020 - June 2021)

➢ *Discuss* the **transformation potential of the reforms** undertaken by countries

➢ *Identify* **remaining gaps** in social protection systems and social inclusion policies as well as the **relevant debates**
2. Main findings

➢ Ten thematic areas

A. Unemployment benefit schemes
B. Job retention schemes
C. Schemes for the self-employed
D. Sickness benefits and sick pay schemes
E. Healthcare systems
F. Minimum Income Schemes (MISs) and other social assistance support
G. Housing
H. Essential services
I. Closure of schools and childcare facilities
J. Responding to other support needs
2. Main findings

A. UNEMPLOYMENT BENEFITS

➢ Main automatic stabiliser to mitigate the socio-economic impact of the pandemic

➢ Measures:
  • Changes in the duration of the receipt and suspension of the waiting periods (most common measure)
  • Increased level of benefits and suspension of benefits’ reduction.
  • Relaxation of qualifying conditions (e.g. reduction qualifying period)

➢ Those who benefited from the measures:
  • Both people already receiving benefits and newcomers
  • Workers without enough employment period and contributions (temporary and part-time workers) benefited from reduction in qualifying period
  • Self-employed, where they have access to unemployment schemes: benefit from modified waiting period

➢ Issues:
  • Difficult access for some categories of non-standard workers and the self-employed: no changes rules for formal access
  • Exclusion of those without formal access: only ad hoc and emergency measures
2. Main findings

B. JOB RETENTION SCHEMES

➢ Description:
  • Short-term work schemes (STW), subsidy hours not worked (requirement for reduced working hours)
  • Wage subsidies (WS), subsidy for the hours worked or top up the earnings on reduced hours
  • 60-80% income replacement rate, allowance covered by the state

➢ Measures:
  • Improvement of existing schemes: relaxing eligibility, duration and payment conditions
  • New schemes in specific sectors

➢ Beneficiaries
  • Since 2008/2009 crisis, all employees including non-standard workers (part-time, fixed-term, temporary agency workers)
  • Self-employed are rarely covered (where fixed benefit amount is provided): usually, ad hoc emergency income support

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2. Main findings

➢ Issues and debates
  • STW and WS’ significance in safeguarding jobs and supporting incomes
  • Innovative policy making
  • Protection against dismissal: most schemes conditional on workers being protected against dismissal
  • Gaps affecting certain categories of workers
  • Issues concerning income replacement rate

C. SCHEMES FOR THE SELF-EMPLOYED

➢ Temporary, emergency and ad hoc measures offering mostly basic protection.
➢ Measures conditional to reduction in turnover or inactivity
➢ Issue: appropriateness of public subsidies available for this group as well as on the tax and social contribution relief
2. Main findings

D. Sickness benefits and sick paid schemes

➢ Measures on the following parameters:
  • Qualifying conditions for access and circumstances covered: reduction of required employment period or contributions (few states)
  • Level of the benefits: increase of compensation rate and benefits’ amount
  • Duration: waiving waiting periods
  • Funding: lightened financial burden on employers

➢ Covid-19 infection contracted at workplace recognised as occupational disease: specific sectors (healthcare and “essential” activities) or all sectors

➢ Issues:
  • Eligibility conditions not changed in many countries: limited effective access
  • Measures targeting only specific sectors of working population
  • Measures targeting only schemes for cases directly related to Covid-19
2. Main findings

E. Healthcare systems

➢ Measures:
  • Inclusion of Covid-19 treatment in universal coverage
  • Inclusion of remote consultation and prescription in the benefit package
  • Mobilisation of ambulatory care
  • Extension of coverage to specific groups (socio-economic vulnerable groups, refugees and migrants) or to specific care services

➢ Issues and debates:
  • Gaps in coverage and need to increase it
  • Need to expand outpatient care and targeted in-kind benefits
  • Great flexibility and adaptability of healthcare systems
2. Main findings

F. MISs and other social assistance support

➢ Increased protection for those lacking sufficient resources
➢ MIS-related measures: adjustments to already existing income support schemes
  ✓ Relaxation of eligibility criteria
  ✓ Increases in the level of benefits
  ✓ Flexibility and extension of the duration
  ✓ Quick implementation
  • New support measures unrelated to work: protection for people with no-links to labour market (child support, students and young people support, social assistance support)
  • Food and material assistance (mostly food distribution)

➢ Issues:
  • Adequacy and accessibility of MIS measures
  • Gaps in coverage, with vulnerable sectors of population insufficiently protected

➢ Pandemic highlighted the importance of MISs and relaunched debates
2. Main findings

G. Housing

➢ Novel measures protecting households from the risk of losing their homes:
  • Tenants: bans on evictions (most common), freezes on rent increases, rent reductions, subsidies and allowances to support low-income tenants facing financial difficulties
  • Homeowners (mortgage holders): mortgage payment deferrals (imposed moratoria)

➢ Pandemic revealed the need to tackle some issues and inequalities in the access to adequate housing
  • Lack of affordable social housing
  • Ineffective rental regulation mechanisms
  • Overcrowded housing conditions among vulnerable sectors
  • Lack of effective mechanisms to prevent evictions
  • Need to provide permanent rather than temporary solutions to homelessness
2. Main findings

H. Essential services

➢ Mix of new initiatives and adjustments to existing ones
➢ Overall, measures targeting people living on low incomes, sometimes all consumers (only a few countries)
➢ Measures to ensure uninterrupted access to water, energy and digital communications
  • Reduction of costs of utility services (most common)
  • Granted help to increase households’ ability to pay the costs of utility services
  • Bans on disconnecting energy services (only a few countries)

➢ Issues
  • Problem in accessing energy services prior to the pandemic
  • Temporary measures do not represent a structural response, particularly in countries where there is an issue for those living on low incomes
2. Main findings

I. Closure of schools and childcare facilities

➢ Closure put pressure on those parents trying to balance work and family obligations

➢ Parental support arrangements (parents with children aged up to 12, and whose work had not been suspended)
  • Special additional parental leave days
  • Additional or complementary income support

➢ High variation across countries (eligibility, payment, duration, inclusivity of parents’ labour market status)

➢ Inclusion of self-employed (15 countries) and specific categories of non-standard workers (few countries)

➢ Few gaps in coverage: single parents and the self-employed
2. Main findings

J. Other relevant support needs

➢ Temporary supporting measures
  • Education and training
    ✓ Cash assistance to students or trainees
    ✓ Financial support to parents whose children were not able to attend kindergarten facilities
    ✓ School meals during school closure
    ✓ Assistance to mitigate the negative effects of distance education
  • Spending incentives to boost demand in vulnerable sectors (e.g. tourism)
  • Pensioners
    ✓ Support for informal carers or long-term care users
    ✓ Financial support to social care providers
    ✓ Home delivery support services
    ✓ Retail price ceilings on essential goods
  • Moratoria on debt repayments
Additional information

For more information, please check the following link:
https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8418&furtherPubs=yes
Thanks for the attention!