

TR1 2021-2022
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

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 loosing 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!