

Part I

**The crucial importance of inclusive  
national employment policies  
in addressing the COVID-19 crisis:  
Ensuring a job-rich recovery  
and sustainable structural change**

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## ► 1. Background

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6. The COVID-19 crisis has had an enormous impact on both the quantity and quality of jobs, as well as on people's livelihoods, resulting in millions of job losses and enterprise closures. The measures taken in countries around the world to safeguard public health and prevent the spread of the pandemic have led to economic and social shocks of unprecedented scale, as at least some emergency containment measures have been taken in the majority of countries, with the imposition of lockdowns, quarantines, physical distancing and other isolation measures.

**ILO Monitor: [COVID-19 and the world of work. Sixth edition, Updated estimates and analysis](#)<sup>7</sup> (excerpt from 23 September 2020)**

Workplace closures continue to disrupt labour markets around the world, leading to working-hour losses that are higher than previously estimated. The estimated total working-hour losses in the second quarter of 2020 (relative to the fourth quarter of 2019) are now 17.3 per cent, or 495 million full-time equivalent (FTE) jobs. Lower-middle-income countries are the hardest hit, having experienced an estimated decline in working hours of 23.3 per cent (240 million FTE jobs) in the second quarter of the year. Working-hour losses are expected to remain high in the third quarter of 2020, at 12.1 per cent (345 million FTE jobs). Moreover, revised projections for the fourth quarter suggest a bleaker outlook than previously estimated. In the baseline scenario, working-hour losses in the final quarter of 2020 are expected to amount to 8.6 per cent (245 million FTE jobs). The latest data confirm that working-hour losses are reflected in higher levels of unemployment and inactivity, with inactivity increasing to a greater extent than unemployment. Rising inactivity is a notable feature of the current job crisis, calling for strong policy attention. The decline in employment numbers has generally been greater for women than for men. These high working-hour losses have translated into substantial losses in labour income. Estimates of labour income losses (before taking into account income support measures) suggest a global decline of 10.7 per cent during the first three quarters of 2020 (compared with the corresponding period in 2019), which amounts to US \$3.5 trillion, or 5.5 per cent of global gross domestic product (GDP) for the first three quarters of 2019. Labour income losses are highest in middle-income countries, reaching 15.1 per cent in lower-middle-income countries and 11.4 per cent in upper-middle-income countries.

7. As the pandemic has unfolded, the urgent measures taken to prevent its spread have slowed or halted the operation of enterprises in many countries and across many economic sectors. Global supply chains have been disrupted, affecting local communities that rely heavily on demand for their products and labour. Many businesses, particularly those in badly affected sectors, such as tourism and the hotel and restaurant sectors,<sup>8</sup> have been forced to close permanently due to the economic effects of the pandemic. While the crisis has had an impact on businesses of all sizes, those worst affected have been micro, small and medium-sized enterprises (MSMEs). As a result of these economic shocks, millions of workers have lost their incomes and livelihoods, and many of them lack the income support and social protection necessary to keep themselves and their families from sliding into

<sup>7</sup> ILO Monitor: [COVID-19 and the world of work. Sixth edition, Updated estimates and analysis, 23 September 2020.](#)

<sup>8</sup> The Confederation of Workers of Argentina (CTA) indicates, for example, that construction and hotel and restaurant sectors represent almost 50 per cent of the employment lost during the first months of the pandemic. In addition, the General Confederation of Labour of the Argentine Republic (CGT RA) highlights that, due to the lockdown, the Government was required to replace the market through measures aimed at subsidizing the supply and demand of work, in order to compensate for the absence of income. Two per cent of the GDP was allocated to addressing this situation. One of the measures taken by the Government prohibited the dismissal of workers. The Government has also promoted recovery through public works measures that develop the public infrastructure.

poverty.<sup>9</sup> The Committee further observes that the pandemic has affected workers in different ways, with those belonging to those individuals or groups in the most vulnerable situations as a rule being the most severely impacted. For example, women's jobs are relatively more at risk than men's, owing to the impact of the lockdown in service sectors where women are overrepresented, combined with the higher informality in those sectors and also to the care-related demands faced by women, which can undermine their capacity for job retention.<sup>10</sup> Young people are also facing disruptions to education, training and work-based learning, and increased difficulties as jobseekers and new labour market entrants.<sup>11</sup> In general, hard-hit groups and those vulnerable to exclusion, including migrant workers and those in informal employment, have seen their decent work deficits increase.<sup>12</sup> The crisis has revealed not only weaknesses in the preparedness and resilience of national health systems, but also the deep inequalities running through societies and economies in all countries and regions.

*The International Trade Union Confederation (ITUC) reports that the impact of the COVID-19 pandemic has been challenging for the economy of countries around the world. In the recent ITUC COVID-19 Survey, out of 100 countries surveyed, 87 reported that companies in their countries were laying off workers. There has been a substantive drop in working hours which has drastically affected growth. The ITUC expresses the view that labour market flexibilization and austerity measures will not foster employment or lead to faster recovery and that this focus must give way to the promotion of and investment in the creation of decent, stable and lasting employment.<sup>13</sup>*

8. The urgent need for effective policy responses to the crisis at all levels offers an opportunity for national economies and societies, and the international community, to ensure greater inclusivity and resilience through the promotion of full, productive and freely chosen employment and decent work for all men and women in the world of work.

9. Governments have been compelled to combine the imperatives of the health crisis with urgent support for the economy, employers and workers. Many governments have adopted both short- and medium-term policies aimed at stabilizing their economies as rapidly as possible to mitigate the impact of the crisis and, to the extent possible, prevent future shocks.

10. Evidence-informed, consensus-based and inclusive policy responses developed and implemented during and after the crisis offer an opportunity to “build back better” and to develop or update existing employment policies that promote the creation of sustainable and quality jobs, as well as creating an avenue for sustainable livelihoods for own account workers.

*Business New Zealand highlights that the extent to which the advent of COVID-19 will further undermine gains achieved in relation to poverty cannot yet be known. However, changes in the world of work will be likely to occur more quickly than policies can adapt to them; the current COVID-19 crisis is a case in point. Even statistics are likely to be out of date by the time they are available for policy-making purposes.*

<sup>9</sup> See UNCTAD, *The least developed countries report 2020*, December 2020.

<sup>10</sup> ILO, *A Gender-Responsive Employment Recovery: Building Back Fairer*, Policy Brief, July 2020.

<sup>11</sup> ILO, *Preventing Exclusion from the Labour Market: Tackling the COVID-19 Youth Employment Crisis*, Policy Brief, May 2020.

<sup>12</sup> ILO, *A Policy Framework for Tackling the Economic and Social Impact of the COVID-19 Crisis*, Policy Brief, May 2020.

<sup>13</sup> <https://www.ituc-csi.org/ituc-global-covid-19-survey-25may-findings>

## ► 2. Effective strategies and policy responses during and after the pandemic

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11. As the pandemic has evolved and its impact on economies, businesses and workers has continued to increase, the provision of support to employers and the prevention of unemployment, underemployment and inactivity have been a primary concern. The impact of the pandemic is likely to be uneven, adding significantly to existing vulnerabilities and inequalities. Any job-rich recovery therefore needs to lay the foundations for inclusive and sustainable growth. During the recovery phase, greater attention will have to be paid to strengthening employment policies in support of enterprises and workers, and to building labour market institutions back better. In turn, employment policy measures need to be coordinated and sequenced with macroeconomic policies, sectoral strategies and business support; social protection, income support and skills development.<sup>14</sup> Policy responses should also encompass comprehensive and adequately resourced social protection systems, including care policies and infrastructure that can respond rapidly and effectively to any future crises. It is important for the development or adaptation of national employment policies and programmes to be carried out in consultation with the social partners, and in collaboration with representatives of the persons affected by the measures to be taken.<sup>15</sup>

12. The Employment Policy Convention, 1964 (No. 122), and the Employment Policy (Supplementary Provisions) Recommendation, 1984 (No. 169), offer a sound and comprehensive framework for ILO Member States to promote full, productive and freely chosen employment and to recover from the crisis, as they provide substantive guidance on the development of employment policies.

13. To be both effective and sustainable, the policy responses adopted need to include not only immediate urgent relief measures, but also intermediate and longer-term measures to help economies and societies emerge from the crisis stronger and more resilient than before. The Committee notes in this respect that the ILO has developed a comprehensive policy framework to address the economic and social impact of the COVID-19 crisis.<sup>16</sup> This framework is based on four pillars. First, stimulating the economy and employment; second, supporting enterprises, jobs and incomes; third, protecting workers in the workplace and fourth, relying on social dialogue for solutions. In this regard, the Committee considers that it is crucial for employment policies to also take into account the need to provide for the protection of livelihoods, thereby helping to ensure the survival of self-employed workers in subsistence type employment whose already precarious position has worsened due to the pandemic.

14. Prior to the development or adaptation of national employment policies aimed at promoting a recovery which fosters full, productive and freely chosen employment, a rapid assessment should be carried out covering key sectors of the economy and specific categories of workers to determine the impact of the pandemic on particularly affected businesses and population groups, as well as on the labour market, working conditions and the re-organization of work.

15. The Committee examines below a selection of the policy measures implemented during the pandemic through the lens of the four pillars of the ILO policy framework. The Committee notes that these pillars complement one another and encompass cross-cutting measures aimed at reducing the enormous challenges that countries are facing at national level.

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<sup>14</sup> ILO, [National Employment Policies for an Inclusive, Job-Rich Recovery from the COVID-19 Crisis](#), Sept. 2020.

<sup>15</sup> Employment Policy Convention, 1964 (No. 122), Article 3.

<sup>16</sup> ILO, [A Policy Framework for Tackling the Economic and Social Impact of the COVID-19 Crisis](#), Policy Brief, May 2020.

### ► 3. A comprehensive and integrated approach

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16. The Committee notes that the framework proposed by the ILO provides guidance to assist constituents to develop and implement a comprehensive and integrated approach tailored to national circumstances, with containment as its central pillar.<sup>17</sup>

17. The Committee notes that many governments have implemented both short- and medium-term policies aimed at stabilizing their economies and mitigating the social and economic consequences of the pandemic. However, in times of crisis, when challenges are systemic, and the response of each business has an impact on other businesses, governments, together with employers' and workers' organizations, are faced with the need to implement measures not only to sustain enterprises through the crisis, but also to help them recover from the impacts of the pandemic through long-term action.<sup>18</sup>

*The International Organization of Employers (IOE) highlights that the regulatory efforts are profuse and continuous in all countries to alleviate the impact in terms of job losses and income reduction as far as possible. These efforts include: measures to allow and expand the practice of telework; to allow reduced working hours to avoid dismissals and thus to keep the link between workers and companies; to maintain the organizational capital of companies and to establish the bases for a return to work in the recovery stage for those companies that have been able to apply this scheme. The challenge is how to expedite the recovery by shortening, smoothing and easing up this road to recovery. Urgent measures are needed to limit the damage to businesses and livelihoods, rebuild the economy, and revive economic growth in a robust, resilient and sustainable manner.*

*Spain – In its report, the Government refers to the legal measures adopted with the objective of addressing the impact of the pandemic. The Government indicates that the principal objective of these measures was to harmonize two important aspects: to avoid the interruption of the productive activity that would substantially affect enterprises and to protect employment and workers.*

#### (a) Stimulating the economy and employment

18. The COVID-19 pandemic has had a devastating impact on both the demand and supply sides of the labour market, with major implications for the goal of ensuring full employment and decent work.<sup>19</sup> In this context, the Committee notes the wealth of measures adopted at the national level to stimulate the economy, support enterprises jobs and incomes, including through the use of fiscal and monetary tools and debt relief, as well as public investment in various sectors, and particularly in health systems.<sup>20</sup>

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<sup>17</sup> United Nations (UN), "[Response to Coronavirus: Globally Coordinated Effort](#)", Press release, 23 March 2020.

<sup>18</sup> ILO, "[Restructuring for recovery and resilience in response to the COVID-19 crisis](#)".

<sup>19</sup> ILO, "[A policy framework](#)", 5.

<sup>20</sup> ILO, "[COVID-19: Stimulating the economy and employment](#)", Press release, 17 April 2020.

*Greece* – The SYN-ERGASIA (in Greek: co-partnership) programme was established through Law 4690/2020 as an extraordinary and temporary programme for employment (it was extended until the end of December 2020) funded by the SURE European Community Initiative. It is based on the partnership between the State and all forces of production, aiming at mitigating job-losses during the COVID-19 pandemic and boosting employment by supporting affected businesses through reducing labour costs and allowing flexibility in staff management while at the same time shields employment by excluding all employee layoffs within this framework and protecting wages. The programme targets businesses which are seriously affected by the pandemic. The Government covers the 60 per cent of the employee's salary that would otherwise have been lost due to the decreased working hours. The employer has the obligation to cover all the insurance contributions of the employee, calculated on the basis of the initial nominal salary. As long as the employee is on "reduced working hours status", the employer is prohibited from terminating the employment contract and reducing the nominal salary of the employee.

The *IOE* highlights that businesses will not restart operations spontaneously and economies will not be able to return to previous levels of prosperity without persistent and adequate support, as well as through creating an enabling business environment with a predictable and incentivizing environment for investment, innovation and employment creation.

**(i) Active fiscal policies: Financial/tax relief for enterprises**

**19.** Short-term tax and fiscal measures have been adopted in many countries to sustain the economy. Such measures have taken various forms, including the deferral of tax and tax relief. The scope and duration of relief measures vary between countries. Deferrals have been introduced for corporate and income tax, although the period for which corporate and income tax deferral is offered differs widely between countries.<sup>21</sup> In some countries, the deferral or reduction of taxes has been targeted at specific badly affected sectors.

*Bahrain* – Value-added tax measures have been introduced in recognition of the economic disruption caused by the pandemic. The National Revenue Bureau has announced a delay for June VAT returns from 31 July to 5 August 2020 to help firms during the Eid public holidays.<sup>22</sup>

<sup>21</sup> For example, from three months in *Brazil* and *Croatia* to 18 months in *Estonia*.

<sup>22</sup> Richard Asquith, "[Bahrain COVID-19 VAT measures](#)", Avalara VATlive, 7 July 2020.

*Colombia* – Following the adoption of Decree No. 789 of 2020, the hotel and tourism sectors have been exempted from value-added tax until 31 December 2020.<sup>23</sup>

20. In some countries, tax relief has taken the form of lowering tax rates or completely waiving tax payments.

*United Kingdom of Great Britain and Northern Ireland* – Taxes for small businesses have been waived entirely for 2020.<sup>24</sup>

### *(ii) Accommodative monetary policy*

21. In some countries, the focus has been on more general policies with the potential to cushion the blow to the economy by supporting businesses. For instance, in many countries, central banks have stepped in to support lending by facilitating financial conditions, thereby enabling commercial banks to provide more loans to small and medium-sized enterprises (SMEs).<sup>25</sup>

*Malaysia* – The Central Bank announced that it has requested a six-month moratorium on all bank loans affected by the pandemic, except for credit card debt.<sup>26</sup>

### *(iii) Financial support for specific sectors*

22. In addition to the tax exemptions referred to above, and in order to mitigate the economic shock of the COVID-19 pandemic on specific sectors, including health, tourism, travel and transport, targeted measures have been introduced in many countries, such as stimulus packages or new loan instruments to support badly affected industries that employ many workers and have considerable weight in the national economy.

*Colombia* – A new credit line has been opened specifically for the tourism and aviation sectors.<sup>27</sup>

<sup>23</sup> *Colombia*, Ministry of Commerce, Industry and Tourism. “[Hasta el 31 diciembre de 2020, exclusión del IVA a los servicios turísticos y hoteleros](#)”, Press release, 4 June 2020. Similarly, in *Greece* and *Sweden*, among other countries, deferrals of VAT payments have been introduced in areas affected by the outbreak. In *Turkey*, accommodation tax has been cancelled until November 2020. The *Republic of Korea* has designated eight sectors hit hardest by COVID-19 to receive special support (travel, tourism, lodging, tourist transportation and performance, aircraft ground handling, duty free and travel retail, exhibition and international convention and airport bus sectors) as “Special Employment Support Sectors”.

<sup>24</sup> Government of the *United Kingdom*, “[Business rates relief](#)”.

<sup>25</sup> For example, in the *United States of America*, the Federal funds rate was lowered by 50 basis points in March to 0–0.25 per cent. The Federal Reserve has also introduced facilities to support the flow of credit, in some cases backed by the use of funds appropriated under the CARES Act.

<sup>26</sup> [Bank Negara Malaysia COVID-19 Portal](#).

<sup>27</sup> See Government of *Colombia* website, “[Medidas implementadas COVID-19](#)”, April 2020.

*Finland* – In its report, the Government indicates that a total of approximately €912 million has been allocated to 18,770 projects. The majority of support measures have been granted to the commerce, construction, software and gaming, tourism and restaurant sectors, together with the creative industries.

*Greece* – The Government indicates in its report that employees whose employment contract are suspended in seasonal businesses in the tourism sector were entitled to a special compensation amounting to €534 per month for the period 1 June 2020 to 30 September 2020. Those employees that are not reemployed by former employers and remain unemployed are provided with an emergency compensation equal to the amount of the last monthly unemployment benefit received. The number of days of employment to receive the benefit has been reduced from 100 days to 50 days.<sup>28</sup>

*Netherlands* – The Government has made €4,000 available for entrepreneurs in specific hard-hit sectors, such as restaurants and retail.<sup>29</sup>

*Sweden* – In its report, the Government indicates that the cultural and sports sectors have received extra funding.

*Tonga* – Based on an initial assessment of the overall impact of the pandemic on the economy, an economic and social stimulus package for 2020 of 60 million Tonga pa'anga (5.3 per cent of GDP) was announced on 2 April 2020 to provide short-term assistance to all affected sectors. Over one third of the funds will be allocated to the health sector, with the rest supporting other sectors, including tourism, transport, agriculture, education and security.<sup>30</sup>

23. The COVID-19 outbreak has placed enormous strains on the health sector in particular. In response, many governments have taken urgent measures to channel additional fiscal or financial resources into their health systems, for example to increase the availability of qualified health workers and ensure adequate occupational safety and health for them, including access to personal protective equipment (PPE).

*Italy* – Legislative Decree No. 18 of 17 March 2020 approved the “CuraItalia” programme to counter the negative effects of the coronavirus pandemic on the economy. The measures adopted amount to around 5 per cent of GDP, including €3.5 billion to strengthen the health system, for example through the immediate hiring of some 20,000 health-care professionals.<sup>31</sup>

<sup>28</sup> Financial aid has also been put in place for artists, designers, cultural and art professionals, as well as tourist guides.

<sup>29</sup> <https://business.gov.nl/subsidy/reimbursement-sectors-affected-corona-measures-togs/>.

<sup>30</sup> IMF, [Policy responses to COVID-19](#).

<sup>31</sup> *Italy*, [Legislative Decree No. 18 of 17 March 2020](#). For additional measures taken by the Italian Government, see the [website of the President of the Council of Ministers](#).

*Sweden* – In its report, the Government indicates that it is planning to increase funding for elderly care, particularly for the training of up to 10,000 assistants.

*(iv) Post-pandemic challenges for the development, implementation and review of national employment policies*

24. The Committee considers that consideration should be given to maintaining stimulus measures in place until an economic and employment recovery is firmly entrenched and that, in the aftermath of the COVID-19 pandemic, a well thought-out employment policy will be required within the framework of wider comprehensive economic policies aimed at a medium- to longer-term recovery of jobs and incomes. In this context, post-pandemic national employment policies should be based on sequenced responses ranging from immediate relief measures to intermediate and long-term measures to promote job-rich recovery. These measures will need to be tailored to take into account the disproportionate impact of the pandemic on women, as well as to address the diverse needs of specific sectors, local communities and particular categories of workers, many of whom have been affected in very different ways. The Committee further recognises the role of active labour market policies and employment services in bridging short term and long-term recovery measures and the need for a stronger connection between policy measures to ensure business continuity, active labour market support and social protection systems to promote the reintegration of workers into the labour market and prevent more people from falling into poverty and unemployment.

*Greece* – In its report, the Government indicates that a consistent network of measures that complement each other have been adopted, such as the new program for 100,000 subsidized jobs established by Joint Ministerial Decision of the Ministries of Labour and Social Affairs and of Finance. It is an open-ended program aimed at supporting the labour market through the creation of new jobs and offering significant benefits to enterprises and workers. All non-wage costs borne by enterprises and workers will be subsidized for six months, thereby offering an incentive for the retention of existing jobs and the creation of new ones.

25. Post-pandemic national employment policies should focus on employment creation, supporting hard-hit groups, promoting the establishment of a conducive business environment and stimulating productivity growth. To build greater resilience, such policies should encourage structural transformation and strengthen institutions, while making optimal use of technological innovation and new forms of work. It is essential for continued support to be provided for enterprises (especially MSMEs), for labour market interventions to be expanded to get people back into work and for social protection measures and social spending to be maintained.

*Ireland* – The Government refers in its report to Future Jobs Ireland, launched in March 2019,<sup>32</sup> a framework aimed at ensuring that the Irish economy is resilient enough to withstand shocks in the future and agile enough to take advantage of opportunities when they arise and facilitate the transitioning of enterprises and workers in response to technology and climate change developments. Future Jobs Ireland 2019 focused on five pillars, namely: (a) embracing innovation and technological change; (b) improving SME productivity; (c) enhancing skills and developing and attracting talent; (d) increasing participation in the labour force by developing and implementing a range of measures aimed at easing barriers to entry into the workforce, in particular for low participation cohorts; (e) and transitioning to a low carbon economy. The Government indicates that it is anticipated that the Future Jobs Ireland framework will be updated in light of the need to ensure the economy is green, digital and resilient, as well as due to the impact of the COVID-19 pandemic and new priorities.

*Business New Zealand* highlights the need to ensure that measures to attenuate any negative effect of innovations should not inhibit the innovations themselves.

### (b) Supporting enterprises, jobs and incomes

26. While the pandemic has affected countries in different ways and containment responses have varied markedly, countries that are heavily reliant on specific sectors or industries have tended to experience a more significant economic shock due to shrinking demand, disruptions in global supply chains, reductions in capital flows and cross-border and domestic restrictions of movement, leading in many cases to labour shortages. Both at the onset of the crisis and throughout the pandemic, national policies have given priority to channelling income compensation for workers and reducing the risk of more job losses through:

- ▶ job preservation programmes;
- ▶ supported recruitment for industries and sectors still in operation; and
- ▶ employability-oriented services to maintain labour market attachment and also to ensure workers can be quickly reallocated from one job to another.<sup>33</sup>

*Brazil* – In its report, the Government refers to the modernization of the National Employment System and to the key role played by the National Service for Industrial Learning (SENAI) in providing vocational training to prepare workers for the future of work.

<sup>32</sup> <https://dbei.gov.ie/en/Publications/Publication-files/Future-Jobs-Ireland-2019.pdf>. Already noted in the previous General Survey.

<sup>33</sup> ILO, *Covid-19: Public Employment Services and Labour Market Policy Responses*, August 2020, 12.

*Guatemala* – In its report, the Government indicates that the Labour Directorate has carried out a survey among enterprises concerning the impact of COVID-19 on employment. The survey will enable the Government to adopt appropriate measures and action plans to mitigate the effects of the pandemic. The survey had the following objectives: evaluate the impact of the emergency state on employment and unemployment rates; identify the productive sectors and occupational groups that have been most affected by the crisis; identify the productive sectors and operational groups that have increased their activity/demand as a result of the crisis; anticipate the labour demand for the second half of the year 2020; analyse the capacity of companies to reactivate labour activity and identify those sectors that are available to work with the Employment Services Network.<sup>34</sup>

*Portugal* – The Government has been adopting a series of extraordinary measures to protect workers and enterprises. The Economic and Social Stabilization Program (PEES) approved by Resolution of the Council of Ministers No. 41/2020, of 6 June, provides for a set of measures entitled ATIVAR.PT-Reinforced Support Program for Employment and Vocational Training. The Government highlights the adoption of two new ordinances under ATIVAR.PT, aimed at promoting inclusive and sustainable employment, particularly for groups in vulnerable situations. The first, Ordinance No. 207/2020, of 27 August, regulates the incentive measure ATIVAR.PT, which provides financial support to employers upon entering into a contract of employment with an unemployed person who is registered with the Employment and Vocational Training Institute. The second, Ordinance No. 206/2020, of 27 August, regulates the internship measure ATIVAR.PT, which provides support for the insertion of young people into the labour market or the occupational retraining of unemployed persons, particularly those in vulnerable situations, such as persons with disabilities.

#### ***(i) Understanding and addressing the impact of COVID-19 on specific sectors***

27. The pandemic has affected the various sectors differently. Some sectors have been required to close down completely, leading to a total loss of income. Certain sectors, such as tourism, accommodation and food services, the retail trade and manufacturing, have been affected more severely, resulting in enormous losses of jobs, wages and incomes. Moreover, workers in a precarious situation, such as those in the informal economy, casual workers and domestic workers, as well as many small businesses, have experienced a serious worsening of their situation.<sup>35</sup>

*Brazil* – The tourism industry has suffered major losses with the closure of some 80 per cent of accommodation services, and all parks and tourist attractions.<sup>36</sup>

<sup>34</sup> Similarly, in its report, the Government of *Austria* indicates that, together with the Public Employment Services, the Federal Ministry of Labour, Family and Youth is devising a strategy, with the involvement of leading research institutes, which forms the basis for planning future labour market policy based on well-founded forecasts. This team will also advise the Department of Labour on an ongoing basis in assessing the consequences of the COVID-19 crisis.

<sup>35</sup> ILO, “[COVID-19 and the world of work. Third edition, Updated estimates and analysis](#)”, *ILO Monitor*, 29 April 2020, 6. “Taking together employers and own-account workers, some 436 million enterprises worldwide are operating and working in the hardest-hit sectors.”

<sup>36</sup> World Tourism Forum Institute, “[The world of work in tourism to unemployment: Facts and figures of jobless in tourism](#)”, 11 June 2020.

*France* – By the end of March 2020, lockdown measures had resulted in the closure of 75,000 restaurants, 3,000 clubs and 40,000 cafés, affecting 1 million employees who have been placed in “technical”, or temporary unemployment.<sup>37</sup>

*United Kingdom* – In areas that are reliant on tourism, 80 per cent of workers in the hotel and food industries are reported to be on furlough schemes, with around one third of jobs at risk in the longer term.<sup>38</sup>

28. Other sectors, such as the wholesale and retail trade, have been closed down in some countries, while in others they have faced a steep decline in demand, even though operations have continued. In such cases, workers have faced radical changes in their working conditions (such as social distancing, different working schedules, cleaning and disinfectant measures).

29. Some sectors, and particularly some enterprises, have managed to continue operating through teleworking, which has enabled enterprises and workers to continue providing goods and services, while adapting to new circumstances and challenges.<sup>39</sup> In other cases, direct contacts with clients have been replaced by e-commerce, which has increased significantly in volume.

30. Some other sectors, such as health and care, waste and cleaning, and food, have been considered essential in the context of the pandemic and, as such, have been required to continue providing services to ensure the health and safety of the population. Workers in these sectors have faced additional constraints, including increased mental and physical stress, a higher risk of infection and longer hours of work, often without additional compensation for these increased risks and demands.

31. With respect to health and care workers, in many instances specific measures have been taken to ensure their protection and to provide them with adequate compensation.<sup>40</sup>

*Austria* – In its report, the Government indicates that the vast majority of care persons working in 24-hour care in Austria come from other EU Member States. To guarantee the care for dependent persons, the Federal Ministry of Social Affairs, Health, Care and Consumer Protection has established a task force, which considers possible measures, for example concerning the entry of care persons into Austria and other support measures. The pandemic has shown that Austria is highly dependent on other countries in the area of 24-hour care. In order to avoid this dependence in the future, appropriate measures should be taken in the field of 24-hour care and training.

<sup>37</sup> World Tourism Forum Institute, “The world of work in tourism to unemployment”. The Government of *Israel* indicates that the unemployment rate rose from 3.9 per cent in February 2020 to almost 28 per cent by the end of April 2020. The Government of *Slovenia* indicates that two main intervention measures were introduced: temporary lay-offs (390,000 workers affected), implemented from mid-March and short time working schemes implemented in June 2020 (39,000 workers affected).

<sup>38</sup> World Tourism Forum Institute, “The world of work in tourism to unemployment”.

<sup>39</sup> See Part IV below.

<sup>40</sup> For examples, see the ILO Policy Brief on [COVID-19 and the health sector](#), April 2020.

32. Food retail enterprises have increased recruitment, in both warehouses and food stores. The crisis has resulted in higher demand, creating more jobs in the sector. However, the agri-food sector has faced additional constraints, particularly in industrialized countries, where it is often highly reliant on seasonal migrant workers. The closure of borders and lockdown measures, as well as lack of transport, have severely affected the sector. A number of major European agricultural producer countries, including *France, Germany, Italy, Poland and Spain*, which rely on regular seasonal migrant workers, have been particularly affected by the restrictions on movement and border closures. In March 2020, the European Commission issued practical guidance for Member States on facilitating cross-border travel for seasonal workers in essential sectors, such as agriculture.<sup>41</sup>

*Germany* – Some 286,000 seasonal migrant workers are employed every year in fruit, vegetable and wine production. The Government has explored various options to enable the mobilization of sufficient numbers of workers for the harvest. The measures taken include operating direct flights for farmworkers and issuing temporary work permits for asylum seekers.<sup>42</sup>

33. In certain countries, food retail companies have introduced higher wages or bonus systems for hourly workers.

In *South Africa*, the Shoprite Group has allocated over US\$5.8 million to bonuses for shop floor and distribution centre workers in recognition of their work during the pandemic.<sup>43</sup>

34. In some countries, unions are stepping up action to obtain better protection for grocery store workers.

The Argentine Federation of Commercial Employees (FAECYS), a federation of unions representing retail workers, has negotiated a protocol with the National Hypermarkets Association awarding a special bonus to workers in grocery stores.<sup>44</sup>

*United States of America* – Unionized grocery store employees at several national supermarket chains have successfully negotiated temporary hazard pay, 14 days paid sick leave for COVID-19 cases, authorization for workers to wear masks and gloves at work, and measures to protect employees from customers (such as barriers at checkout, limits on the number of customers that may be in the store at the same time, and signage to encourage social distancing).<sup>45</sup>

<sup>41</sup> European Commission, "[Communication from the Commission, Guidelines on Seasonal Workers in the EU in the Context of the COVID-19 outbreak](#)", 16 July 2020.

<sup>42</sup> Euractiv, "[German farms need nearly 300,000 seasonal workers](#)", 25 March 2020. Similarly, in *France*, the Government created an online job matching [web portal](#) to facilitate recruitment in crop and animal farming in the absence of the 200,000 foreign seasonal workers who usually come from *Morocco, Tunisia* and some eastern European countries. This portal has been extended to other sectors in need, including health, agri-food, energy, logistics, home help services and telecommunications.

<sup>43</sup> BIZ Community, "[Shoprite Group to pay frontline workers R102m 'appreciation bonus'](#)", 25 March 2020.

<sup>44</sup> UNI Global Union, "[Argentina battles Covid-19 with trade union support](#)", 2 April 2020.

<sup>45</sup> Press Release, United Food & Comm. Workers Int'l Union & Kroger Co., [UFCW Announce Increased Pay, Benefits for Grocery Workers on Front Lines of Coronavirus Outbreak](#) (31 March 2020) (discussing UFCW agreement covering 460,000 Kroger workers across the country). For a similar agreement with Safeway workers at San Francisco Bay Area stores, see Press Release, United Food & Comm. Workers Int'l Union 5, [Local 5 Reaches Agreement with Safeway to Add Protections for Workers during Pandemic Crisis](#).

35. In some countries, governments, enterprises and unions have engaged in social dialogue and agreed on protective measures to safeguard workers' security and incomes.<sup>46</sup>

In *France*, a food processing company signed an agreement with the National Trade Union of Agro-food Industries (SNI2A), the French Confederation of Management – General Confederation of Professional and Managerial Employees (CFE–CGC) and the French Democratic Confederation of Labour (CFDT). The agreement covers workers experiencing a period of under-activity and encourages training or redeployment to other activities. Employees can volunteer to reinforce establishments or services that are in high demand. These measures are in lieu of short-time arrangements and help to prevent lay-offs.<sup>47</sup>

In *South Africa*, a collective agreement concluded by the National Textile Bargaining Council has been extended by the Minister of Employment and Labour to guarantee six weeks' full pay for 80,000 garment workers.<sup>48</sup>

36. The maritime sector has also been severely affected by measures adopted to contain the pandemic. While seafarers provide a key service to society, with more than 90 per cent of world trade moved by sea, they currently encounter difficulties worldwide as a result of the lack of application of some key provisions of the Maritime Labour Convention, 2006, as amended (MLC, 2006), and from the consequent lack of protection of their fundamental rights, as guaranteed by the Convention. As a result, they are increasingly facing physical and mental exhaustion and health and family problems. The Committee is deeply concerned by the significant challenges faced by the global shipping industry in effecting crew changes and repatriating seafarers as a result of the measures taken to contain the COVID-19 pandemic. This situation has substantive adverse impacts on seafarers' rights, including access to medical care ashore, repatriation, annual leave and shore leave. Some seafarers have been confined to vessels for months beyond the expiry of their employment agreements and often beyond the maximum period of service on board. According to the information received from the International Chamber of Shipping and the International Transport Workers' Federation, 400,000 seafarers are currently stranded on board ships and a similar number are waiting to board their vessels and earn their living. In this regard, the Committee welcomes the resolutions adopted by the United Nations General Assembly<sup>49</sup>, the ILO Governing Body<sup>50</sup> in December 2020, as well as by the International Maritime Organization Maritime Safety Committee<sup>51</sup> in September 2020, all of which reflect the seriousness of the situation and call on governments to recognize seafarers as key workers and adopt urgent measures to overcome the current crisis. The Committee refers in this regard to its General Observation of 2020 on this issue.<sup>52</sup>

<sup>46</sup> See also Part VII.

<sup>47</sup> Planet Labor, "[France: Agreement on activity management and job preservation at Danone](#)", No. 11838, 15 April 2020.

<sup>48</sup> *South Africa*, "[Regulation Gazette](#)", No. 11082, Vol. 658, 7 April 2020.

<sup>49</sup> See United Nations General Assembly Resolution (A/RES/75/17), adopted on 1 December 2020, on International cooperation to address challenges faced by seafarers as a result of the COVID-19 pandemic to support global supply chains.

<sup>50</sup> ILO, [Resolution concerning maritime labour issues and the COVID-19 pandemic \(adopted on 8 December 2020\)](#), GB.340/Resolution (Rev.2).

<sup>51</sup> See IMO Maritime Safety Committee [Resolution MSC.473\(ES.2\)](#) on Recommended action to facilitate ship crew change, access to medical care and seafarer travel during the COVID-19 pandemic.

<sup>52</sup> See ILO, CEACR, [General observation on matters arising from the application of the Maritime Labour Convention, 2006, as amended \(MLC, 2006\) during the COVID-19 pandemic](#), 2020.

*(ii) The need to extend social protection coverage*

37. The COVID-19 pandemic has served as a wake-up call in alerting the global community to the urgency of accelerating progress in building social protection systems, including social protection floors.<sup>53</sup> It is to be noted that social protection systems are almost inexistent in some countries, while in others they only provide minimum protection. The current crisis has resulted in significant reductions in economic activity and working hours. The impact of the shock on workers' incomes has varied depending on the sector and the specific containment measures applied, as well as on the level of informality and social protection coverage. In this regard, the employment status of workers is of great importance in determining the level of social protection to which they are entitled. The Committee noted in its 2020 General Survey that the majority of social protection policies cannot be dissociated from employment, which does not prevent countries from broadening the "palette" of social protection mechanisms and integrating new ones that are unrelated to employment status.<sup>54</sup> In times of crisis, an adequate response should include measures which, among other objectives: guarantee access to quality health care; enhance income security through cash transfers; adapt entitlement conditions, obligations and delivery mechanisms; protect workers in the informal economy; ensure the protection of incomes and jobs through unemployment protection schemes and other mechanisms to help enterprises retain workers and provide income support for unemployed workers; and adapt public employment schemes to the context of the pandemic.<sup>55</sup> The Committee recalls that the Employment and Decent Work for Peace and Resilience Recommendation, 2017 (No. 205), calls on Member States to give effect to the principles of Convention No. 122 during situations of crisis, and also to seek to ensure effective access to essential health care and other basic social services, in particular for population groups and individuals who have been made vulnerable by the crisis.

*Sweden* – In its report, the Government indicates that during the first 100 days of unemployment insurance, the maximum daily allowance has been increased from 910 to 1,200 Swedish krona. This will apply from 13 April 2020 to 2 January 2021.

38. In many countries with strong social protection systems, existing mechanisms have been adapted to address the social impact of the crisis. A wide range of measures have been taken to reinforce existing systems, where appropriate, or to put in place new initiatives to assist the most vulnerable. These range from new emergency and temporary social protection measures, generally in the form of cash transfers, to the extension of existing benefits.

<sup>53</sup> ILO, [Social protection spotlight – "Social protection responses to the COVID-19 pandemic in developing countries: Strengthening resilience by building universal social protection"](#), ILO brief, May 2020.

<sup>54</sup> Para. 860.

<sup>55</sup> ILO, [Social protection spotlight – "Social protection responses"](#).

*Austria* – In its report, the Government indicates that the New Start Bonus (“Neustartbonus”) was introduced in June 2020. It is intended to support job take-ups and to contribute to filling vacancies. Previously unemployed persons can apply for the new start bonus if they accept a fully insured employment relationship of at least 20 hours per week, which is less well paid than their employment relationship before unemployment. The new start bonus is calculated from the difference between net remuneration for the work performed and about 80 per cent of the net remuneration before unemployment plus social security contributions. This difference is capped at €950 net. The new start bonus is limited to work started between 15 June 2020 and 30 June 2021 and can be claimed for a maximum of 28 weeks. The currently planned budget for the new start bonus is €30 million.

*Costa Rica* – The *bono proteger* (Decree No. 42305-MTSS-MDHIS) provides temporary economic relief for workers whose income has been affected by the pandemic. It is a monthly benefit of 125,000 Costa Rican colons (US\$220) for three months for employees and self-employed workers (both formal and informal) who have lost their jobs and livelihoods and 62,500 colons (US\$110) for those working reduced hours. Accessibility is ensured through a phone application that has been used by 90 per cent of eligible workers.<sup>56</sup>

*Uzbekistan* – The period of eligibility of low-income families to social allowances has been extended by an additional six months, financed by the national crisis fund. The Government has also relaxed the eligibility criteria so that coverage can be extended to more families, including those who applied earlier but were not included due to insufficiency of funding at the time.<sup>57</sup>

<sup>56</sup> *Costa Rica*, Ministry of Labour and Social Security. “[Bono proteger](#)”.

<sup>57</sup> Ugo Gentilini, Mohamed Bubaker, Alsafi Almenfi, Pamela Dale et al., “[Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures](#)”, Living paper, version 6, 24 April 2020. Similar benefits have been provided, for example, in *Morocco* (sick and unemployed workers covered by social insurance through the national social security administration were entitled to a monthly benefit of 2,000 Moroccan dirhams (US\$204) between March and June 2020) and *Namibia* (the emergency income grant consists of a one-off benefit of 750 Namibia dollars (US\$41) to support workers who have lost their jobs and are not entitled to any other grant).

39. Some countries have introduced cash transfer schemes Some for persons living in situations of poverty to supplement and further strengthen national social protection systems, filling urgent gaps and alleviating the negative socio-economic impact of the pandemic on groups in vulnerable situations.

*Somalia*- The Government has launched the Baxnano programme which provides, for the first time, cash transfers for 1.3 million poor and vulnerable households. It is implemented by the Ministry of Labour and Social Affairs, in close collaboration with the World Food Programme and UNICEF.<sup>58</sup>

40. In many countries, existing benefits have been extended or expanded, for instance, by redefining eligibility criteria or increasing benefit levels to improve income security. In the context of the crisis, measures have been taken in a number of countries to improve social protection delivery mechanisms, and to improve access in a few countries.

*Namibia* – The Government has simplified enrolment mechanisms, for example, by introducing mobile technologies, enabling funds to be released quickly, with over 500,000 beneficiaries receiving benefit payments within three weeks.<sup>59</sup>

*Rwanda* – The Government has adapted the public works component of its flagship social protection programme. It has temporarily waived work requirements for beneficiaries of public works projects, while still paying the cash transfers and respecting physical distancing.<sup>60</sup>

41. Public employment programmes have been introduced in a few countries to support low-income and disadvantaged workers.

*Philippines* – A public employment programme (The Disadvantaged Workers Programme) has been introduced to mitigate the adverse impacts of quarantine measures on certain workers. The programme pays 220,320 participants 100 per cent of the highest prevailing regional minimum wage for up to ten days. Recipient workers are required to participate in safety training and to sanitize and disinfect their houses and the immediate vicinity.<sup>61</sup>

<sup>58</sup> ILO, Social protection spotlight – “Social protection responses”.

<sup>59</sup> ILO, Social protection spotlight – “Social protection responses”.

<sup>60</sup> ILO, Social protection spotlight – “Social protection responses”.

<sup>61</sup> *Philippines*, Department of Labor and Employment, [Department Order No. 210](#) – “Guidelines for the Implementation of the Tulong Panghanapbuhay Sa Ating Displaced/Disadvantaged Workers Program (Tupad) #Barangay Ko, Bahay Ko (Tupad #Bkbk) Disinfecting/Sanitization Project”, 19 August 2020.

*(a) Income support for quarantined workers who cannot work from home*

42. In many countries, full or partial wage compensation has been provided to ensure continued income for those who cannot work during the lockdown.

*Canada* – The [Canada Recovery Sickness Benefit](#) provides \$500 per week for up to a maximum of two weeks, for workers who: are unable to work for at least 50 per cent of the week because they contracted COVID-19; are self-isolating for reasons related to COVID-19; have underlying conditions, are undergoing treatments or have contracted other sicknesses that, in the opinion of a medical practitioner, nurse practitioner, person in authority, government or public health authority, would make them more susceptible to COVID-19.<sup>62</sup>

*Germany* – Employees have continued to receive wages, for which employers have been reimbursed by the Federal Government. Wages have also been paid during periods of isolation under the terms of the Infection Protection Act, and the employer is reimbursed by the Health Department.<sup>63</sup>

*Iceland* – Provided “quarantine payments” between 1 February and 30 April 2020 to support employers who continued to pay wages to employees in isolation who were not covered by other entitlements, such as sick leave under collective agreements.<sup>64</sup>

*Israel* – In its report, the Government indicates that the stimulus plan approved by the Cabinet provides for unemployment compensation benefits of 100 per cent until June 2021 or until the unemployment rate drops below 10 per cent, when it will be reduced to 75 per cent of the unemployment allowance.

*(b) Measures to support the self-employed*

43. Unlike employees, the majority of self-employed workers are not covered by sick leave or unemployment insurance. In many countries, they are totally or partially in the informal economy.<sup>65</sup> To address this issue, specific measures have been adopted in some countries to support the self-employed, many of whom have experienced enormous drops in income during the crisis. The measures taken range from the provision of financial and fiscal support, sick leave payments and unemployment benefits,<sup>66</sup> to lump-sum subsidies.<sup>67</sup>

<sup>62</sup> The [COVID-19 Economic Response Plan](#) also provides for additional measures for individuals: an Employment Insurance program; the Canada Recovery Benefit and the Canada Recovery Caregiving Benefit.

<sup>63</sup> *Germany*, Federal Ministry of Labour and Social Affairs (BMAS), “[Coronavirus \(SARS-CoV-2\): Questions relating to labour law and safety and health at work](#)”, 4 August 2020.

<sup>64</sup> OECD, OECD Policy Responses to Coronavirus (COVID-19), “[Paid sick leave to protect income, health and jobs through the COVID-19 crisis](#)”, 2 July 2020.

<sup>65</sup> See Part III below.

<sup>66</sup> For example, *Slovenia*.

<sup>67</sup> For example, *Republic of Korea* ([Emergency Stability Subsidy to dependent self-employed, freelancers, micro-business owners who experience economic difficulties but are not covered by employment insurance](#)).

*Denmark* – Self-employed persons and those employed in small businesses with fewer than ten employees who are facing a loss of earnings of 30 per cent or more are entitled to 75 per cent compensation, up to a maximum of 23,000 Danish kroner (€3,000) a month in indirect financial support. Where the partner of a self-employed person or small business owner is also employed in the business, the compensation ceiling is increased to 46,000 kroner (€6,000).<sup>68</sup>

*France* – A solidarity fund of €2 billion has been established for the self-employed, which provides €1,500 monthly compensation for self-employed persons and small companies with a turnover below €1 million who have experienced a fall in turnover of 70 per cent or more.<sup>69</sup>

*Netherlands* – In its report, the Government refers to the TOZO, that consists of a temporary bridging measure for self-employed professionals. The scheme runs from 1 March to the end of September. The TOZO may be extended until July 2021 following a test of available funds. Self-employers will be provided with further retraining and reorientation.

*Mauritius* – A Self-Employed Assistance Scheme (SEAS) was implemented through the Mauritius Revenue Authority (MRA) to assist self-employed persons who have suffered a loss of revenue as a consequence of lockdown during the pandemic. The Scheme provided for the payment of Rs 5,100 to eligible self-employed individuals for the period of confinement (20 March–15 April 2020).<sup>70</sup>

*Morocco* – A National Medical Assistance Programme (RAMED) was established on 27 March 2020, under which financial assistance was extended to informal workers who lost their incomes due to compulsory lockdown. RAMED is a subsidised, non-contributory health insurance scheme for vulnerable households and covers about 20 per cent of the population. The funds for this initiative consisted of approximately 2.7 per cent of the GDP, financed by the Government and by voluntary contributions from public and private entities.<sup>71</sup>

<sup>68</sup> OECD, OECD Policy Responses to Coronavirus (COVID-19), “[Coronavirus \(COVID-19\): SME policy responses](#)”, 15 July 2020.

<sup>69</sup> France, Ministry of the Economy, Finance and Recovery, “[Coronavirus COVID-19: Les mesures de soutien aux entreprises](#)”.

<sup>70</sup> <https://www.mra.mu/index.php/media1/self-employed-assistance-scheme>.

<sup>71</sup> <https://www.wiego.org/sites/default/files/resources/file/02%20Social%20Protection%20Responses%20to%20Covid-19%20FRA.pdf>.

**(iii) Employment retention measures**

44. Employment retention measures generally consist of incentives to encourage employers to retain workers during periods when a business is forced to close or reduce its operations. The objective of these measures is to keep workers on the payroll so that enterprises are ready to resume operations as soon as restrictions are eased or lifted. Such measures may include work-sharing, a shorter working week<sup>72</sup> and wage subsidies.<sup>73</sup>

*Australia* - Support is available for small businesses to enable them to retain apprentices. Eligible employers can apply for a wage subsidy of 50 per cent of the apprentice's wages for up to nine months between 1 January and 30 September 2020. Where a small business is not able to retain an apprentice, the subsidy is available to any other employer that can take on the apprentice. This measure is designed to support up to 70,000 small businesses with around 117,000 apprentices.<sup>74</sup>

*Canada* - Special temporary work-sharing measures to support employers and workers affected by COVID-19 are applicable from 15 March 2020 to 14 March 2021, and are not limited to a specific sector or industry.<sup>75</sup> The Government has taken further measures to avoid lay-offs, rehired employees and create new jobs through [Canada's COVID-19 Economic Response Plan](#).<sup>76</sup>

*The Single Confederation of Workers of Colombia (CUT) and the Confederation of Workers of Colombia (CTC)* refer to the implementation of the Formal Support Program (PAEF), which provides wage subsidies (40 per cent of the minimum wage) to those companies that have suffered a 20 per cent income fall. The CUT and the CTC highlight that, while MSMEs generate approximately 90 per cent of formal employment in the country, as of July 2020 only 1.1 per cent of micro and small enterprises had benefited from the program. They also observe that, according to the National Household Budget Survey, the aforementioned subsidy only represents 10 per cent of the average expenditure of the poorest households in the country.

<sup>72</sup> There are proposals and projects for shorter working hours, for example in *New Zealand*. Matt Burrows, "[Four-day work week: A silver bullet for New Zealand's economy post-COVID-19 or an idealist fantasy?](#)", Newshub, 2 June 2020.

<sup>73</sup> ILO, "[Temporary Wage Subsidies](#)", Factsheet, 22 May 2020.

<sup>74</sup> The Government of *Australia*, Business, "[Supporting apprentices and trainees](#)". Similarly, in *Germany*, the Securing Apprenticeships programme aims at preserving the offer of apprenticeships and support the continuation of vocational training courses already begun in order to give young people reliable prospects for their future careers.

<sup>75</sup> Government of *Canada*, "[Work-Sharing Program - COVID-19](#)". In its report, the Government also refers to the implementation by the Government of Quebec of the Action Plan for Labour (Plan d'action sur la main d'oeuvre PAMO) that aims to integrating workers in the labour market, adapting skills training future workers and increasing enterprises productivity. The plan focuses in particular on older workers, workers with disabilities and indigenous peoples.

<sup>76</sup> See *Canada*, [Canada's COVID-19 Economic Response Plan](#).

*Dominican Republic* – Enterprises affected by the lockdown and registered with the social security fund are entitled to receive a wage subsidy of 70 per cent of the wages paid between 5,000 and 8,500 Dominican pesos (US\$90–US\$160) per employee each month.<sup>77</sup>

*Netherlands* – In its report, the Government refers to the NOW scheme which consists of a subsidy for employers for the payment of wages. Companies with a minimum of 20 per cent decrease in turnover get a subsidy for 90 per cent of the wage costs. In the first phase of the NOW scheme, 140,000 firms received almost €10 billion in subsidies enabling payment of wages for 2.7 million employees. For the second phase, the figures are 63,000 firms, €5.4 billion and 1.3 million employees. The estimated amount of subsidies paid out in the third phase of the NOW scheme is €5.4 billion. The Dutch Government now introduces a phasing-out scheme of the 90 per cent subsidy in three steps of three months each: from 1 October 2020 80 per cent, from January 2021 70 per cent, and from April 2021, 60 per cent of wage cost subsidies. Also, the eligibility requirement is a 30 per cent decrease in turnover from October 2020.<sup>78</sup>

*Romania* - Wage subsidies for workers in temporary (technical) unemployment have been established. The Government covers up to 75% of the wages of such workers, but not exceeding 75% 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 where the turnover of the company was reduced by at least 25% due to the pandemic.

#### 45. Short-time working arrangements are widespread in Europe.<sup>79</sup>

*Austria* – In its report, the Government refers to the Corona Short-time work (Covid-19-Kurzarbeit). In the case of “temporary, non-seasonal” economic difficulties due to the pandemic, company employees have the option of reducing their working hours by 10–90 per cent for 3+3 months. The financial means are available for small and large companies in all sectors. A social partner agreement is necessary. The employment level in companies must be maintained during COVID-19 short time work.<sup>80</sup>

<sup>77</sup> ILO, Social protection spotlight – “Social protection responses”. Similarly, *Ireland* has developed two main Government schemes available to support those whose income from employment has been affected due to COVID-19. These are the Pandemic Unemployment Payment (PUP) which is administered by the Department of Employment Affairs and Social Protection (DEASP), and the Temporary Wage Subsidy Scheme (TWSS) which is being administered through the Revenue Commissioners. These two COVID-19 income supports were originally set up as short-term emergency income supports but have been extended several times.

<sup>78</sup> Similarly, the *Republic of Korea* has adopted the “Employee retention subsidy”, see [Responding to COVID-19 - Emergency Employment Measures](#), 4.

<sup>79</sup> Short-time work is a subsidy to compensate for temporary reductions in the number of hours worked in firms affected by temporary shocks. Thorsten Schulten/Torsten Müller, Kurzarbeitergeld in der Corona-Krise – [Aktuelle Regelungen in Deutschland und Europa, WSI Policy Brief No. 38 04/20](#).

<sup>80</sup> Similarly, *Czechia* has adopted short-time work schemes in the framework of its “antivirus” employment support program.

*Germany* – The Act on the temporary improvement of the regulations for short-time work compensation due to the crisis has made it much easier for workers to receive short-time working benefit. The Act enables an enterprise to introduce short-time work if at least 10 per cent of its employees are affected by a reduction in working hours. Short-time work can be introduced in enterprises and covers regular and temporary agency workers. Eligibility for the benefits is independent of the status of any individual working time accounts. In addition, employers' social security contributions are fully reimbursed for a certain period. In addition, some unions have recently concluded collective agreements in which benefits have been increased, in some cases to almost 100 per cent of net wages.

46. Enterprises have also adopted innovative measures to help ensure that jobs are maintained. One such measure consists of sharing a post as well as of redeploying workers to sectors where additional workforce is needed. To facilitate this adaptation, jobs, workers and capital are reallocated to the extent possible, to more productive uses.<sup>81</sup>

47. Some enterprises have agreed to take on workers from other firms in hard-hit sectors.

*Argentina* – The automaker General Motors Argentina and Unilever Argentina announced an agreement during the crisis. Unilever's plant in Villa Gobernador Galvez (Santa Fe) included in its workforce a group of workers from the General Motors plant in Alvear (Santa Fe), which had suspended operations due to the crisis in the automotive sector.<sup>82</sup> Furthermore, McDonald's and the Chamber of the Argentine Software Industry (CESSI) have signed an agreement for the temporary transfer of employees from the fast food chain to technology firms, which will train the workers and will have the opportunity to hire them on a permanent basis.<sup>83</sup>

*China* – Some catering industries based in Beijing agreed with Alibaba to send their employees to work in Hema, the enterprise's retail grocery chain.<sup>84</sup>

*United States* – Sysco Corporation (a global leader in selling, marketing and distributing food products to restaurants, healthcare and educational facilities) entered into an agreement with the Kroger Company. Pursuant to the agreement, workers from Sysco who had been temporarily furloughed due to COVID-19 will have the opportunity to be redeployed to work at Kroger locations.<sup>85</sup>

<sup>81</sup> See in this regard, VOXEU CEPR, José María Barrero, Nicholas Bloom, Steven Davis, [COVID-19 and labour reallocation: Evidence from the US](#), 14 July 2020.

<sup>82</sup> Unilever, "[Unilever y General Motors hacen posible un acuerdo innovador para la incorporación temporal de operarios](#)", Press release, 10 May 2020.

<sup>83</sup> CESSI Argentina, "[La Cámara de la Industria Argentina del Software y McDonald's firman un acuerdo de cooperación laboral y desarrollo profesional](#)", Noticias, 13 July 2020.

<sup>84</sup> <https://news.cgtn.com/news/2020-03-09/Employee-sharing-helping-companies-get-through-COVID-19-OqvFZWc67m/index.html>. See also other examples in *Argentina*: [https://www.clarin.com/economia/crisis-crece-pase-prestamo-empleados-empresas\\_0\\_dFAtsNMZS.html](https://www.clarin.com/economia/crisis-crece-pase-prestamo-empleados-empresas_0_dFAtsNMZS.html).

<sup>85</sup> <https://investors.sysco.com/annual-reports-and-sec-filings/news-releases/2020/03-27-2020-201531734>.

48. In a few countries, changes have been introduced to the regulations on dismissal and short-term work (STW) programmes have been launched.

49. Many workers are carrying out tasks they would never have imagined doing before the crisis. Some are producing surgical masks and gowns in workplaces originally destined to manufacturing cars or sportswear. Enterprises are adapting, in some cases reskilling, and redeploying labour from sectors where demand has plummeted to others where the need for workers is higher.<sup>86</sup> This mobility also enables enterprises to at least temporarily replace workers who fall sick.

50. In addition, deconstructing jobs into their component tasks makes it easier to determine which tasks can be performed by workers working remotely or in other geographic locations.<sup>87</sup>

51. While all of these measures seek to avoid dismissals and lay-offs and ensure the survival of the enterprise, the issue is whether the employer can require the employee to perform work outside of his or her job description. In this regard, the Committee recalls that exceptional circumstances may allow for exceptional measures and highlights the importance of promoting constructive social dialogue in the enterprise with the aim of enabling the parties to find the best balance between what is needed to keep the enterprise functioning with jobs that employees can perform or that are appropriate for them to perform, taking into account their skills and experience.<sup>88</sup>

*Netherlands* – In its report, the Government indicates that following the NOW2 scheme employers have been obliged to help their employees find another job via advice on retraining and re- and upskilling efforts. This has been facilitated by the “Netherlands continues to learn” subsidy scheme that was introduced from 1 August. The scheme consists of free training and development advice and (online) training. The aim is to facilitate workers to move to sectors where there is a large demand for workers, as in health care and logistics.

*Peru* – The General Directorate for Standardisation, Training for Employment and Certification of Labour Competences has issued the “Guidelines for the Development and Strengthening of Competences for Employability” (Ministerial Resolution NO. 017-2020-TR) with the objective of encouraging the development of competences to foster labour market inclusion. Furthermore, Resolution No. 016-2020-MTPE/3/19 approves the “Provisions for the implementation of training in skills for employability in virtual mode” for implementation of virtual training. Resolution No. 0023-2020-MTPE/3/19 approves the “Protocol of Criteria for the Review and Selection of Virtual Courses and Digital Resources in the Framework of the Virtualisation of the Labour Training Service”.

<sup>86</sup> <https://hbr.org/2020/04/how-the-coronavirus-crisis-is-redefining-jobs>.

<sup>87</sup> <https://hbr.org/2020/04/how-the-coronavirus-crisis-is-redefining-jobs>.

<sup>88</sup> See for example the questions and answers by the United States Department of Labor, [COVID-19 and the Fair Labor Standards Act Questions and Answers](#).

*Trinidad and Tobago* – In its report, the Government indicates that the Ministry of Labour and Small Enterprise Development (MOLSED) is developing a Ten-Point Plan on Unemployment titled “Empowering Unemployed persons-Re-integration into Decent Work: Turning Adversity into Opportunity”. Among the objectives of the plan, it aims at facilitating jobs and skills matching, providing counselling and up-skilling suitable retrenched workers to be technical and vocational teacher for secondary schools; Providing seed capital and start-up business financing for retrenched workers and support in forming Co-operatives; providing support to the formation of Small Businesses and Co-operatives-focus on Training and Development.

**(iv) Helping enterprises to survive the crisis**

**52.** In many countries, measures have been taken to mitigate the economic impact of the pandemic on businesses of all sizes in all sectors. These measures include the deferral of rent and utility payments, the deferral of debt repayments and social security contributions, grants and subsidies, and the provision of direct loans.

*Finland* – In its report, the Government indicates that additional support of €20 million has been allocated to ensure business survival at regional level. A further €150 million was allocated to support medium-sized enterprises in sudden temporary difficulties caused by the COVID-19.

**(a) Measures to temporarily alleviate the burden on businesses of paying rent, utility bills or local taxes**

**53.** In some countries, payments of rent and utility costs have been deferred to prevent liquidity problems for companies, and particularly for MSMEs.

*France* – Order No. 2020-316 of 25 March 2020 provides for the deferral of rent, gas and electricity payments in order to support companies affected by the pandemic. The Government has asked electricity and gas suppliers and the owners of premises to grant deferrals of rent and electricity and gas bills for very small enterprises.<sup>89</sup>

*Netherlands* – In its report, the Government refers to the one-time reimbursement of €4,000 to specific sectors that ran until end of May. The Government further indicates that enterprises, in particular from the catering, recreation, events, fairs and cultural sectors and receive from 1 June to end September 2020 a tax-free compensation of up to €50,000 to cover their fixed expenses. The amount depends on the size of the company, the costs and the loss of turnover.<sup>90</sup>

<sup>89</sup> Bpifrance, “[Le report de paiement de loyer, de gaz et d’électricité](#)”, updated on 20 May 2020.

<sup>90</sup> Similarly, in *Sweden*, [the Riksdag has decided that landlords who reduced fixed rents for tenants in certain vulnerable sectors](#) during the period 1 April until 30 June 2020 will be able to apply for support to compensate part of the reduction. The compensation provided will be at most 50 per cent of the reduction in fixed rent, namely, the actual discount, but at most 25 per cent of the original fixed rent.

*Oman* – Rent payments have been suspended for companies in industrial zones for the next three months.<sup>91</sup>

*Qatar* – A funding programme of 75 billion Qatari rials (US\$20.6 billion, or about 13 per cent of GDP) has been introduced to shore up small businesses and badly affected sectors (hospitality, tourism, retail, commercial complexes and logistics), including through six-month exemptions from utility payments (such as water and electricity). SMEs are also exempt from paying rent for six months.<sup>92</sup>

*(b) Debt payment moratorium*

54. In some countries, a debt moratorium has been introduced by governments or private institutions, such as commercial banks.

*Brazil* – The Federation of Banks has announced an agreement under which the five largest banks in the country (Banco do Brasil, Caixa, Itaú Unibanco, Bradesco and Santander) will respond to requests for a 60-day extension of debt maturity for individuals and SMEs.<sup>93</sup>

*Israel* – The five largest banks in the country, which account for around 99 per cent of overall banking activity, have declared a deferral of mortgage and loan payments (with a waiver of deferred payment fees) for the next three months. The largest mortgage bank in the country, Mizrahi Tefahot, is postponing payments for four months.<sup>94</sup>

*(c) Deferral of social security and pension contributions*

55. In a number of countries, employers have been authorized to delay the payment of social security contributions and pensions as well as health insurance. In many cases, governments have taken over the payment of social security contributions.<sup>95</sup>

*Czechia* – The Government indicates in its report that self-employed persons were authorized to apply for a 6-month waiver of health insurance payments.

<sup>91</sup> IMF, “Policy responses to COVID-19”, Oman, updated on 29 July 2020.

<sup>92</sup> IMF, “Policy responses to COVID-19”, Qatar, updated on 30 July 2020.

<sup>93</sup> [https://www.em.com.br/app/noticia/economia/2020/03/16/internas\\_economia,1129304/bancos-vaio-prorrogar-por-60-dias-dividas-de-clientes-para-socorrer-e.shtml](https://www.em.com.br/app/noticia/economia/2020/03/16/internas_economia,1129304/bancos-vaio-prorrogar-por-60-dias-dividas-de-clientes-para-socorrer-e.shtml).

<sup>94</sup> Similar measures have been adopted in other countries, such as *Egypt* and *Saudi Arabia*. See OECD, “[Coronavirus \(COVID-19\): SME policy responses](#)”.

<sup>95</sup> For example, the Government of the *Republic of Korea* indicates that it has temporarily delayed deadlines for contribution payments for employment insurance and industrial accident compensation insurance for enterprises with less than 30 employees for a period of three months and reduced the amount of industrial accident compensation insurance contribution by 30 per cent. [Responding to COVID-19 - Emergency Employment Measures, 7](#).

*Hungary* – Exemption from social security contributions has been granted for sectors that have been severely affected by the pandemic (tourism, the film industry, restaurants, entertainment venues, gambling, sports, cultural services, passenger transport).<sup>96</sup>

*Turkey* – Social security contributions have been deferred for six months for the retail, iron and steel, automotive, textile, entertainment and hospitality sectors, food and beverage businesses, shopping malls and event organizers.<sup>97</sup>

(d) *Grants, subsidies and loans to enterprises*

56. A large number of governments have strengthened direct lending to SMEs.<sup>98</sup>

*Chile* – An existing programme of targeted subsidies for companies experiencing hardship due to the pandemic has been extended to firms in the tourism sector, starting in April 2020.<sup>99</sup>

*Israel* – In its report, the Government indicates that over 300,000 self-employed (individuals and businesses) have received an immediate grant. For example, those who experienced a decline in turnover of at least 40 per cent will receive a stipend of up to 70 per cent of taxable income. Furthermore, the Government refers to measures expanding loans for enterprises and tax refund for property tax expenditures until the end of June 2021.

*Lithuania* – The Government has established a fund to provide liquidity to medium-sized and large businesses through direct loans or investments in equity and debt securities until the end of 2020.

57. In some countries, administrative procedures have been simplified to facilitate access to loan guarantees and measures have been extended to encourage commercial banks to expand their lending to SMEs. In particular, in Europe and Asia and the Pacific, governments have introduced or intensified guarantee schemes to encourage banks to support lending to

<sup>96</sup> Similar measures have been taken, for example, in *Argentina, Brazil, Israel* and *Peru* ([Supreme Decree No. 044-2020-PCM](#)), and *Sweden* (the reduction for corporate social security contributions applies to up to 30 employees per company and up to a payroll expense of 25,000 Swedish krona per employee and month. See also OECD, “Coronavirus (COVID-19): SME policy responses”. The Government of *Germany* has taken measures to provide complete reimbursement of social insurance contributions.

<sup>97</sup> See OECD, “Coronavirus (COVID-19): SME policy responses”.

<sup>98</sup> For example in *Australia, Austria, Brazil, Canada, Chile, Colombia, Croatia, Czechia, China – Hong Kong Special Administrative Region, India, Ireland, Japan, Lithuania, Luxembourg, Malaysia, Portugal, Republic of Korea, Saudi Arabia, Slovenia, Spain, Switzerland, Thailand, United Kingdom* and *United States*. See OECD, “Coronavirus (COVID-19): SME policy responses”.

<sup>99</sup> See OECD, “Coronavirus (COVID-19): SME policy responses”.

SMEs.<sup>100</sup> The measures include the extension of the types of SMEs and enterprises covered, raising the ceiling for the guarantee as a percentage of the loan, the acceleration of guarantee and lending procedures and, more generally, an increase in the public funding available to support guarantees.

*Lithuania* – The State will provide rapid liquidity aid to companies amounting to €2 billion. Up to 80 per cent of the principal of loans to micro companies and SMEs, and up to 70 per cent for large companies, will be guaranteed.<sup>101</sup>

*Norway* – A loan programme has been established, through which lenders receive a guarantee on 90 per cent of the value of new loans issued to SMEs affected by the pandemic. The Government has also proposed to reinstate the Government Bond Fund to support larger companies. The two programmes combined will cover up to 100 billion Norwegian krone in loans and will help to secure jobs through the improved access to liquidity of Norwegian companies.<sup>102</sup>

#### *(e) Measures to support digitalization*

58. Action has been taken in some countries to help enterprises adopt new work processes, accelerate digitalization and find new markets. These policies are designed to address urgent short-term challenges, while contributing to strengthening the structural resilience of SMEs as a basis for their further growth. The policies include support for: finding alternative markets, teleworking and digitalization, innovation and the (re)training of the workforce. They are particularly important as SMEs often face greater difficulties than larger businesses in adopting new technologies and methods without assistance. Support for the introduction of new technologies and practices may also enable them to strengthen their post-crisis competitiveness.

*Angola* – The Government refers in its report to the priorities established in the National Development Program (2018-2022) which include supporting the establishment of micro and small enterprises by encouraging banks to offer micro credit and low-interest loans.

*Canada* – In its report, the Government indicates that in June 2020, the Government of Québec announced the launch of a new free and simple placement service, Jetravail!. This service allows employers to make their labour needs known in real time and jobseekers to apply for a position in just one click. This initiative is part of a series of government actions to support the gradual recovery of economic activities in the context of the coronavirus pandemic.

<sup>100</sup> For example in *Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Greece, China – Hong Kong Special Administrative Region, Ireland, Israel, Italy, Japan, Lithuania, Netherlands, Norway, Poland, Portugal, Republic of Korea, Romania, Saudi Arabia, Singapore, Spain, Switzerland and United Kingdom*. See OECD, “Coronavirus (COVID-19): SME policy responses”.

<sup>101</sup> STA, “[State to guarantee up to 80% for loans to SMEs, 70% for large companies](#)”, 22 April 2020.

<sup>102</sup> Government of Norway, “[Guarantee and loan programmes improving liquidity for Norwegian companies](#)”, Press release No. 8/2020, 20 March 2020.

*Czechia* – The Government indicates in its report that measures have been taken to digitalize the labour office. The “Antivirus Program” has been handled only electronically. Furthermore, measures have been taken to reduce the administrative burden.

*Guatemala* – In its report, the Government indicates that with a view to foster formal employment and ensure skills and job matching, virtual fairs have been organized in 2020.

*Italy* – The Ministry of Innovation and Digitalization has launched a “Digital Solidarity” initiative. A portal has been established through which companies (particularly SMEs and the self-employed) can register to access digital services without cost from large private sector companies in such areas as smart/teleworking, video conferencing, access to mobile data and cloud computing, among others, to help them cope with restrictions on movement and work.<sup>103</sup> The Government refers in its report to the New Skills fund established by Decree-Law No. 34 of May 2020 to facilitate the resumption of activities. It provides funds for the reskilling and upskilling of workers whenever enterprises adjust their organizational and production models as a result of the crisis.

*Republic of Korea* – The Government indicates in its report that it has taken measures for the support of online market entry for micro-business owners. The support is provided through different channels, with the objective of improving sales and management. In particular, the Government is providing and expanding Smart stores that apply cutting-edge technologies, such as the internet of things, virtual reality or augmented reality to small businesses. Businesses are trained on data utilization for measuring (for example, on how to use a 3D foot scanner), immersive content (virtual or augmented reality that enables smart mirrors or virtual interior decoration) or business operation innovation (smart ordering systems).

59. In several countries, existing programmes have been expanded, or new initiatives launched in the context of the pandemic for the provision of training and skills development to SMEs. An important aspect of the policy response to the crisis is to enable businesses, and particularly SMEs, to maintain access to skills and develop further skills during the pandemic.

*China* – Training for SMEs is being subsidized, including free access to online training platforms. Technical know-how and management lessons are being provided to SMEs free-of-charge during the pandemic via mobile platforms.<sup>104</sup>

<sup>103</sup> *Italy*, Ministry for Technological Innovation and Digitalization, “[Solidarietà digitale. Coronavirus: la digitalizzazione a supporto di cittadini e imprese](#)”.

<sup>104</sup> Xinhuanet, “[Free online course open to SMEs to weather epidemic](#)”, 12 February 2020.

*Finland* – In its report, the Government indicates that the Employment and Economic Development offices will be provided with an extra allocation of €10 million for digital services. A comprehensive digital job marketplace platform is being designed to support the digital services. Additional financing of €1 million is proposed for the Digital Employment follow-up project. The project will enable a better match between jobs and workforce in the real estate and construction sectors.

*Peru* – In its report, the Government indicates that the procedures for obtaining the Single Labour Certificate have been simplified in its two versions CERTIJOVEN and CERTIADULTO, replacing the procedure that was carried out in person with a process of verifying the applicant's virtual identity; and work is being done on the redesign and improvement of the labour intermediation service, within the framework of the National Employment Service, as measures envisaged in order to reduce the impact of COVID-19 on the lives of workers and to allow greater opportunities in the formal labour market in this scenario. (Report No. 255-2020).<sup>105</sup>

*The Confederation of British Industry (CBI)* has warned that Britain faces a “stark choice” between investing in workers' skills and lifelong learning or experiencing sustained rates of high unemployment. The business group said nine out of ten people will need new skills by 2030 to support the future of the *United Kingdom* economy, requiring an additional £13bn (\$16.8bn) a year.<sup>106</sup>

*(f) Flexible arrangements to cope with the crisis*

**60.** In some cases, workers' labour rights have been deferred or modifications have been negotiated to ensure the survival of enterprises. For example, a number of enterprises have negotiated the exercise of the right to paid annual leave with workers' representatives, as a means of coping with lockdowns. Where enterprises have been forced to close down and workers have been unable to go to the workplace, the question has arisen whether this period of time could be characterized as annual leave, particularly in those cases where workers have already received their wages, but were not able to go to work and were unable to perform their tasks through teleworking. In principle, such periods of annual leave should be agreed upon between the employers and the workers. Nevertheless, workers should be able to object to counting non-working days due to lockdowns as annual leave days. In many countries, employers and workers have agreed to arrangements whereby the worker will take a period of paid annual leave during lockdown or where work has temporarily declined due to a drop in demand due to the crisis. Special provisions have been adopted in some countries in this regard.

**61.** The Committee points out that such measures, whose objective is to ensure the enterprise's ability to survive the current crisis, and which are primarily agreed through social dialogue, should be distinguished from measures taken with the objective of depriving workers of acquired rights that form part and parcel of the employment relationship and which are examined in Part II.

<sup>105</sup> Similarly, the Government of *Israel* indicates that measures were taken during the lockdown to ensure that active labour market programmes continue to operate through digital means.

<sup>106</sup> CBI, [A radical new strategy for lifetime reskilling](#), 19 October 2020.

*Italy* – The Government, after consultation with the social partners, has encouraged public and private employers to promote the use of annual leave as a means of coping with the need to reduce the spread of the virus by suspending business activities.<sup>107</sup>

*Uruguay* – On 20 April 2020, the Ministry of Labour and Social Security (MTSS) issued Resolution No. 55/2020, authorizing advance use of paid leave. The Resolution authorizes, exceptionally and under specific conditions, the possibility of an agreement between the worker and the employer allowing the use of annual paid leave before it is accrued in 2020. Any such agreements must be set out in writing and be submitted to the MTSS. Moreover, the motive for the agreement must be linked to the COVID-19 pandemic. The agreement must cover the entire amount of the annual leave to be accrued in 2020 but in any event it cannot cover a period of less than ten days.<sup>108</sup>

*(g) Multinational enterprises, global supply chains and COVID-19*

**62.** The interconnectedness of the global economy has amplified the impact of the pandemic, directly affecting international trade and the global supply chains that link production in multiple locations across the world. As a result, production disruptions due to the lockdown in one location have had ripple effects throughout supply chains, with widespread intra- and inter-industry impacts globally affecting all levels of supply chains, from industries engaged in the extraction of raw materials to those involved in assembly, and ultimately distribution and sales.<sup>109</sup> This has obvious repercussions on jobs at national and local level and thus on the promotion of full, productive and freely chosen employment. In this respect, the Committee notes that multinational enterprises and global unions have been active in adopting measures to ensure the safety of workers in global supply chains.

The food retailers Auchan, Carrefour, the Casino Group, El Corte Inglés and Eroski, have signed a Joint Declaration in which they undertake to work with UNI Global Union to protect supermarket workers and customers during the pandemic. In the Joint Declaration, the food retailers recognize the vital role of supermarket workers during the crisis and pledge to make workers' safety a priority. The signatories also agree to work closely with trade unions around the world on measures to manage risks related to COVID-19.<sup>110</sup>

<sup>107</sup> *Italy*, Decree of the President of the Council of Ministers, 26 April 2020, [Ulteriori disposizioni attuative del decreto-legge 23 febbraio](#).

<sup>108</sup> <https://www.gub.uy/ministerio-trabajo-seguridad-social/comunicacion/noticias/mtss-autoriza-adelantar-licencias-generadas-2020#:~:text=El%20Ministerio%20de%20Trabajo%20y,la%20pandemia%20ocasionada%20por%20el>.

<sup>109</sup> ILO, "[The effects of COVID 19 on trade and global supply chains](#)", Research brief, June 2020. See also Oxford Business Group, "[The impact of COVID-19 on global supply chains](#)", 24 April 2020.

<sup>110</sup> UNI Global Union. "[Global food retailers sign landmark Declaration with UNI to tackle Covid-19, others should follow](#)", News, 20 April 2020.

63. Other initiatives have been launched at the global level. For example, the International Chamber of Commerce (ICC) has launched an initiative “Save Our SMEs”, which invites multinational corporations to preserve their supply chains, operations and workforce as the economic repercussions of the pandemic ripple through global supply chains.<sup>111</sup> Analysis of the medium and long-term effects of the pandemic on enterprises and workers, as well as supply chain sustainability and the world of work, suggests that the pandemic offers an important opportunity to enhance the resilience and sustainability of global supply chains and strengthen their contribution to inclusive economic growth in developing and emerging economies.<sup>112</sup>

### (c) Protecting workers in the workplace

64. As enterprises and workers resume their activities, effective action is needed to address the challenge of keeping workers safe and preventing the further spread of the virus.<sup>113</sup> The main challenge is to reduce the exposure of workers to COVID-19 in the workplace while keeping businesses afloat.<sup>114</sup> Lack of protection, insufficient occupational safety and health measures or paid sick leave arrangements put workers at higher risk of contagion and increase potential transmission of the virus, which could consequently impact on enterprises’ productivity.

The *ITUC* indicates that precarious workers on various flexible contractual arrangement, whether zero hours, casual, temporary, outsourced or fixed term and who, in the majority, have been at the forefront of providing essential services during the pandemic must be afforded better employment protections and safeguards.

The Confederation of German Employers’ Associations (*BDA*) (Germany) has indicated that flexible forms of employment help meet rising demands for flexibility and the pressure of competition that increases with globalisation. The *BDA* adds that “flexible forms of employment frequently reflect employees’ individual ambitions and circumstances”.

### (i) The need to strengthen occupational safety and health measures

65. Occupational safety and health (OSH) measures have been strengthened in most countries through the establishment of workplace policies setting out basic measures to prevent the transmission of COVID-19, including social distancing, self-monitoring and self-isolation. It should, however, be recalled that, as the crisis unfolded, millions of workers continued to work and to provide services that were considered essential for the community,<sup>115</sup> while facing significant occupational health risks.

<sup>111</sup> In relation to the “Save our SMEs” initiative, the ICC Secretary General has emphasized that “[t]here is no one-size-fits-all approach to corporate leadership in this unprecedented crisis, but there are many things corporates can do, from modifying payment terms to provide much-needed cash flow to suppliers, to granting credit and rent relief to distributors. Such generosity of spirit will not only help keep the global economy afloat, but will pay dividends down the line, guaranteeing a smoother resumption of business activities in the post-crisis recovery.” ICC, “[ICC calls on corporate leaders to ‘Save our SMEs’](#)”, News, 20 April 2020. See also Part IV.

<sup>112</sup> ILO, “The effects of COVID 19 on trade and global supply chains”.

<sup>113</sup> ILO, “[World Day for Safety and Health at Work 2020. Stop the pandemic: Safety and health at work can save lives](#)”, 29 April 2020.

<sup>114</sup> ILO, “[Prevention and Mitigation of COVID-19 at Work: Action checklist](#)”, 9 April 2020.

<sup>115</sup> Services considered to be essential within the context of the COVID-19 pandemic were defined in each country at the national level.

*France* – Workers in Amazon warehouses organized protests about their working conditions, including the lack of hygiene products and the inability to ensure social distancing. On 3 April 2020, the labour inspection services confirmed the presence of safety hazards. The Ministry of Labour ordered Amazon to take further measures to protect its employees. The court of Nanterre determined that Amazon was still not providing sufficient safety measures and decided to ban its sale of non-essential items until the risks were assessed and addressed.<sup>116</sup> Ultimately, a collective agreement was signed with various trade unions present in the enterprise.

*Germany* – A number of occupational health and safety requirements have been established since the onset of the pandemic. These concern, for example: the ventilation of rooms, the reduction of business trips, the use of highly personalized work equipment and tools (to prevent infections) and the organization of work processes with the aim of avoiding contact wherever possible.

*Mexico* – Companies were required to: (i) provide sanitary products and PPE for workers; (ii) organize schedules for the use of facilities so as to reduce contact; (iii) separate shared workstations by a distance of between 1.50 and 2 metres. More generally, the Ministry of Labour and Social Security (STPS) launched the “Together for Work” (*Juntos por el Trabajo*) initiative to share with workers, employers and the general public a set of tools, guidelines, training courses and practical advice about the changes in the labour market due to COVID-19.<sup>117</sup>

*United States* – A substantial number of states in the United States mandated the use of masks at all times by the public as well as by workers inside grocery stores, pharmacies, and other retail establishments.<sup>118</sup> Several states also require employers to provide PPE to workers at the employers’ expense.<sup>119</sup>

<sup>116</sup> Similarly, in the *United States*, in *Massey v. McDonald’s Corp.*, an Illinois state court granted partial injunctive relief, finding that the restaurants’ training on social distancing and ensuring use of masks was deficient. See Angela Childers, [McDonald’s Ordered to Train Workers on Social Distancing](#), BUS. INS. (25 June 2020). In *Hernandez v. VES McDonald’s*, the California state court granted a preliminary injunction that required the defendant to implement and provide adequate training, safe distancing, paid breaks every 30 minutes for handwashing, and hand masks and gloves. See Robert Iafolla, [McDonald’s Workers Win Virus Safeguards in ‘Dog Diaper’ Case \(Corrected\)](#), DAILY LAB. REP. (23 June 2020) (updated 10 July 2020); see also [Court Orders Restaurant Company to Allow Worker to Wear Face Covering](#), ALDOUSWALKER LLP (7 May 2020).

<sup>117</sup> Government of Mexico, “[Juntos por el trabajo](#)”.

<sup>118</sup> [Mass. Exec. COVID-19 Order No. 31 \(May 1, 2020\)](#) (requiring that all employees and customers wear masks inside grocery stores, pharmacies, retail stores, and when using mass public transit); [N.Y. Exec. Order No. 202.16 \(12 April 2020\)](#) [<https://perma.cc/P3VT-EMAR>] (mandating that all employees in contact with the public wear masks); [N.Y. Exec. Order No. 202.34](#) (28 May 2020) (allowing any business operator or owner to require any individual to wear a mask); [N.J. Exec. Order No. 122](#) (8 April 2020 (requiring that workers and customers of essential businesses wear face masks). See generally Allen Kim et al., [These Are the States Requiring People to Wear Masks When Out in Public](#), CNN (17 August 2020).

<sup>119</sup> N.Y. Exec. Order No. 202.16 (12 April 2020) (mandating that employees at all essential businesses be provided and wear face coverings when in direct contact with the public); [Ga. Exec. Order No. 04.02.20.01](#) (2 April 2020) (requiring that critical infrastructure employers provide personal protective equipment to workers as available); N.J. Exec. Order No. 122 [<https://perma.cc/V44B-JJXP>] (ordering that businesses provide, at their expense, face coverings and gloves for employees when in contact with customers or goods); [R.I. Exec. Order No. 20-24](#) (14 April 2020) (mandating that all businesses provide face coverings at their expense).

66. Many workers have remained at the front lines of the pandemic, ensuring that the public's basic needs are met. Medical and health workers, including doctors, nursing personnel, ambulance personnel and other first responders, have been at the forefront in responding to the pandemic. In so doing, they have faced significant occupational health risks. Domestic workers and care providers have also been particularly vulnerable to exposure to COVID-19, and have often lacked adequate access to PPE, or to health services or social protection in the event of infection.

67. Meat processing plants (for beef and poultry in particular) have been greatly affected by the pandemic, with many of its workers testing positive. The situation was critical in several countries. The reasons for this particular situation were in most cases attributed to: just-in-time production; inadequate health and safety measures; a vulnerable workforce (migrant workers with little understanding of their labour rights, low pay and poor working conditions, including in some cases, poor housing); and regulatory oversight.<sup>120</sup> In some cases, governments were forced to taken strict control measures to ensure better protection of these workers and of the public in general.<sup>121</sup>

68. Some governments provided information concerning the general measures they are taking to improve occupational safety and health at work.

*Trinidad and Tobago* – In its report, the Government indicates that the Occupational Safety and Health Agency is currently revising several regulations concerning: Lifting Operation and Lifting Equipment Regulations (“LOLER”); Provision and Use of Work Equipment Regulations (“PUWER”); Welfare Regulations; Safety of Pressure Systems Regulations; Gas Safety (Use, Conveyance and Storage) Regulations (“GSR”); Blasting and Use of Explosives Regulations; Control of Substances Hazardous to Health (“COSHH”); Personal Protection and Equipment Regulations (“PPE”); Working from Heights Regulations; Manual Handling Regulations;. Maternity Regulation Reporting of Injuries Diseases and Dangerous Occurrences (“RIDDOR”) Regulations.

## *(ii) The need to ensure that workers enjoy adequate social protection*

*Republic of Korea* – The Government has released the “Korean New Deal Initiative”, expanding the social safety net and pushing for a paradigm shift to cope with the economic recession caused by the COVID-19 pandemic. The initiative consists of the following elements: building a universal employment safety net (employment insurance and industrial accident compensation insurance); ensuring livelihoods and employment stability for those not covered by employment insurance (national employment support system); support new labour market entry and transitions; improve workplace safety and encourage innovation in the workplace.

<sup>120</sup> See the Centre for Evidence-Based Medicine, Oxford, [COVID-19 in meat and poultry facilities: a rapid review and lay media analysis](#), 4 June 2020. Cases were recorded in *Australia, Canada, Germany, Ireland, the Netherlands and the United States*, for example. See also Dutch News.nl, [Dutch meat processing plant closed as 45 workers test positive for COVID-19](#) and Centers for Disease Control and Prevention, [COVID-19 among workers in meat and poultry processing facilities- 19 States](#), April 2020.

<sup>121</sup> For example, in *Germany*, measures were taken to limit the use of subcontractors in meat processing. As of January 2021, slaughtering animals and processing the meat will only be permitted for the employees in the industry. Werkverträge (a form of subcontracting) will be banned in the meat industry.

