



March 19, 2020

COVID-19 Legislative Updates

Global Benefits Bulletin – Special Edition

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Global

Occupational Health, Coronavirus Responses

The checklists of issues that employers must now address closely mirror government priorities for reducing the pandemic's impact on the workforce and the economy. [COVID-19 & How Corporates are Responding](#).

Argentina

Paid Time Off, Paid Leave for Coronavirus Quarantine

- The Labor Minister has signed **Resolution No. 178** which grants workers quarantined for COVID-19 exposure (in a growing list of specified countries) 14 days of employer-paid leave (licencia excepcional). The resolution went into effect immediately when it was signed on March 6th.

China

Retirement and Social Security, Temporary Social Security Premium Cuts

The State Council has agreed on temporary emergency measures to relieve companies coping with the coronavirus crisis:

- For small and medium companies, three employer social security contributions (old-age pension insurance, unemployment insurance, and work-related injury insurance) are waived from February 2020 through June 2020.
- Larger companies have the same contributions halved for February through April.
- All companies in Hubei Province qualify for the full waiver from February through June.

China/Global

Occupational Health/ Issues for Expatriates, Coronavirus Implications

Aon has produced a [bulletin](#) on the fast-moving coronavirus outbreak. Here is a far from comprehensive sampling:

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China/Global (continued)

Occupational Health/ Issues for Expatriates, Coronavirus Implications

- Philippines, Sri Lanka and Kazakhstan have suspended all visas for people arriving from China. Other jurisdictions are limiting the suspension to tourist visas or applicants from Hubei province.
- The US, Australia and New Zealand have placed severe limits on entry for foreign nationals who have recently been to mainland China.
- Numerous multinational companies have instituted emergency policies such as suspending travel (or non-essential travel) to China, requiring staff who have returned from China to work from home for the first two weeks and accommodating telework for workers in mainland China, Hong Kong and Macau.
- Companies worldwide are being warned that if the disease does spread significantly, the employer's duty of care to staff entails risk assessment and contingency planning, including alternative work arrangements. Where applicable, this would be done in collaboration with works councils or unions.
- Other flagged concerns include compliance with laws on the privacy of medical information and those on workplace discrimination against the disabled.

Denmark

Taxation of Compensation and Benefits, Extension for PAYE Payments

- The Ministry of Taxation has announced proposals to help alleviate the financial impact of COVID-19 including giving employers additional time to remit pay- as- you- earn (PAYE) taxes. The deadline will be extended by four months for payments due in April, May and June 2020. Parliament will need to approve the proposals.

France

Working Time/Employment Terms and Conditions, Income Supplement for Workers

- The government has created a [website](#) with information regarding COVID-19, and requirements for containment and travel.
- The Ministry of Economy and Finance announced measures allowing employers to use the partial unemployment scheme (work week reduction or temporarily close all or part of the company).
- The Ministry of Labour will respond to partial unemployment claims within 24 to 48 hours.

Germany

Working time/Employment terms and conditions, Income Supplement for Workers on Reduced Hours

- The parties of the governing coalition have reached agreement on a package of economic measures to combat the impact of COVID-19. The Federal Employment Agency will cover 60-67% of the wage shortfall for qualifying workers on reduced hours. Companies with at least 10% of their workers affected may claim the income subsidy for up to 24 months. The measure will be in place from April 1, 2020 through at least the end of this year. Companies will be exempt from social security contributions for the non-working hours.
- Parliament has [passed a law](#) with measures allowing all employees absent from work due to the coronavirus pandemic to have easier access to short-term work benefits to make up for lost earnings. The Federal Employment Agency will reimburse employers for the social security contributions they are required to pay on short-time work beginning December 31, 2020.
- The government has developed a website, "[Coronavirus: Work Legal Implications](#)", with questions and answers covering employment issues.

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Greece

Taxation of Compensation and Benefits/Retirement and Social Security Contributions, Relieve VAT and Social Security Payments

- The Finance Minister has announced financial relief for companies that are located in areas affected by COVID-19 and must close for a minimum of 10 days. Employers will have an additional 4 months to make value-added tax and social security payments due through the end of March. Also, employers are encouraged to assist in containing the spread of the virus by allowing employees to work remotely and adjusting shifts.

India

Healthcare, Guideline for Handling COVID-19 Claims

- The Insurance Regulatory and Development Authority of India (IRDAI) has published [guidelines](#).

Ireland

Paid Time Off/Occupational Health, COVID-19 guidance

- A Workplace Relations Commission (WRC) release COVID-19: Guidance notice for employers and employees warns that “where not covered under a contract of employment or an agreed attendance policy, there is no statutory entitlement for an employee to be paid by their employer in the event that they are absent from work” for COVID-19 treatment or quarantine.
- The Department of Employment Affairs and Social Protection has launched the [“COVID-19 \(Coronavirus\) Information for Employers and Employees” website](#).

Israel

Working Time/Employment Terms and Conditions, COVID-19 Guidance

- The Ministry of Health has launched [“The Novel Coronavirus” website](#) containing guidelines for the public covering work restrictions, online isolation reporting, and travel. The website, updated daily, also includes telephone numbers for home isolation and HMO hotlines.

Japan

Family Leave, Subsidized Paid Leave for Coronavirus School Closures

The Health Ministry has announced plans to subsidize paid leave for child care in response to the coronavirus epidemic. Among the highlights:

- Companies granting paid leave (in addition to annual paid leave) to employees taking care of children with the coronavirus or those at home because of school closures (elementary and special needs through high school) would be eligible for the subsidy. The employers who allow paid leave for parents with children enrolled in day care centers, after school programs, early childhood education, or kindergarten, would also be eligible.
- The financial assistance would cover the daily wages for all employees on leave from February 27, 2020, to (for now) March 31, 2020, up to a maximum amount of 8,330 yen (US \$79.15).
- The funds for this assistance would come from unemployment insurance and general revenue.

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Malaysia

Defined Contribution, Voluntary Reduction in EPF Contributions Proposed

The government has unveiled the details of its **stimulus package** to address the economic risk related to the coronavirus outbreak. It includes an option for employees to decrease their contribution to the Employee Provident Fund from 11% to 7% from April 1, 2020 through December 31, 2020.

Netherlands

Working time/Employment Terms and Conditions, Income Supplement for Workers on Reduced Hours

- The Ministers for Finance and Social Affairs and Employment have submitted proposals to the lower house of parliament that would assist employers financially during the coronavirus pandemic. Along with a deferral for tax payments, employers would be able to request unemployment benefits for employees when there is a loss of work. The “working time reduction” would have to last from 2 to 24 weeks and affect 20% of the workforce.

New Zealand

Family Leave/Taxation of Compensation and Benefits, Economic Support Package

- The Minister of Finance has announced economic measures in response to the COVID-19 pandemic. It contains wage subsidies for affected businesses and financial support for those who must take leave or self-isolate.
- There is a proposal for an income support package which includes a permanent increase in social welfare benefits and NZD 25 per week starting April 1, 2020; a temporary increase in the Winter Energy Payment beginning May 1, 2020; and, an “In Work Tax Credit” for workers with children as of July 1, 2020, (the minimum requirements for the working hours test would be waived).

Poland

Family leave/Employment Terms and Conditions, Emergency Legislation to Combat COVID-19

- The President promulgated emergency **legislation** to combat the spread of COVID-19 on March 8th. Workers staying home to care for children during school closures will qualify for a childcare allowance for up to 14 days. Also, when warranted, employers may require staff to telecommute “for a fixed period”.

South Korea

Family Leave/Taxation of Compensation and Benefits, Economic Support Package

The South Korean Ministry of Strategy and Finance has introduced a comprehensive **2020 Economic Support Package** in response to COVID-19. Proposed amendments to tax laws would:

- Grant working parents up to **five days of paid child care leave** with minimum compensation of 50,000 won (US \$42.07) per day.
- Double the maximum threshold for travel and accommodation expense deductions from March 1, 2020 to June 30, 2020.
- Implement an income-based formula for increases in entertainment expense deductions.

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Spain

Short-Term Disability/Paid Time Off, Sick Leave for Coronavirus Quarantine

The Social Security Minister has disclosed that periods of quarantine associated with COVID-19 will qualify for paid sick leave. He said that “preventative isolation [for these conditions] will be considered as a situation of temporary work incapacity.”

Thailand

Taxation of Compensation and Benefits/Retirement and Social Security, Economic Stimulus Package

- The cabinet has approved a stimulus package to mitigate the impact of the COVID-19 pandemic. One measure will reduce the social security contributions for employers and employees from 5% to 4% for 180 days (from the end of March through August). Another gives small and medium-sized enterprises (SMEs) a 300% tax deduction on wage expenses from April 2020 through July 2020.

Taiwan

Paid Time Off, Epidemic Protection Leave

- The government has **revealed measures** (#GBB March 19, 2020) to relieve employment concerns resulting from the coronavirus pandemic.
- Companies may apply for a subsidy to have training sessions for workers if they have introduced an unpaid leave policy. Employees attending such training for a program for up to three months can receive an hourly wage of NT\$158 (maximum of 120 hours of training per month).
- Employees are eligible for a monthly wage subsidy of NT\$11,000-NT\$15,400 (US \$ 508.55) for three to six months if there is a reduction in work hours.
- Employers who hire workers that are unemployed more than 30 days for at least six months may receive NT\$5,000 per person in assistance. They are eligible for NT\$11,000-NT\$13,000 per month for a maximum of one year if they hire seniors or disabled workers who have been unemployed for the same period. Also, companies that employ individuals who have not worked for more than three months can receive NT\$9,000 per month for each employee hired for a maximum of one year.
- The government is also providing financial assistance to companies that improve safety in the workplace during the furlough period and introduce plans for child care and other subsidies.
- The President **signed a law** with provisions to ease the effects of the COVID-19 outbreak on the economy, including measures to establish an Epidemic Protection Leave. Employers are subject to a fine if they violate the law. The new law applies retroactively from January 15, 2020, to June 30, 2021, except for the penalty provisions which came into effect on February 25, 2020.
- Employers that pay workers their full wages while they are on leave are eligible for a tax deduction equal to 200% of the salaries.
- Employees can apply for compensation from the government if they don't receive wages during leave and are compliant with the quarantine rules.

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UK

Short-Term Disability/Paid Time Off, Statutory Sick Pay Adjusted for Coronavirus

The Prime Minister disclosed that forthcoming emergency legislation would temporarily amend the Statutory Sick Pay (SSP) rules to ensure that workers quarantined over coronavirus exposure are spared the three-day wait before they are eligible for the BPS 120 per week (from April 6, 2020) benefit. Those ineligible for SSP would qualify for alternative income support including Universal Credit (UC) and contributory Employment and Support Allowance (ESA).

US

Working time, COVID-19 guidance/ Economic Support Package

- The government has launched the Government Response to Coronavirus, [COVID-19 website](#) covering international travel restrictions and how to prepare for the virus.
- The House of Representatives has passed a coronavirus response package, [H.R. 6201: Families First Coronavirus Response Act](#), which will go to the Senate. It includes financial assistance for child care, food for seniors, hospitals and small businesses as well as the expansion of unemployment insurance.
- The Senate has passed the coronavirus response package which contains measures to provide up to three months of paid sick leave for employees (at companies with less than 500 workers).

Due to evolving nature of the situation, all parties should consult with their local resources to validate impact and continue to monitor www.aon.com/coronavirus for further updates.

About Aon

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