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to our Comrades
(via e-mail)

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Subject: Austrian measures to covid-19

Dear Colleagues, dear Comrades,

We are facing challenging times. The coronavirus disease (COVID-19) outbreak is characterised as a pandemic. More than 250.000 people are infected, more than 10.000 people died. All over the world a wide range of measures are taken to fight against the virus.

I am convinced that this crisis is the most difficult test our European Union has faced, it is the test for the solidarity within Europe and the people. I hope that Europe and the world will learn from this situation, about the importance of social security systems, good healthcare and quality public services in general, and come out of it stronger and more united.

With this letter, younion _ Die Daseinsgewerkschaft informs you about the impacts of the corona pandemic on public services and employees, the measures taken and our experiences in Austria so far.

Situation in Austria

In Austria, massive measures were/are taken by the government – in accordance with social partners. As of Monday 16 March, universities in Austria, as well as all non-essential shops, sports and leisure facilities will be closed. Schools and child day-care centres are available for the care of children. Far-reaching exit restrictions have largely brought public life to a standstill (these measures were originally scheduled to end on 3 April and have now been extended to 13 April). At the same time, as you know, our colleagues in all sensitive services and critical infrastructures are at the forefront to ensure public safety and all emergency services. Our members of the public broadcasting network also carry out their duty to provide information around the clock in the interests of our citizens. All other services are as far as possible driven back with a minimum of personnel deployment or are guaranteed via home office.

In a first step Friday 13 March, we took all necessary measures in order to ensure the safety and health of our staff and implemented “work-from-home” for the entire younion_Die Daseinsgewerkschaft head office. At the same time, this well-prepared step made it possible to fully guarantee the provision of services to our members. The measures subsequently taken by the Austrian Federal Government confirm us in that step.

First of all, we are in permanent contact with federal and local governments to contribute from our side and safeguard workers’ interests in this crises. On federal level, the Austrian Trade Union Federation (ÖGB), the trade unions and the Austrian



Chamber of Labour (AK) called for an aid package for employees that was put together by the social partners in cooperation with the Federal Government.

Short-time Work and Securing Jobs

In two extraordinary sessions of the National Council, the COVID-19 Measures Act was passed. On the one hand, this federal law democratically legitimises the measures taken by the Republic. On the other hand, it facilitates an extensive aid package of about 38 billion euros in order to cope with the consequences of the coronavirus.

In a first step, a corona fund that is fed with 4 billion euros was set up, securing jobs and the liquidity of companies (especially SMEs, one-man company). For short-time work that will help many companies through the crisis, 400 million euros of emergency aid are available.

In another package, it was decided that an additional 34 billion euros are made available in order to secure the liquidity of companies as well as jobs. It consists of 15 billion euros of emergency aid for particularly affected sectors, 10 billion euros of tax deferral, and 9 billion euros for loan guarantees.

Arts, Culture and one-man company

Especially our members in the fields of art, media, sports and freelance professions are affected by the cessation of operations and the unemployment that often accompanies it. We are in a constant process of coordination with our works councils and colleagues to make short-time work possible in these sectors and thus secure jobs. In addition, we were able to obtain a parliamentary decision to provide 5 million euros in emergency aid for artists and cultural mediators. Further measures are urgently needed, however.

Accompanying this, subsidies from the Corona Hardness Fund can be applied for. This fund is aimed at micro-enterprises and one-man company who no longer have a daily income and are therefore unable to pay their bills. The Corona Hardness Fund includes fast and unbureaucratic immediate disbursements that do not have to be repaid

Short-time Work Package Austria

If working hours have to be reduced, they can even be down to zero working hours - in contrast to the short-time work model of 2008. The net replacement rate has been socially staggered: This means that employees are paid 80 to 90 percent of their wage or salary while they are on short-time work.

Fast and Unbureaucratic Processing

The aim is to implement short-time work quickly and unbureaucratically in close coordination with the social partners. Following the political agreement, ÖGB, trade unions and AK are working tirelessly to clarify technical details. The ÖGB wants to make sure there is a rescue umbrella over employees.

The scale of net replacement rates

80 percent net replacement rate if the gross pay before short-time work exceeds 2,685 euros, 85 percent for gross monthly pay between 1,700 and 2,685 euros, 90 percent for



a gross remuneration of up to 1,700 euros. The net replacement rate is the amount employees receive when they have to go into short-time work. It includes the wage or salary reduced by the working time and the support/aid payment. It is financed by the AMS (Public Employment Service). The short-time work model is initially planned for a period of 3 months and can be extended for another 3 months.

Further Aspects

The priority must be to save lives, but we also must do our utmost to ensure that after the virus outbreak, people will still have jobs to return to. The EU has the solidarity instruments and the capacity to face this crisis, and we will do it together.

- We declare the need for special support to workers, and, in particular, the conditions and protection of healthcare workers. EU's healthcare systems and their workers are in the frontline and they shall have all the necessary funding to ensure that this crisis is tackled with equality, efficiency and justice.
- The economic burden caused by the crisis, which is expected to cause considerably greater damage than the financial crisis of 2008, must not be shouldered by state finances, the public services and, finally, by employees in Europe alone. When it comes to financing the subsequent costs, those actors that up until now have contributed too little are to be involved. That must be ensured by measures such as the introduction of a financial transaction tax and the closure of tax loopholes and tax havens.
- We call for fiscal flexibility dealing with the COVID-19 crisis and a revision of the Stability and Growth Pact, particularly in the light of the economic consequences of the outbreak. The current developments might bring an economic crisis similar or worse than the one of 2008, and the response cannot be again austerity. Yesterday, the EU Commission took a first important step: In order to counter the consequences of the Corona crisis, the EU Commission wants to temporarily suspend the deficit rules for the member states. This will enable the member states to counter the crisis with extensive aid packages and guarantees for workers and companies.
- Calls therefore for decisive counter-cyclical policies at EU and national level, to counteract the current economic developments and prevent further deterioration of citizens' living conditions. Even before the outbreak of COVID-19, the EU was experiencing a slowdown in economic growth. Now more than ever it is necessary to promote public investment, even if in deficit, which shall be financed by Eurobonds. This is the right moment to show the real European solidarity among the EU Member States.
- The reconstruction of the economic system after the crisis must be carried out in solidarity. Precisely this crisis clearly shows how valuable effective high-quality public services are.
- When reconstructing the economy, it is particularly important to keep climate protection in mind. The goals set so far must be combined with the support measures.

The COVID-19 outbreak is having a major economic, social and humane impact in Europe. The situation is deteriorating on a daily basis, but the EU and the Member States must remain united, give a common and effective response to combat the spreading of the virus and protect citizens and workers.

Our thanks go to all those colleagues in the critical infrastructure ensuring that we will make it through the crisis. In particular, we want to highlight the extraordinary effort



of the colleagues in the health sector, who, under the most difficult conditions, invest all their strength to help the patients.

Remain strong. In solidarity

Thomas Kattnig
Member of the Executive Board
youunion _ Die Daseinsgewerkschaft