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Factsheet for case **SE-2020-11/566**

Sick pay standard reduction discontinued - Incentivising employees to stay home

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Country	Sweden, applies nationwide
Time period	Open ended, started on 11 March 2020
Type	Legislation or other statutory regulation
Category	Income support to workers and those laid off – Paid sick leave
Case created	13 April 2020 (updated 21 April 2020)

Background Information

To reduce the risk of the virus spreading, the sick pay standard deduction has been temporarily discontinued. Under normal circumstances the deduction is 20% of sick pay and a one-off amount based on an average work week. The measure aims to incentivise employees to stay home from work if they experience symptoms. The measure is regulated in the Ordinance (2020:195) on certain sickness benefit relating to the illness Covid-19 (Förordning om vissa sjukpenningförmåner med anledning av sjukdomen covid-19).

Content of measure

The government has decided to temporarily suspend the deduction from sick pay. This means that you can apply for a retroactive reimbursement for deductions that your employer has made from your sick pay from March 11 2020. All workers who become sick - not exclusively those with suspected covid-19 - are eligible for reimbursement. Employed persons will be reimbursed SEK 700 before taxes. Self-employed persons will receive SEK 804 before taxes for each day they are ill during the qualifying period.

Unemployed and employees currently on parental leave apply for sickness benefit from the Swedish Social Insurance Agency (Försäkringskassan) as usual. This is also the case if you do not receive sick pay from your employer. Försäkringskassan will not make a deductions from individuals' sickness benefit.

Use of measure

As all who become sick - not exclusively those with suspected covid-19 - are eligible for reimbursement, the number of workers receiving the reimbursement is expected to be very large. At the date of announcement, the measure was expected to cost the government SEK 1 billion per month.

Actors, target groups and funding

Actors	Target groups	Funding
National government Social insurance	employees self-employed	National funds

Social partners

Role of social partners	Informed
Form of involvement	Unknown

N/A

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 06 April 2020: Åtgärder inom sjukförsäkringen med anledning av nya coronaviruset (www.regeringen.se)
- 09 April 2020: The coronavirus/covid-19 – applicable regulations (www.forsakringskassan.se)