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Factsheet for case DK-2020-11/625

Expanded entitlement for employer for reimbursement and for self-employed for sickness benefit

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Country	Denmark, applies nationwide
Time period	Temporary, 12 March 2020 - 01 January 2021
Type	Legislation or other statutory regulation
Category	Supporting businesses to stay afloat – Direct subsidies (full or partial)
Case created	15 April 2020 (updated 29 April 2020)

Background information

The government proposes a bill that employers are granted an extended right to reimbursement for wages or sickness benefits that are paid to employees who are absent as a result of covid-19. It is also proposed that self-employed persons receive an extended right to sickness benefits for absence due to covid-19. The purpose of the bill is to mitigate the negative financial consequences for employers as a result of the spread of covid-19.

Content of measure

The law will allow reimbursement to employers for paid wages and sickness benefits to employees who are absent for the first 30 days of the sickness period – the so-called the employer period. In addition, self-employed workers can receive sickness benefits from the first day of absence instead of after the usual self-employment period of two weeks. As the rules are today, employers have a duty to pay wage expenses during sickness or sickness benefits for 30 days. The bill will suspend the obligatory 'employer period'

regarding employees who are infected or quarantined due to COVID-19, but will continue to apply to persons and employees who are on sick leave for any other reason.

The compensation measure will be in effect from 27.02.2020 until 01.01.2021

Use of measure

The proposal is expected to result in considerable public expenditure in the order of DKK 1,650 million. The cost of the proposal will largely depend on the development in the number of COVID-19 infected.

Actors, target groups and funding

Actors	Target groups	Funding
National government Company / Companies	Self-employed Solo-self-employed All companies	National funds

Social partners

Role of social partners	No involvement
Form of involvement	No involvement

Since the government intended to rush the bill through Parliament, the social partners were not informed or consulted the regular way. However, reimbursement regarding sickness is a firstly

Sectors and occupations

This case is not sector-specific.

This case is not occupation-specific.

Sources

- 12 March 2020: Coronavirus: Regeringen vil give virksomheder refusion fra dag et (ekstrabladet.dk)
- 17 March 2020: LOV nr 212 af 17/03/2020 - (www.retsinformation.dk)
- 18 March 2020: Visse typer af fravær, der skyldes COVID-19, giver udvidet ret for arbejdsgivere til refusion og for selvstændige erhvervsdrivende til sygedagpenge (star.dk)