



LITHUANIAN TRADE UNION CONFEDERATION

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*Vilnius, 19 March 2020*

## **FYI: Tackling the COVID-19 outbreak in Lithuania**

Dear colleagues,

In Lithuania a quarantine over the coronavirus was introduced. It should last until the end of March. The majority of shops are closed (except for food shops), companies and institutions cannot carry out economic activities as usual and various negative consequences are clear already. Recently the Government of Lithuania has decided to endorse an economic stimulus. According to Inga Ruginienė, the chair of the Lithuanian Trade Union Confederation, the most concerning of all current issues is the vulnerability of workers – despite different tools, implemented by the Government, they are massively fired or forced to quit their jobs „voluntarily“.

„Most of people understand the seriousness of the outbreak and employees have taken their fair share of this burden by losing a part of their income. Representatives of trade unions, businesses, and the Government are looking for proper solutions, how to soften the negative economic impact, together. Sadly, there are some business groups, that try to abuse this crisis for selfish purposes and push for more liberal provisions of the Lithuanian Labour Code. And the worst thing that representatives of workers are not invited to participate in these kinds of discussions and to defend their interests“, - says I.Ruginienė.

She stresses that there is enough chaos already and further complications of the situation will not help: „Currently around 80 thousand workers are forced to take a free vacation, others are fired without proper explanations or compensations and now employers suggest eliminating all rules. Everybody understands that this means more potential abuses in the world of work and exploitation“.

At this stage of the health and economic crisis, we see that some are more impacted than others. Some tools were implemented to amortize the negative effects.

- Atypical workers are very vulnerable regarding social protection. To employers/businesses, it is „the easiest“ group to get rid of. If there are no activities, they risk not getting any income and face problems sustaining their families. Especially the cultural sector is suffering (which is very financially vulnerable in general). Theatres, museums music venues, entertainment institutions were closed and gatherings suspended. Those who are self-employed or freelancers will get a payout 257 euros a month, if a person has paid social insurance fees at least 3 months in the last year (and does not work elsewhere by a traditional contract). Additional instruments may be decided in the nearest future.

- An imperative provision for the private sector and a strict recommendation for the private sector regarding a remote work came into power a few days ago. Schools, universities, state institutions, cultural venues are closed and employees (if they can) work remotely. If there is no possibility to work remotely but a worker is prohibited to go to a workplace due to safety reasons, a downtime is compensated that people would get a guaranteed minimum monthly wage (40% by an employer + 60% by the state). Additionally, there is a newly confirmed list of special sectors, then the state compensates 90% and an employer 10% of the minimum wage. So, minimum wages are guaranteed to ALL workers. Small and medium companies will have the most difficulties in amortizing financial losses.
- Medics face higher risks at work and need better protection which is still lacking. On the 17th of March the work related to the COVID-19 virus was included in the list of particularly dangerous jobs – that means, that medics, who are tackling the outbreak, will be paid an additional 15% bonus.

According to the Ministry of Finance of the Republic of Lithuania, the businesses will be allowed to postpone tax payments, and recoveries will be suspended and the possibility will be provided to be exempt from paying the land and real estate tax. The Government also pledges to provide guarantees for working capital loans and partial interest compensation. Politicians talk about subsidies and the possibility to use the long-term unemployment fund to help businesses.