

What the crisis package means for workers

The package adopted by the Storting means better conditions for workers. “Full” wages for 20 days during lay-off, enhanced unemployment benefit rights for low-wage and part-time workers, and a doubling of the number of days of care benefits are steps in the right direction.

Improved social profile

The crisis package presented to the Storting today gives workers improved rights, including extending the mandatory pay period during lay-off from 15 to 20 days, a highly encouraging measure. This means that workers making less than NOK 600 000 per year will receive full wages for 20 days from the day the lay-off is implemented.

The crisis package does not change the Basic Agreement rules on notice of intention to lay off

The employer may not decide to lay off workers without prior notice. Before implementing any lay-off, the employer must:

1. Consult workers’ representatives and the meeting must be minuted
2. Give notice to employees of the intended lay-off

The notice is, as a general rule, 14 days, and only exceptionally 2 days. The crisis package does not change these mandatory notices. In all cases, the employer is obligated to pay wages until the notice period expires.

The mandatory pay period is extended from 15 to 20 days

The crisis package means that employers must pay wages the first 2 days after implementing the lay-off. Thereafter, the State takes over and pays lay-off wages for another 18 days.

Lay-off pay is equal to the sick pay basis, which means that workers earning less than NOK 600 000 will receive full wages for 20 days.

If the lay-off lasts more than 20 days, you are entitled to unemployment benefits. These benefits amount to approx. 60 % of your wages.

Increased support to low-wage earners and part-timers

Another step in the right direction is the upwards adjustment of unemployment benefits for workers earning less than NOK 300 000 to approx. 80 % of their pay. It is still not clear exactly what this means but it is quite probable that not everyone will receive 80 % of the first 300 000. We will come back to you with more information as soon as we have studied the proposal in detail.

We applaud the lowering of the income threshold for receiving unemployment benefits to NOK 75 000. This will increase the number of part-timers entitled to unemployment benefits.

Increased number of days with care benefits

The number of days with care benefits will increase to 20 days for each parent. This has also been an important LO demand. As schools and kindergartens must remain closed for at least 14 days, many workers would otherwise have exhausted their care benefit days and be forced to take unpaid leave.

Our conclusion is that the crisis package in several respects meets workers' need for income security during the first few weeks. Whether it will be enough will of course depend on how long this emergency lasts.