



Alþýðusamband Íslands

Reykjavik, 5 March 2020

A three-party agreement on action to counter COVID-19

The Icelandic Government, SA Confederation of Icelandic Enterprise and the Icelandic Confederation of Labour have reached a three-party agreement on action to slow the spread of the COVID-19 virus in Iceland by ensuring that individuals can follow official instructions to enter a quarantine without having to worry about their personal finances.

Large numbers of working people have heeded these instructions and entered a quarantine, meaning that they are unable to go to work and their possibilities for communication with other people are limited. This severely disrupts their general situation and their daily life. There is a lot at stake for society as a whole that quarantines are respected and that the spread of the virus is slowed. For these reasons, it is necessary to ensure that employed persons who have been ordered to enter a quarantine do not have to worry about their income while in that situation.

The above parties have therefore agreed on the following:

1. SA Confederation of Icelandic Enterprise will recommend to businesses that they continue to pay the wages of those of their employees who have been quarantined by decision of the health authorities.
2. The Icelandic Confederation of Labour will recommend to its member organisations that persons with membership in their sick leave funds who fall ill receive full payments from the funds if their sick leave entitlements have been exhausted.
3. The Government will make arrangements to make possible amendments to the Health Insurance Act to allow a business that pays a salary to an employee who has been, or may later be, quarantined to claim reimbursement of that cost from the Icelandic Health Insurance up to a specified limit, subject to certain circumstances, such as a situation where the employee does not have the possibility to work from home. The exact form and timing of this intervention by the Government will need to be decided on; the aim is for this work to be completed on 13 March.

While quarantines last, employees of private companies will not have to use their sick leave entitlements, putting them on equal footing with those working in the public sector, but sick leave funds must prepare themselves for receiving applications from those who fall ill and end up exhausting their sick leave entitlements.

President of the Icelandic Confederation of Labour Drífa Snædal said that she was very pleased that uncertainties regarding people's income because of COVID-19 had been

resolved. “This is one of the major challenges in our society right now, and we will all make efforts to minimise the damage, both for those individuals who are put in quarantine or who fall ill and for all of us as society. It is not acceptable for anyone to be in uncertainty about their income in a situation like this.”