



VALTIONEUVOSTO  
STATSRÅDET

# Government action to protect people's health, jobs and livelihoods and safeguard financing for businesses

20 March 2020

# Government working with key agencies and organisations

## PROTECTING PEOPLE'S HEALTH

Supplementary budget includes €250 million needed for healthcare and testing

## PROTECTING JOBS AND SAFEGUARDING LIQUIDITY FOR BUSINESSES

Government action **€200 million**  
(proposed)

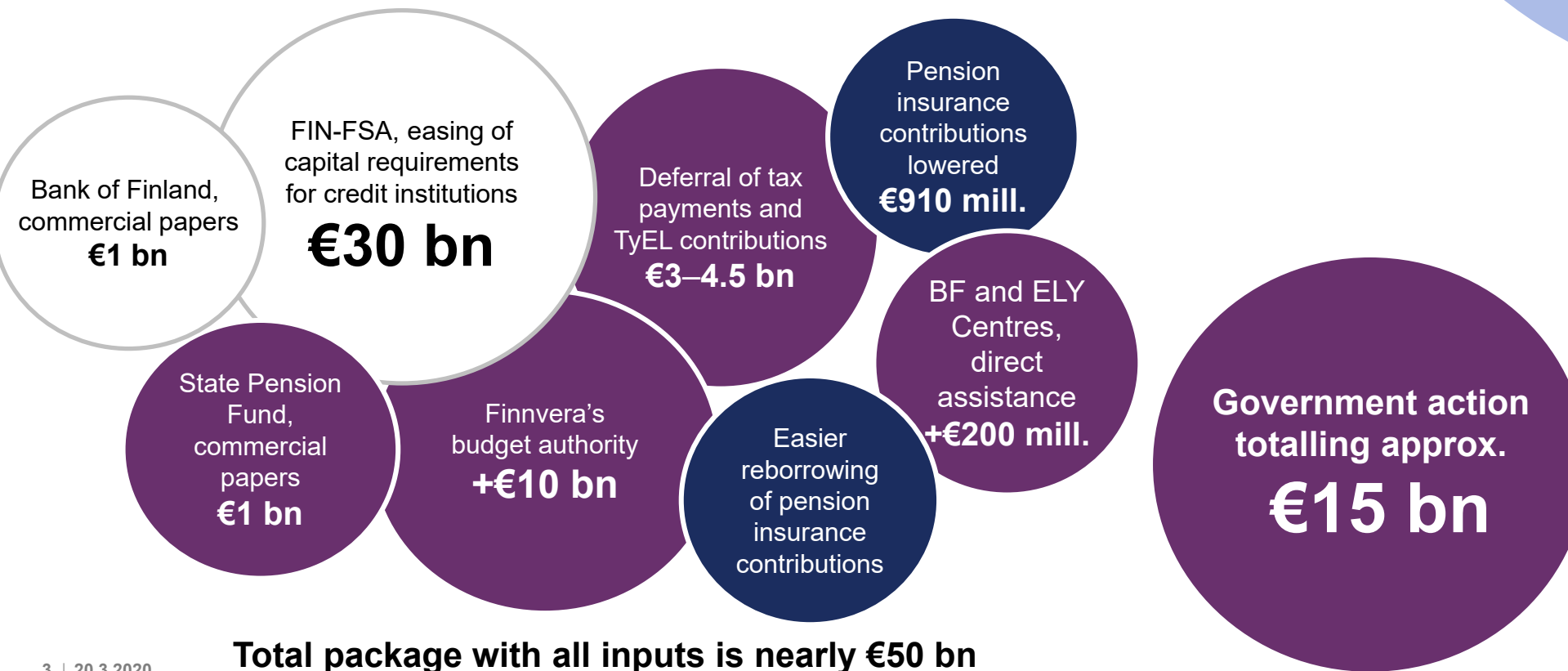
Also action in partnership with the  
central bank and financial institutions

## PROTECTING PEOPLE'S LIVELIHOODS

In partnership with labour market  
organisations

# Protecting jobs and businesses

– in partnership with key agencies and organisations



# Protecting people's livelihoods

- Removal of unemployment security waiting period in both lay-offs and redundancies
- Right to unemployment allowance also applies to entrepreneurs and self-employed, irrespective of type of business (*incl. sole traders and freelancers*)
- Shortening of notification period for lay-offs and for statutory employer-employee negotiations, to five days
- Employer's lay-off right extended to fixed-term contracts
- The measures apply to all businesses

# Phasing of measures

## **Measures to be taken immediately**

1. Supplementary budget appropriations swiftly to Ministry of Social Affairs and Health and for business financing
2. Other business financing measures
3. Measures based on proposals from labour market organisations

## **Measures to be taken at the next phase**

4. Strengthening of local government finances
5. Measures to boost the economy, to be determined at government spending limits discussion
6. Structural reforms to safeguard the sustainability of public finances

# Coronavirus support for businesses: Finnvera guarantees, banks willing to lend

Finnvera financing for SMEs (loans, guarantees) = €12 billion

## **Fast track until end of 2020:**

1. Business Finland's financing services (incl. travel & tourism, creative sectors, subcontractor chains) = €150 million
2. Finnish Industry Investment's additional financing for investee companies
3. ELY Centres' development projects (de minimis) = total €50 million
4. Wellbeing & financial guidance services for business owners = total €0.5 million
5. Easier TyEL reborrowing for businesses = Finnvera 80% guarantee

# Goal: as many business owners as possible will get through the difficulties caused by the coronavirus

- Financing above all for sectors suffering the most – a clear package of help and support for business owners is in preparation
- Next week all will have details of how to proceed
- Business Finland's first financing decisions today, 20 March
- Aim is that ELY Centres will begin taking financing applications at the start of next week
- Business owner: first contact your bank or finance provider. Banks are ready to agree e.g. grace periods and flexible repayment schedules, and should be able to advise you next steps.

**Next: third wave of business financing (in preparation), centred on action to support business solvency and special support for micro businesses and SMEs**