

# THE COVID-19 EMERGENCY IN THE EUROPEAN CENTRAL BANKS – IMPACT ON WORKING CONDITIONS

## **Social benefit working group**

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## INTRODUCTION

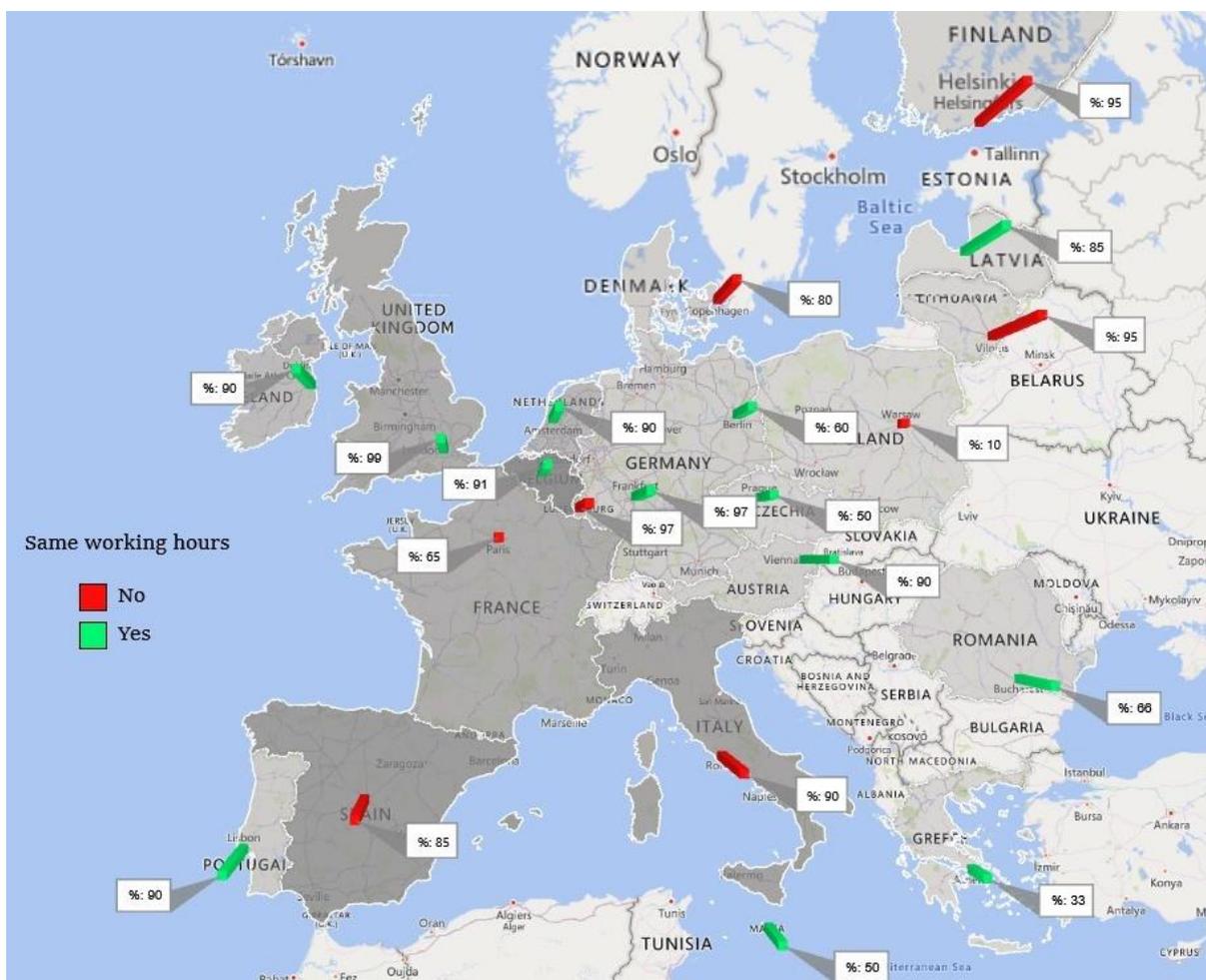
Due to the Covid-19 emergency, the Executive Bureau of the SCECBU and the Social Benefit working group have considered that, during this period, it is very important to gather and share information on the current practices being undertaken in our respective central banks. This document shows the information collected by respondents from 21 central banks. All the information is up to date as at 15<sup>th</sup> May 2020.

We are aware that in some cases answers come from a subjective point of view of the respondents, but we are convinced that this report will help our members when negotiating with their respective banks and will assist with the introduction of improvements to the working environment during and after this extraordinary situation.

For each section you will find the outcome of the analysis, supported by comments and graphs.

### 1. TELEWORKING

#### 1.1 Adoption of teleworking



Legend: the darkest is the country, the bigger number of deaths per million/population it suffered

In 70% of the central banks more than 75% of staff could telework. 19% of the banks could provide teleworking for 50-66% of employees. However, there were also cases where 33% of staff were teleworking and even one central bank where only 10% of employees were teleworking. The employees in the banks with the low levels of teleworking were clearly dissatisfied with this situation. One reason given by a bank was that it was not prepared for large-scale teleworking. For another central bank, the staff were unhappy that branches did not have the opportunity to telework. In some cases, when it was not possible to telework due to the specificity of the functions, special shift systems were introduced (split teams).

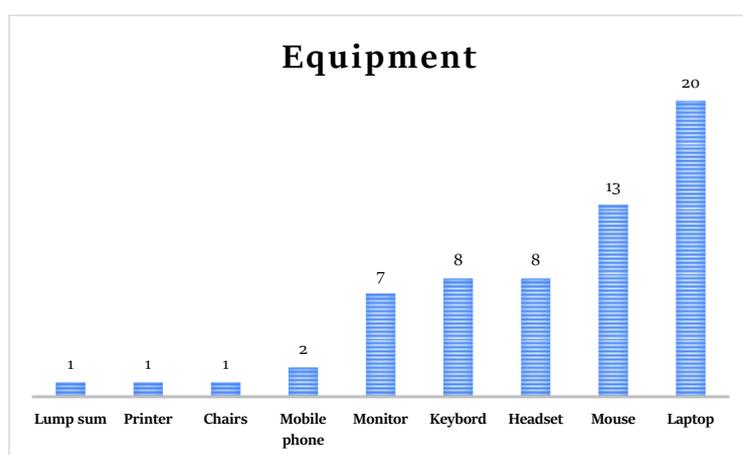
## 1.2 Working hours in teleworking

Almost 60% commented that more time and effort was needed to do the job. The reasons cited included childminding, lower internet speed at home and an increased workload due to the pandemic. As a result, some employees had to work late into the evening or during weekends, and often without compensation. However, it is difficult (or as one central bank said “It is next to impossible”) to measure overtime in teleworking and consequently to be paid for it. Notwithstanding that, it has been stated that where overtime has been agreed in advance compensation has been paid.

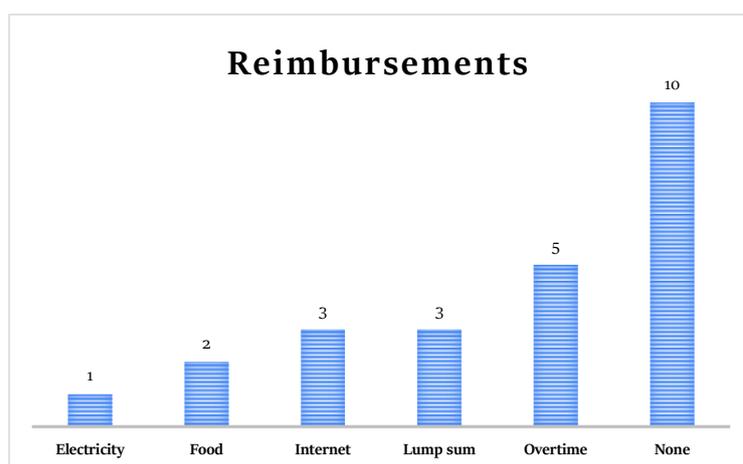
On the other hand, the flexibility given by central banks to choose working hours and the tolerance for when work needs to be done have also been reported. While teleworking there is more freedom to choose the time, but preferably one should be available during office hours and meetings of course.

## 1.3 Working conditions in teleworking

Staff have been supplied with equipment to assist working from home: in almost all the cases with laptops; often with keyboards, mouse, monitors, headsets; sometimes even with printers, mobile phones and chairs.



One central bank provided money to their staff to buy the necessary equipment. However, in two central banks, a large proportion of staff had to use their own private computers. There are mandatory or other safety requirements regarding the working conditions at home in almost half of the central banks.



In 10 central banks staff have not been reimbursed for costs incurred when working from home. However, in some banks, staff have been reimbursed for overtime, internet, food or electricity, and, in other banks, like Banca d'Italia, employees have received a lump sum to cover teleworking expenses. Staff have not received extra salary for working from home.

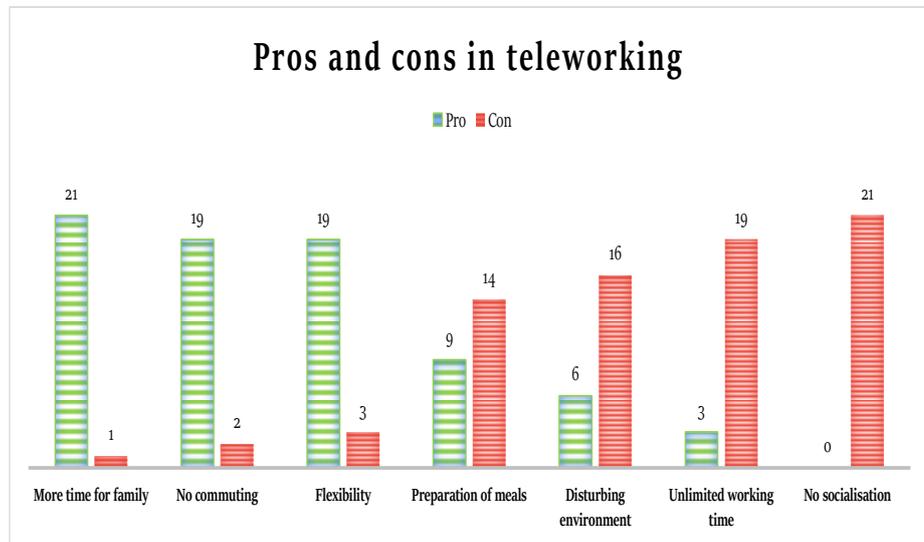
## 1.4 Pros and cons in teleworking

How do employees feel about long teleworking?

The benefits that employees see in teleworking are more time for the family, saved time and costs on commuting and parking, more flexibility in their job, and improved efficiency. And quite unexpectedly, for some employees, preparation of meals at home is an advantage rather than a disadvantage. Other pros mentioned were a better quality of sleep and the relaxed dress code. Also, it was noted that in this extraordinary situation staying at home helps to stay safe.

While the feedback in general is that home working is great, it must be noted that:

- staff who have families and children at home sometimes struggle with the workload, as they must handle home schooling, cooking and home office at the same time. This increases the working hours including working late into the evening or during the weekend in order to finish their work. Moreover, it can be very stressful to be so close together for a long time.



- the absence of commuting does not have the same impact for everyone as a number of employees have a short commute to work.
- some staff believe that teleworking has advantages when you do it one day a week but quickly becomes a handicap when you do it for more than 2 days a week. The lack of ergonomic facilities in teleworking, multiplication of online meetings, the increase in workload and the absence of social contact with colleagues is often experienced as stressful, even depressing. There is a suggestion that some employees want to be able to return to the office to work.

The lack of social contact has been reported as the biggest disadvantage of teleworking. On the other hand, it has been suggested that the reduced opportunities for socialisation can be partially mitigated by organising more video meetings and forums, and not just on professional topics.

One more noteworthy message of concern is that teleworking may indicate that an employee is not needed!

## 2. WORKING ON SITE

Which staff have been required to work on site?

These are usually employees working in printing houses (where they exist), cash handling and branches.

For these activities, the following figures show the number of countries and the kind of colleagues involved onsite.

### PRINTING HOUSES: ONSITE WORKERS



### CASH HANDLING: ONSITE WORKERS



### BRANCHES: ONSITE WORKERS

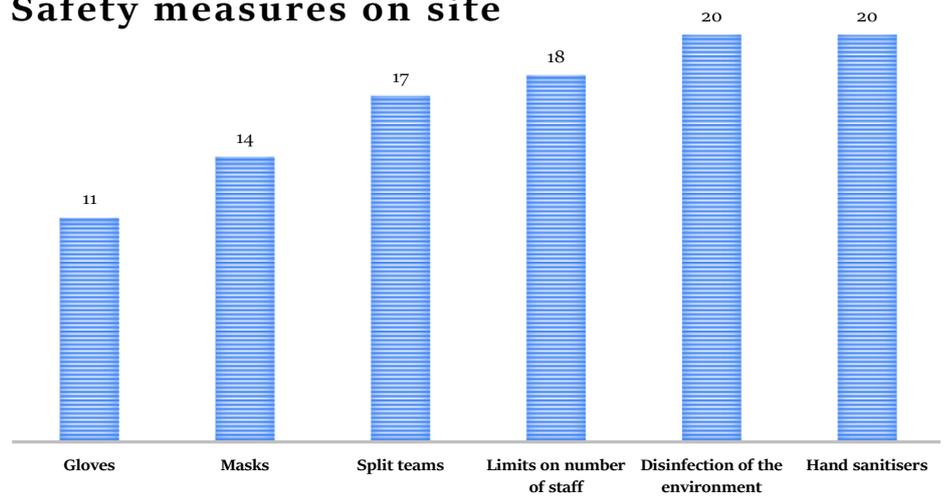


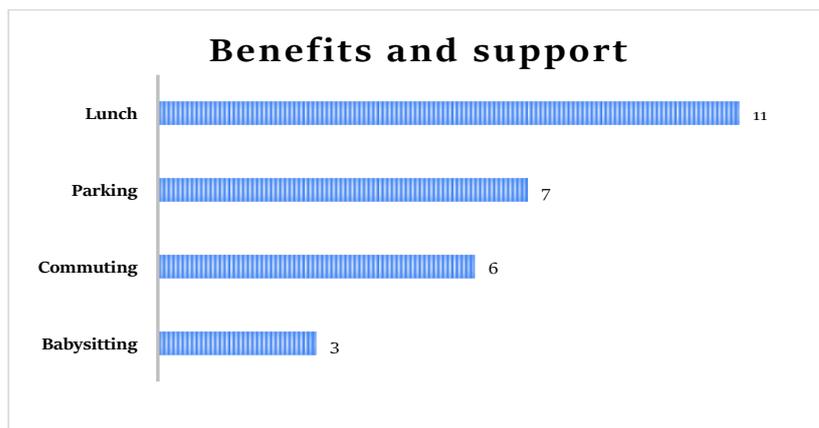
Also, some staff in IT, payments, investments and internal administration are working as normal on the bank premises, in order to ensure continuity of key functions of the central bank.

When working on site special safety measures have been taken for the staff regarding working conditions. In addition to measures such as disinfection and masks, the number of staff was

limited in various ways (split teams, rotation, access restrictions) and changes in workplace organisation have been made (keeping distances, desk sharing policy suspension, only one colleague per office or the installation of physical dividers made from Plexiglass).

### Safety measures on site





There were additional benefits and support for the staff working on site. In most cases, staff were provided with lunch, in some cases commuting parking, taxi and babysitting costs were reimbursed. Also, individual central banks gave an extra day-off for each week on site or paid additional salary.

### 3. SALARY AND JOB GUARANTEES

During the Covid-19 crisis, the salary and job are guaranteed for all central banks' employees. Even employees who cannot telework but are staying at home are still being paid in full. If, due to the changed working conditions, employees do not achieve the objectives set out in their work plans, it has been promised that the current circumstances will be taken into account so as not to affect the annual appraisal.

However, we are concerned to have received a message from one central bank outlining that their jobs would not be guaranteed, a reorganization is underway and the number of employees would be reduced.

### 4. HEALTH INSURANCE

The Social Benefit Working Group has recently conducted a survey regarding the availability, in the central banks, of a health insurance financed by the banks. The outcome of the survey was presented during the Executive Committee in Naples, in 2019.

Concerning the pandemic, usually insurance companies do not cover these events; only in a few countries they are included in the health insurance supported by the bank.

In Italy, the Banca d'Italia extended the existing health insurance with this provision and financed the additional costs for all the employees.

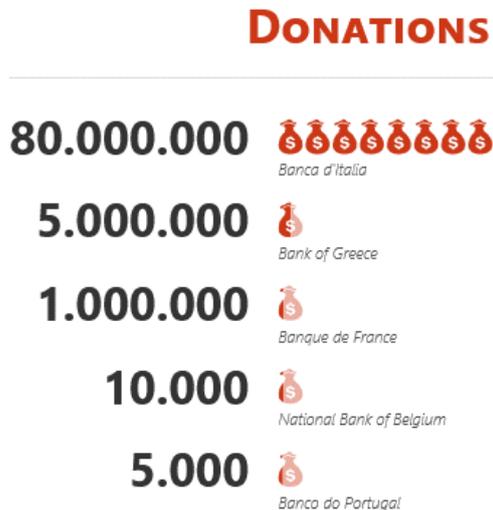
### 5. OTHER MEASURES

Some central banks have taken additional measures with regard to employees:

- loosened the regulations of sick leave;
- allowed staff to start their working time 2 hours later than usual;
- gave additional annual leave;
- provided for improved access to distance learning.

## 6. DONATIONS

5 central banks made extraordinary donations to hospitals and universities, national organisations and funds, supporting care, welfare, medical and scientific research.



Other charitable initiatives have taken various forms: masks to hospitals, 18 thousand working hours of staff in charity associations and computers to children.

It has been reported that some central banks are not allowed by law to make donations but there are some initiatives organised by central banks' staff: donations to socially disadvantaged people, giving and distribution of facial masks to hospitals and social care, etc..

## 7. HELP FOR THE ECONOMY

Central banks are rich in expertise and knowledge institutions and can take useful initiatives (apart from their normal duties like monetary policymaking) and offer measures to help businesses and individuals in such extraordinary times as Covid-19 pandemic. Many central banks have expressed their support for loan repayments moratoria for households and businesses to be signed. Other examples of initiatives that help the economy are the following:

- the establishment of business support funds that allow companies to borrow when they cannot receive payments from partners and clients or are unable to borrow from banks;
- the active participation in taskforces to deal with the fallout caused by the Covid-19 and the pandemic measures;
- expanded access to liquidity loans for financial institutions, so that they can continue to lend to the economy;
- purchasing bonds and, thus, pumping money into the economy;
- maintaining payments to service providers (i.e. food services), even though services are not provided.

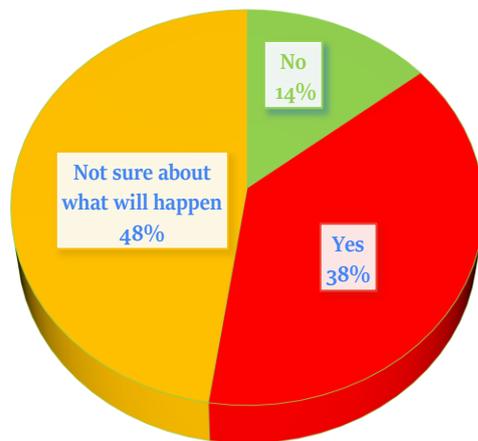
## 8. RESTART

At the time of the survey (15 May), the employees in 10 central banks did not yet know whether staff would have to return to the bank's premises immediately after the restart or whether they would still be able to remain safely at home teleworking. However, the employees in 8 central banks were informed about returning to the office.

How the return to the banks' premises is going to be organized, in the answers of respondents:

- we expect a gradual increase in the number of staff in the banks' buildings and do not believe that people will be forced to come in;

## Will staff have to return back to the office?



- we will only gradually return to the bank's premises, not all at the same time. This is especially important for those who sit in one open space with a large group of colleagues;
- the return to work should be planned in a flexible manner, taking every circumstance into account: availability of schools or day care, commuting, being in

the high-risk category for contracting the virus, etc.;

- the new "normal" still must be discussed and agreed with the Trade Unions;
- the bank proposed to the Trade Unions a procedure to define the measures to restart the working onsite, but there will be still negotiations to establish safety and security measures, and the dates of restarting to work onsite;
- 50% of employees will work from home and 50% will be at the office;
- the Bank of England has worked with its Trade Union in finalising 'Staying Covid-19 Secure' plans, which require all staff (who can) to continue to telework, and put in place processes above and beyond the minimum Government guidelines to protect staff working in the office. Also the bank recognises the challenges with commuting via public transport.
- if employees work output at home is satisfactory, they can continue teleworking at home.

However, some messages have also been received that were not positive:

- probably it will be easier to work from home but this is not the intention when the lockdown is over;
- the bank has created an internal working group which oversees developing a concept for the time after the lockdown and several requests of the Trade Union to be part of this working group have been rejected so far, therefore we have no details for the moment.

Special safety and security measures have been (will be) undertaken for staff restarting work on site:

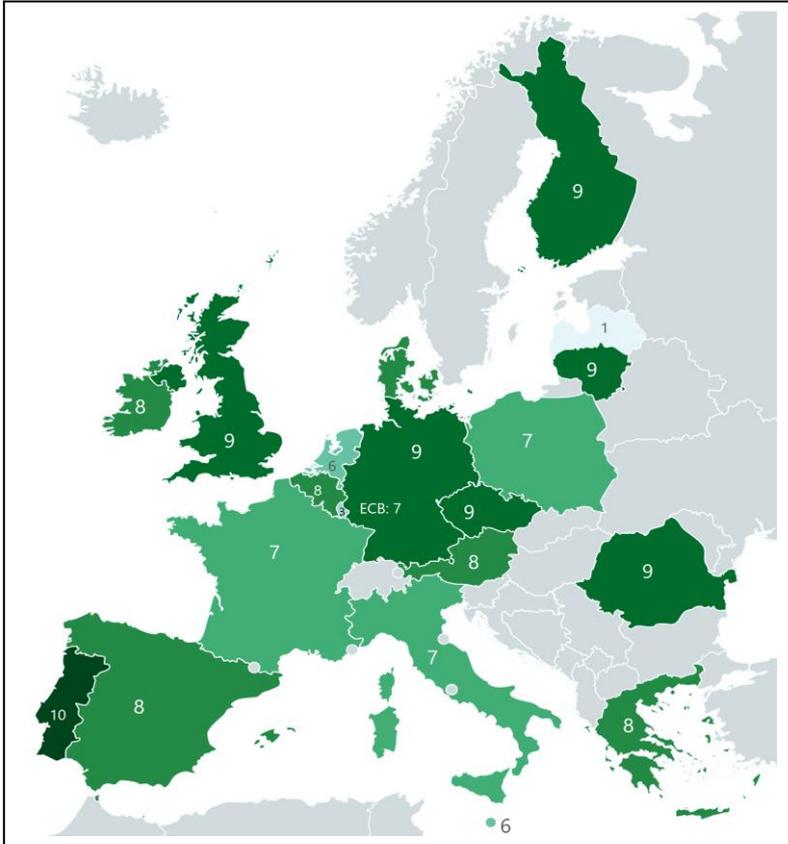
- gradual return, reduced and split teams, staff rotation;
- changes in workplaces, e.g. dividers of Plexiglass, the definition of distance circuits;
- reduction of seats in offices and the canteen, less office density, no more than one person in the room;
- recommendation to be in the room full time and to walk on the bank premises only when necessary, restrictions on movement within the buildings, one direction movement around the building;
- limits on meetings and visitors, meetings only by means of telecommunications and direct contact with colleagues to be avoided;
- limits on the number of people in elevators and at entrances/exits;
- disinfection and ventilation of bank's premises, disinfection dispensers;
- distribution of facial masks, helmets, gloves and hand disinfection;

- temperature checks, social distancing;
- some special protective measures for certain employees (seriously ill, reduced mobility, pregnant), including permit for teleworking;
- mandatory to stay at home if staff are showing the slightest symptoms of illness.

## 9. BEHAVIOUR OF THE CENTRAL BANKS

The behaviour of central banks during this crisis varied a lot: one bank received from employees 10 points and one received only 1 point but, in general, the majority of banks received positive scores.

It must be noted that these scores come from subjective opinions of our respondents.



“The best” bank since the outset of the pandemic was deemed to have taken all positive measures to protect their employees; the “worst” bank laid off employees during the pandemic.

**Good behaviours** have also been described as follows:

- all necessary measures taken to ensure appropriate working conditions, safety and help for employees;
- quick reaction, clear rules and communication, openness in sharing information and in dealing with problems and criticism, fair treatment of staff;
- Trade Unions took part in the crisis management and were able to have discussions and comments taken into consideration;
- flexibility, teleworking, no job and salary losses.

**Bad behaviours** have been characterized as follows:

- lacking of support for employees;
- scarce and chaotic communication, not reaching everyone and leading to the different treatment, information not available until late;
- Trade Unions have not been involved in decision making, negotiations or consultation;
- employees were not able to work for weeks because there was not enough equipment (there were no teleworking facilities in place before the crisis), some staff were completely cut off from the bank;
- increased workload, not paid overtime, unlimited working hours;
- restarting normal work (100%) since mid-May, when pandemic is still in EU;

## 10. CHANGES AND CONCLUSIONS

What has this crisis changed in central banks and what conclusions have been made?

- Teleworking is the new normal for most of the staff, and much more than before;
- employees are conscious, flexible and able to adapt, and teleworking is possible and effective;
- awareness that management by control must give way to management based on trust;
- decision making has become more open and swifter, information is given as soon as possible and is given to all;
- IT infrastructures have shown that they are capable of supporting a very large number of teleworkers;
- many processes are inefficient or obsolete and should be changed (i.e. administrative process paperless);
- more flexibility for working hours;
- additional health and safety guidelines, new behavioural norms.

In some central banks the crisis has revealed shortcomings and where there is a need for flexibility and change. In one bank there is fear that conclusions from this crisis can be used to impose negative developments on staff!

The following outlines the most relevant answers received from respondents about new plans.

- The safety of all employees – definitely “the number 1 priority”;
- more possibilities for teleworking;
- to look more carefully at IT systems to support teleworking;
- survey done on how the new office environment will look like;
- expected positive impact on the working conditions for staff moving to a new building;
- the bank and the Trade Union will think about new ways of working;
- we are preparing a list of things to change.

## 11. THE WORKING GROUP’S CONCLUSIONS

The Covid-19 pandemic, starting in China in December 2019, has brought unprecedented disruption and disorder to the world economy and has affected the lives and health of millions of its citizens.

The pandemic spread rapidly throughout Europe beginning in Italy in January and has been responsible for thousands of deaths. Some governments were slow to react by initially underestimating the effects of the virus but, eventually, all countries introduced measures to combat the spread of the virus including the introduction of countrywide lockdowns.

The effects of Covid-19 on the economy of Europe has been severe even in countries with robust economies. A major unified effort will need to be undertaken by the European Union and the ECB to overcome the current economic crisis. Indeed, in some cases, especially in the early stages of the pandemic, the spirit of solidarity and the values at the core of the Lisbon Treaty and of the European Union seemed to be seriously compromised.

In this context, it must be noted that all the central banks never stopped working and continued to provide their services to the citizens. People were able to get banknotes from the ATMs, payments worked as usual, new monetary policy measures were announced and provided by the ECB and the central banks, supervision has continued, and the banks received detailed instructions from the authorities on how to deal with the measures imposed by the different governments.

These duties were possible because of the staff of our banks; they were, more than usual, dedicated to their work and, due to extraordinary efforts of the IT functions, turned their way of working from onsite to teleworking.

As our survey points out, some central banks were more prepared than others for this new way of working, but everywhere there was an increase in teleworking as central banks provided the necessary equipment to allow staff to work from home.

Before this emergency, remote working was considered a “minor form” of working in many central banks. But, since the emergency began, staff have shown their ability and willingness to adapt and incorporate the new ways of working. Therefore, as our colleagues are demanding, it is important to retain the option of teleworking and, if possible, to increase the ability of all our colleagues to work remotely.

Teleworking proved its value as an effective and alternative way of working and should be used as a tool to assist with the creation of a more sustainable work-life balance for all staff. Our survey shows that the majority of staff are in favour of teleworking and that the pros far outweigh the cons. Colleagues need respect and demand to live their personal lives as well as work, therefore, strict criteria needs to be adhered to when teleworking including the right to disconnect. This right is already enshrined in law in a few countries.

Another issue to be taken into consideration, because of the worries of our colleagues, especially in some countries, is the return to working on-site. The health of our colleagues is a value to protect. All employers have a responsibility and duty of care to all of its employees and, therefore, they must do all in their power to protect their workforce. Teleworking allows employers to mitigate the exposure of staff to Covid-19 by allowing them to work safely from home; thus reducing commuting times, the number of journeys, less traffic, less overcrowding on public transport and reductions to greenhouse emissions. Teleworking can be a game changer for all in society by finding the right balance between onsite and offsite work, and a true social dialogue at national level is the best way to achieve it.

At the time of the publication of this document, some central banks instructed employees to return to work onsite, even where it was not necessary. Moreover, it happened without negotiation with the Trade Unions or regard to the safety of the employees.

The Trade Unions must be involved in negotiation with the central bank to produce an agreed roadmap for employees to return to work onsite/offsite<sup>1</sup>.

We are aware that some jobs cannot be done offsite, especially the ones related to the production and handling of banknotes. But, for as long as possible, we are confident that colleagues can continue working at home; as they have shown to be adaptable and capable, despite some of the difficulties encountered when working remotely, and have continued to provide for the citizens the invaluable products offered by the independent central banks, namely trust, reputation and stability.

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<sup>1</sup> Bank of England has demonstrated that through full engagement with their Trade Union, staff are more likely to positively respond to changes, and the Trade Union is able to provide different perspectives, which has resulted in a more considered overall approach. The Bank of England will be publishing its ‘Staying Covid-19 Secure’ framework and guidelines at [www.bankofengland.co.uk](http://www.bankofengland.co.uk) in the coming weeks.