

## XXII. Consolidating Solidarity in Taiwan during the COVID-19 Crisis

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### 1. Introduction

In the early hours of 31 December 2019, a medical officer of the Taiwan Center of Disease Control noted chatter and unconfirmed reports of medical and official documents about an outbreak of pneumonia caused by an unknown coronavirus in Wuhan, China, circulating on social media. Having learned bitter lessons from the SARS pandemic in 2003, the Taiwanese officer was alerted by the first signs of a pandemic. Twenty years earlier, the Taiwanese government fought strenuously against SARS due to lack of a clear crisis management system, a vague legal basis for disease control measures<sup>1</sup>, and exclusion from the international community, in particular, the WHO.

Based on the previous experience, this time the Taiwanese government reacted rapidly to the uncertain circumstances. On 31 December 2019, on-board disease control for all incoming flights from Wuhan was implemented. Afterwards, strict border control, quarantine, intensive case tracing and widespread mandatory mask-wearing policies were in place to prevent a massive outbreak in addition to a months-long shutdown of public and economic activities. Even the community outbreak in May 2021 was brought under control within a few months with a short-term lockdown over the summer of 2021. Overall, Taiwan had a comparatively low infec-

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1 Due to nosocomial infection of SARS, in 2013 the Taipei City mayor commanded the isolation of an entire city hospital, locking in patients and their companions, medical staff, administration personnel and cleaning workers without any coordinating measures for two weeks. This order resulted in more victims during the poorly segregated quarantine. Besides political responsibility, the constitutionality of compulsory isolation was also a controversial issue. Addressing this question, Interpretation No. 690 of Taiwan's Constitutional Court examined the constitutionality of relevant regulations with reasonable scrutiny. It particularly took into account the professionalism of infectious disease control, recognised the need for wide discretion of authorities and allowed them to deprive people of personal liberties with a quarantine order and not injunction.

tion rate until a larger community outbreak occurred in May 2021, and daily activities have been impacted less in Taiwan than in other countries. This success shaped a feeling of solidarity and boosted the self-confidence of the Taiwanese people, even when they were again confronted with isolation from the international society during the COVID-19 pandemic and shortage of vaccines because purchases were hindered by China.<sup>2</sup>

The abovementioned measures are provided for by the Infectious Disease Control Act (傳染病防治法). Taking lessons from SARS, the Act had been comprehensively amended to strengthen governmental capacities for disease prevention and control in 2004. Referring to the US model of Disease Control and Prevention, the Act authorises the central competent authority, the Ministry of Health and Welfare, to establish the central epidemic command centre in case of a severe epidemic to unify command and coordinate the central and local governments with civil society to implement disease control measures. The Act further provides a series of prevention and control measures, and also compensation in case of quarantine and designation of personnel and materials.

In response to the challenge of COVID-19, the parliament enacted a time-limited act in March 2020, the “Special Act for Prevention and Relief Revitalisation Measures for Severe Pneumonia with Novel Pathogens,” (hereafter COVID-19 Special Act) (嚴重特殊傳染性肺炎防治及紓困振興特別條例) which entered into force retroactively on 15 January 2020 and expires on 30 June 2022, or on a later date approved by the President of the Executive Yuan. The COVID-19 Special Act supplements the Infectious Disease Control Act and provides a comprehensive legal basis not only for further freedom restriction and privacy invasion for the purpose of disease control, but also for compensation, financial relief and tax reduction. Particularly in light of the socio-economic impact of the pandemic, Paragraph 9 of this Act authorises the government to provide relief, subsidies and revitalisation measures for industries, enterprises, medical care institutions and relevant practitioners, and necessary assistance for their employees<sup>3</sup>.

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2 By Yimou Lee and Ben Blanchard, [Taiwan Says China Blocked Deal with BioNTech for COVID-19 Shots](#), Reuters, 26 May 2021; Raymond Zhong and Christopher F. Schuetz, [Taiwan Wants German Vaccines. China May Be Standing in Its Way](#), New York Times, 16 June 2021, (last visited: 14/02/2022).

3 For an overview of the COVID-19 Special Act see [Wen-Chen Chang, Taiwan's Fight against COVID-19: Constitutionalism, Laws, and the Global Pandemic](#), *VerfBlog*, 21 March 2020, DOI: 10.17176/20200321-122752-0 (last visited: 15/12/2021).

Several Regulations for relief and revitalisation were issued by the competent ministries based on the authorisation of the Special Act<sup>4</sup>.

The COVID-19 Special Act also allows extraordinary budget amounting to NT\$ 60 billion and lifts the central government debt ceiling to revitalise the economy. Accordingly, the parliament approved several extraordinary budget plans for COVID-19-related measures from 2020 to 2021. By June 2021, NT\$ 260 billion had been approved to support “Relief Package 4.0”, and the ceiling of the total extraordinary budget had been lifted to NT\$ 840 billion through amending the COVID-19 Special Act<sup>5</sup>. Meanwhile, the “Quintuple Stimulus Voucher”, part of the fourth budget planning designated by the Executive Yuan for economic stimulation, had also been approved by parliament<sup>6</sup>.

The need for the extraordinary budget can be understood through a perception of the Taiwanese economy and the gaps in the existing social security schemes. Taiwan’s economy is deeply globalised; the essential business sectors and subcontract manufacturers are integrated into the global supply chain. Unlike in classical industrial countries, the economic and industrial structure of Taiwan is characterised by a significant representation of small and medium-sized enterprises (hereafter SMEs)<sup>7</sup> and self-employment. In 2020, SME employment constituted 80.94% of total employment in Taiwan, and the proportion of employees in SMEs

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4 The relevant regulations were issued by the Ministry of Labour, the Ministry of Economic Affairs, the Ministry of Finance, the Ministry of Health and Welfare, the Ministry of Agriculture, the Ministry of Transportation and Communication, the Ministry of Education and the Ministry of Culture.

5 For an overview on the extraordinary budget for COVID-19-related measures, see internet site of the [Directorate-General for Budget, Accounting and Statistics of the Executive Yuan, R.O.C. \(Taiwan\)](#) (last visited: 15/12/2021).

6 Cf. [Newsletter of the Executive Yuan, R.O.C. \(Taiwan\)](#) on 9 September 2021 (last visited: 15/12/2021).

7 The criteria of SMEs vary from state to state. According to the Standard of Identifying Small and Medium-Sized Enterprises revised in 2020, this term refers to an enterprise whose paid-in capital is no more than NT\$ 100,000,000, or which hires fewer than 200 regular employees; an SME with fewer than 5 regular employees is defined by this standard as a “small-scale enterprise”. In the EU, according to EU Recommendation 2003/361, an SME refers to enterprises with fewer than 250 employees whose turnover is less than EUR 50 million or whose balance sheet total is less than EUR 43 million; a company with fewer than 10 employees and whose turnover or balance sheet total is less than EUR 1 million is defined as a micro company.

came to 76.12% of total employment<sup>8</sup>, while the average employment in SMEs in OECD countries contributed only 68% to total employment, with 59% in Germany and 42% in the US<sup>9</sup>. The management of Taiwanese SMEs is often family-oriented, highly flexible and tolerant to risk and is characterised by highly mobile employees<sup>10</sup>. Basically, the whole system orientates itself towards economic liberalism and adjusts itself flexibly to international market competition<sup>11</sup>. However, the “economy first”-driven policies over the last decades without core values have led to overfatigue and unjust working conditions, especially as Taiwan’s industries are facing direct challenges from the rising Chinese economy<sup>12</sup>. The weakness of such a socio-economic structure is a relatively low proportion of investment for innovation, less motivation towards industrial upgrading, and consequently an ever-widening wealth gap.

The negative impact of socio-economic inequality has been mitigated, to some extent, by the network of social insurance schemes which cover the social risks of sickness, unemployment and occupational accidents, and provide for invalidity, old age and survivors’ pensions. Furthermore, some residual welfare systems, such as social assistance, continue to serve as a social security net. The National Health Insurance and unemployment insurance played a primary role for social protection during the pandemic. From the beginning of the COVID-19 outbreak, the comprehensive database of the universal health insurance that covers nearly all residents has been used to distribute epidemic prevention materials, distinguish infected and uninfected patients, and establish vaccination priority, in spite of the legality of such measures being questioned in view of personal

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- 8 Ministry of Economic Affairs, R.O.C. (Taiwan), *The White Paper of SMEs in 2021* (2021 中小企業白皮書), Oct. 2021, 43, Table 2-1-1. For statistical details see: Small and Medium Enterprises Administration, Ministry of Economic Affairs, R.O.C. (Taiwan), *SMEs Statistics in 2020, Total Employment of Small and Medium Enterprises by Industry in 2020* (last visited: 15/12/2021).
  - 9 OECD, *OECD SME and Entrepreneurship Outlook 2021*, 28 June 2021, 195, 270.
  - 10 Tzong-Ru Lee and Irsan Prawira Julius Jioe, *Taiwan’s Small and Medium-Sized Enterprises (SMEs)*, *Education About Asia*, Vol. 33, No. 1, Spring 2017, 32 (33).
  - 11 Chi-Jen Wu (吳啟禎), *Everyone Is an Innovator: Towards an Innovation-Driven Economy in Taiwan through Working Conditions Improvement* (公平經濟新圖像 – 一個勞動主權與創新機制的視角), in Hsiu-Hsin Lin & Rwei-Ren Wu (林秀幸、吳觀人) (eds.), *The Human Conditions of Taiwan’s Sovereignty* (主權獨立的人間條件), 2020, 55-85.
  - 12 Minn-Tsong Lin (林敏驪), *Towards a Social Democratic State: A Discussion on the Taiwan Factor* (邁向「台灣社會民主國」 – 「台灣因素」初探), in Hsiu-Hsin Lin & Rwei-Ren Wu (林秀幸、吳觀人) (eds.), *The Human Conditions of Taiwan’s Sovereignty* (主權獨立的人間條件), 2020, 135-161.

data protection<sup>13</sup>. The loss of income in case of redundancy was partially covered by unemployment insurance, which generally provides 60% of an applicant's average insured monthly salary for 6 months<sup>14</sup>.

Nevertheless, the domestic and cross-border impact of the COVID-19 pandemic on the economy exceeded the coverage of the social security system. Though the domestic economy was less damaged compared to those in other countries in 2020, certain sectors, such as tourism and transportation, were particularly affected by the steep decline in global mobility, directly and indirectly resulting in massive furlough and layoffs. Meanwhile, lockdown measures triggered by the outbreak of the disease from May to September 2021 hit all sectors and caused a severe recession. The financial hardships faced by the self-employed and other vulnerable groups and even employers of SMEs could not be covered by normal schemes of social security and state subsidy for entrepreneurs. Relevant relief packages were programmed in addition to existing schemes, and corresponded with the framework of job retention, economic support and social security. During the level 3 epidemic alert lockdown in summer 2021, the government extended the framework particularly to parents with children sent home from school, the self-employed, and employers of businesses under mandatory closure.

## 2. Job Retention

### a) Short-Time Work Benefits?

In Taiwan, the Employment Insurance Act was enacted in 2002 and entered into force in 2003<sup>15</sup>. Aiming to avoid redundancy when employers' businesses suffer an operational loss or business contraction during an

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13 Wesley Yi-Hung Weng (翁逸泓), Processing of Data concerning National Health Insurance in the Context of the COVID-19 Outbreak: Applications and Limitations (健保科技防疫與個資保護：防疫個人資料之應用與界限), *Angel Health Law Review* (月旦醫事法學報告), No. 51, January 2021, 7-19; Chen-Hung Chang (張陳泓), Legal Issues Concerning the Use of National Health Insurance Cards by the Government in Identifying Cardholders: Reflections on Statutory Reservation and the Secondary Use of Personal Data (健保卡作為政府辨識持卡人身分用途之法律議題：法律保留與個資目的外利用之思考), *Angel Health Law Review* (月旦醫事法學報告), No. 51, January 2021, 20-34.

14 Paragraph 16 of the Employment Insurance Act.

15 [Employment Insurance Act](#), (last visited: 14/02/2022).

economic slump, the latest social insurance scheme granted short-time work benefits to the insured under the concept of “employment stability measures”, which provides 50% of the difference between the average and the reduced monthly insurance salary<sup>16</sup>. However, the short-time work benefits adopted by the Employment Insurance Act required an inappropriate unemployment rate and relied on an improper definition of unemployment for short-time work benefits schemes to be triggered<sup>17</sup>.

The Regulation of Employment Promotion Under the Employment Insurance authorised by the Employment Insurance Act in 2010 stated that more than 2.2% of the workforce has to be on unemployment benefits for at least three months by employment insurance statistics, and that this figure cannot rebound over the three months for the central government to introduce the short-time work benefits scheme<sup>18</sup>. The criteria did not correspond to the real unemployment rate, because the number of beneficiaries on unemployment benefits as per the employment insurance statistics depends not only on the circumstances of the economy, but also on the qualifications for and period of unemployment benefit receipt. Even when masses of employees were placed on furlough during the financial crisis of 2007-2008, the requirements could not be fulfilled. Almost one year after the start of financial crisis in August 2008, the unemployment rate calculated according to the regulation was only 2.04% in July 2009 and decreased to 1.56% in the next month<sup>19</sup>, while it had reached 6.07% in

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- 16 Section 12 of the Regulation of Employment Promotion under the Employment Insurance (last visited: 14/02/2022).
  - 17 Jia-He Lin (林佳和), *Arbeit & Recht III: State and Labour Market Regulation, Labour Contract (勞動與法論文集 III : 國家與勞動市場、勞動契約)*, 2014, 83-113. Yu-Fong Wu & Jan-Juy Lin (吳玉鳳、林建智), *On Salary Compensation of Employment Stability Measures under the Employment Insurance Scheme in Taiwan in Comparison with Short-Time Compensation Schemes in the UK, France and Germany (從英國、法國、德國縮短工時補貼制度評析我國就業保險僱用安定措施薪資補貼)*, in: Ming-Cheng Kuo & Hong-Yong Lim (郭明政、林宏陽) (eds.), *Short-Time Compensation and Partial Unemployment Benefit (短工津貼與部分失業給付之比較研究)*, 2016, 99-161.
  - 18 According to Section 5 of the Regulation of Employment Promotion under the Employment Insurance, the percentage of employment benefits recipients must be over 2.2% of the total number of beneficiaries and insured employees, and not decrease in three consecutive months, in order for employment stability plans to be enacted.
  - 19 The unemployment rate of the employment insurance scheme is based on statistics retrieved from [the monthly statistics of June, July and August 2009](#) by the Bureau of Labour Insurance, Ministry of Labour, R.O.C. (Taiwan) (last visited: 15/12/2021).

July and 6.13% in August 2009 according to the statistics of the Statistical Bureau in Taiwan<sup>20</sup>.

In consideration of the fact that the short-time work benefit was never applicable to workers placed on furlough, the regulation was amended in 2019 to lower the criteria for the unemployment rate from 2.2% to 1%, and to eliminate the three-month no-rebound requirement. Nevertheless, the amended regulations were still not suitable to respond promptly to the challenges of the labour market posed by the COVID-19 crisis. The difference in the unemployment rate between the employment insurance calculations and the ILO definition adopted by the Statistical Bureau remained unsolved. Since the outbreak of COVID-19 in 2020 up to August 2021, the unemployment rate calculated under the employment insurance never exceeded 1%<sup>21</sup>; therefore, the government could not initiate the legal mechanisms to provide salary compensation for furloughed employees. A further reform of short-time work benefits with other indicators instead of the unemployment rate calculated under the employment insurance scheme is needed<sup>22</sup>, although it will be too late to meet the current challenge.

### *b) Supplementary Measures for Employment Stability*

In order to counteract wage loss and mass redundancy due to the COVID-19 pandemic, salary subsidies have been paid directly to employees and also through employers. This section focuses on the former measures, while the details of the latter schemes will be explained in Part III.a. of this article. The Ministry of Labour issued the “Regulation of Reliefs for Employees Affected by the COVID-19 Pandemic issued by the Ministry of Labour Affairs” (勞動部對受嚴重特殊傳染性肺炎影響勞工紓困辦法) based on the COVID-19 Special Act and introduced a series of supplementary measures in the form of an administrative plan similar to the benefits under the employment insurance scheme, but financed by the

20 See [National Statistics, R.O.C. \(Taiwan\)](#) (last visited: 15/12/2021).

21 For the unemployment rate under the employment insurance in 2020, see Wei-Wen Lai (賴偉文), *Reconsider the Starting Requirements of Employment Stability Measures during the Pandemic (從疫情衝擊反思我國僱用安定措施的啟動標準)*, *Economic Outlook (經濟前瞻)*, No. 194, March 2021, 33 (35, Table 1); for the unemployment rate from March to August 2021, see [Website](#) (last visited: 15/12/2021).

22 Wei-Wen Lai, *ibid.*, 36-37.

Employment Security Fund<sup>23</sup> rather than by contributions. All schemes were designed to run temporarily, will be invalidated with the expiry of the COVID-19 Special Act, and are to be amended constantly by the Ministry of Labour depending on current demands.

For insured employees under the employment insurance scheme, including both full-time and part-time workers, those that have been furloughed for more than 30 days, with mutual agreements with their employers about work hour reduction registered at the local authority of labour affairs, are eligible for benefits offered by the *Secure Employment Scheme*. There are three categories of monthly benefits: NT\$ 3,500 for those whose wage loss did not exceed NT\$ 7,000; NT\$ 7,000 for wage loss between NT\$ 7,001 and NT\$ 14,000; and NT\$ 11,000 for wage loss above NT\$ 14,001<sup>24</sup>. In this respect, the measure does not function as income replacement. In other words, it is not comparable with the short-time work benefits of the employment insurance scheme.

The furloughed employees are also encouraged to attend vocational training programmes introduced by the *Recharge and Restart Training Scheme*, which grants employees livelihood allowances up to NT\$ 23,040 per month (NT\$ 160 / training hour, max. 144 training hours per month) during training<sup>25</sup>. Employers providing vocational training programmes for their own furloughed employees are eligible for governmental subsidies of up to NT\$ 3,500,000, which is almost twice the normal subsidy. The programme also requires that employers must not lay off furloughed employees during the training period and maintain 90% of the original employment.

Besides the employment maintaining programmes, the government also widened access to employment in the private and public sectors for job-seekers. With the *Immediately On Board Scheme*, the Workforce Development Agencies of the Ministry of Labour recommended part-time jobs in the public interest in public sectors such as the security sector (e.g. guards maintaining order at mass vaccination sites) to registered jobseekers. Participants were granted “working allowances” or “disease control

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23 According to Paragraph 55 of the Employment Service Act, employers of foreign workers are obligated to contribute a special levy to the Employment Security Fund as financial resource for domestic employment promotion or regulatory affairs of foreign workers.

24 For the content of the Secure Employment Scheme (安心就業計畫) see [Website](#) (last visited: 15/12/2021).

25 For the content of the Recharge and Restart Training Scheme (充電再出發計畫) see [Website](#) (last visited: 15/12/2021).



allowances”<sup>26</sup>. Their National Health Insurance and Labour Insurance contributions were also covered by this programme. Though the scheme was legally defined as social assistance benefits under a public law relationship between the public agency and the part-time workers<sup>27</sup>, it obviously also functioned as employment promotion to refresh employees’ willingness to work affected by the pandemic to secure their livelihoods. On the other hand, under the *Making Employment Stable Scheme*, private enterprises without furlough or mass redundancy during the pandemic were especially encouraged to recruit the unemployed candidates recommended by the Workforce Development Agencies. Both employers and recruited employees were supported by this plan; the former can apply for wage subsidies on the condition of continued employment, and the latter are eligible for reemployment incentives<sup>28</sup>.

c) *Extended Measures for Securing the Livelihood of Employees and the Self-Employed*

During the level 3 epidemic alert from 19 May to 27 July 2021, public and business activities were restricted more severely and comprehensively than during the previous period. Employees were confronted with financial difficulties not covered by the furlough-related benefits or unemployment benefits. For example, due to operation deficits, some employers negotiated wage reductions with their employees without reducing work hours. Other employees were paid less because they requested personal leave in addition to legal holidays for quarantine or to care for infected family members. Employees with flexible wages depending mainly on performance and bonuses also faced substantial wage loss. Having considered the diverse circumstances, the Ministry of Labour offered various supplementary aids for different recipients.

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26 The working allowance is paid by the minimum hourly wage, to a maximum of 80 hours per month and up to a maximum of 960 hours. If jobseekers are recommended to participate in disease control activities, they will be granted an additional disease control allowance of a maximum of NT\$ 2,000 per month.

27 See Point 7 of the [Immediately On Board Scheme](#) (安心即時上工計畫), (last visited: 15/12/2021).

28 For full-time employment with monthly wage above the basic wage, employers are eligible for NT\$ 15,000 every two months for each employee, and up to NT\$ 30,000; a recruited employee can receive reemployment incentives of NT\$ 10,000 every two months and up to NT\$ 20,000. See Points 9 and 11 of the [Making Employment Stable Scheme](#) (安穩僱用計畫), (last visited: 15/12/2021).

A one-off aid of NT\$ 10,000 was provided by the *Livelihood Aid for Employees of Compulsorily Closed Businesses Scheme* for employees affected by mandatory lockdown measures<sup>29</sup>. With particular regard to the financial impact on employees at middle or low wage levels, the *Aid for Employee's Livelihood Scheme* granted the one-off aid to full-time employees with a monthly insured salary of between NT\$ 24,000 to 34,800 who suffered more than 20% wage reduction from May to July 2021 compared to their previous wage level in April 2021<sup>30</sup>. Part-time employees with a monthly insured salary not exceeding NT\$ 23,100 were also entitled to this lump sum relief according to the *Aid for Part-Time Employee's Livelihood Scheme*<sup>31</sup>.

In contrast to employed work, the self-employment rate in Taiwan reaches 11.47%<sup>32</sup>, a rate higher than that of industrial countries such as the US, Germany and Japan, and this form of employment contributes significantly to the economy<sup>33</sup>. The self-employed are not insured by the Employment Insurance, but are included in the Labour Insurance. According to the *Regulation of Relief for Employees Affected by the COVID-19 Pandemic*, to qualify for livelihood aid, the self-employed would need to be insured under the Labour Insurance and have a means-tested standard yearly income of less than NT\$ 408,000. The sum of benefits depends further on the level of insured salary. Qualified self-employed persons whose insured salary is less than NT\$ 24,000 were granted a one-off aid of NT\$ 30,000, and those whose insured salary exceeds NT\$ 24,000 were granted NT\$ 10,000<sup>34</sup>.

In addition to the general livelihood relief scheme, self-employed persons in specific sectors are covered by various schemes with similar measures provided by the respective ministries: the self-employed in the cul-

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29 See the [Livelihood Relief for Employees of Compulsorily Closed Businesses Scheme](#) (勞動部因應嚴重特殊傳染性肺炎協助各部會辦理停業員工生活補貼計畫), (last visited: 15/12/2021).

30 See the [Relief for Employees' Livelihood Scheme](#) (勞動部因應嚴重特殊傳染性肺炎辦理受僱勞工生活補貼計畫), (last visited: 15/12/2021).

31 See the [Relief for Part-Time Employees' Livelihood Scheme](#) (勞動部因應嚴重特殊傳染性肺炎影響辦理部分工時受僱勞工生活補貼計畫), (last visited: 15/12/2021).

32 National Statistics, R.O.C. (Taiwan) (中華民國統計資訊網), [Briefing of Manpower Survey Results in 2020](#) (2020年人力資源分析調查提要分析), Table 6 (last visited: 15/12/2021).

33 According to OECD Data, in 2020, the self-employment rate was 6.3% in the U.S., 9.6% in Germany, and 10% in Japan. See: OECD (2021), [Self-Employment Rate \(Indicator\)](#), (last visited: 15/12/2021).

34 Paragraph 5 and 6 of the *Regulation of Relief for Employees Affected by the COVID-19 Pandemic*.

tural industry such as literary and art workers, including nationals and immigrants with alien permanent resident certificates, and those in the transportation and tourism industries such as taxi drivers, tour bus drivers, tour managers and tour guides were supported with one-off livelihood aids of NT\$ 30,000<sup>35</sup>. Peasants and fishermen whose individual income from non-agricultural sectors did not exceed NT\$ 500,000 in the previous year were granted one-off benefits of up to NT\$ 30,000<sup>36</sup>.

The livelihood reliefs for employees were financed by the Employment Security Fund, while the aids for self-employed persons were not within the concept of employment stability and were thus financed through the budget. Precisely speaking, both measures aimed to satisfy the basic needs of employees and the self-employed during the pandemic and were essentially in line with emergency assistance with modified means-test standards, rather than income replacement against furlough or unemployment. However, such cash benefits also help employees stay in the employment relationship, and support the self-employed in securing their basic livelihood by maintaining minimal business operation.

### 3. *Supporting the Economy*

The abovementioned Regulations authorised by Paragraph 9 of the COVID-19 Special Act also include several measures to support businesses and revitalise the economy. All measures were subjected to the policy

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- 35 The livelihood reliefs for the self-employed in the cultural industry are regulated by the Regulation of Relief and Revitalisation for Artistic Industries and Enterprises Affected by the COVID-19 Pandemic issued by the Ministry of Culture (文化部對於受嚴重特殊傳染性肺炎影響發生營運困難產業事業紓困振興辦法); The livelihood aids for self-employed workers in transportation and tourism industries are provided by the Regulation of Relief and Revitalisation for Industries and Enterprises of Transportation and Tourism Affected by the COVID-19 Pandemic issued by the Ministry of Transportation and Communication (交通部對於受嚴重特殊傳染性肺炎影響發生營運困難產業事業紓困振興辦法).
- 36 Livelihood Relief Schemes for Peasants, Fishermen and Self-Employed Fishermen (農民生活補貼作業規範、實際從事漁業勞動之漁民生活補貼作業規範、無一定雇主或自營作業之漁民生活補貼作業規範), which implements Paragraph 5-1 of the Regulation of Relief and Revitalisation for Agricultural Industries and Enterprises Affected by the COVID-19 Pandemic issued by the Ministry of Agriculture (農業委員會對於受嚴重特殊傳染性肺炎影響發生營運困難產業事業紓困振興辦法).

guidelines announced by the Executive Yuan<sup>37</sup>, and the respective ministries further fill in the concrete content pursuant to the specific situations of affected sectors. In general, the measures can be divided into two categories: (a) subsidies for operation of enterprises and liquidity assistance, and (b) deferral or exemption of tax payment and social insurance contributions. Furthermore, measures especially to be highlighted were the *Triple Stimulus Vouchers* in 2020 and the *Quintuple Stimulus Vouchers* in 2021, which to some extent were based on the concept of basic income, but in an alternative form that encouraged the general public to spend instead of depositing money, as discussed in (c) below.

a) *Subsidies for the Operation of Enterprises and Liquidity Assistance*

The regulation issued by the Ministry of Economic Affairs provides an overview of operational support for enterprises affected by the COVID-19 pandemic<sup>38</sup>. Support was provided according to industry sector, the enterprise scale, or the extent of turnover deduction. Affected industries primarily include the manufacturing and service industries such as gastronomy providers and retailers; other industries indirectly affected by disease control measures can be accredited on a case-by-case basis by the Ministry of Economic Affairs. Within the designated affected industries, affected enterprises are defined as businesses that suffered over 15% turnover reduction in any month (or the average of two consecutive months) in 2020 or 2021 in comparison with the average turnover of the second half of 2019 or the same period of any year between 2018 to 2021. Businesses with over 50% of decrease in turnover or which underwent compulsory termination of operation are defined as enterprises suffering financial hardships.

Since the outbreak of the COVID-19 pandemic, businesses qualified as enterprises suffering financial hardships included sectors of transportation, aviation, manufacturing and technical support services, exhibition and

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37 The relief policies in 2020 emphasise cash benefits, making loans easier and easing financial burdens (要現金、助貸款、減負擔). In 2021, the Relief Package 4.0 sustains this existing guideline and accelerates application for individuals, extends the supportive measures for businesses and raises the budget for liquidity assistance. See [press release of 24 Sep 2021](#) of the Executive Yuan of Taiwan (last visited: 15/12/2021).

38 The Regulation of Relief and Revitalisation for Industries and Enterprises Affected by the COVID-19 Pandemic issued by the Ministry of Economic Affairs (經濟部對受嚴重特殊傳染性肺炎影響發生營運困難產業事業紓困振興辦法).

trade services, tourism, education services, arts and cultural services as well as providers of welfare services, childcare and long-term care services. The government granted these businesses subsidies on the condition that the businesses did not furlough or dismiss employees, deduct salary or impose any other disadvantages against their employees. Dissolution of businesses or other similar actions were not allowed. The subsidies partially covered salary payment for employees, operational costs or impact on turnover<sup>39</sup>. The sum of subsidies varies from sector to sector, and also depends on whether the business has been terminated. In general, subsidies for salary payment were granted with a replacement rate ceiling or a fixed rate during the grant period. For example, employers suffering financial hardships in the services industry are granted NT\$ 30,000 in lump sum indirectly for each employee during the period of compulsory closure if the regular salary payment did not reach the basic wage level; the other enterprises in the sectors of transportation, aviation, manufacturing and exhibition suffering financial hardship may apply for a subsidy of 40% of salary payment, but not exceeding NT\$ 20,000 of each employee for 3 months<sup>40</sup>. Subvention for operational costs, impact on turnover or business termination loss was paid in lump sum form, calculated by a fixed rate for the respective number of employees.

To the affected enterprises, the Taiwanese government offered various access possibilities to loans to secure liquidity, for which enterprises can apply to postpone the principal repayment term. The government provides additional subsidies to lenders to offer interest deduction to beneficiary enterprises. For new cases, the government introduced two loan schemes for all enterprises with a term of up to 3 years: the *Loan for Operation* and the *Loan for Working Fund* for SMEs, with additional subvention to SMEs for interest up to 1 year. The loan for operation scheme, 100% backed by the SME Credit Guarantee Fund Taiwan, was exclusively for the purposes of financing salary payment and rents for offices and factories, amounting to up to NT\$ 6,000,000. The other scheme aims at maintaining the liquidity of affected businesses. It provided loans with partial guarantees of up to 90%, also supported by the SME Credit Guarantee Fund Taiwan. The loan

39 Besides the cash relief and other loan assistance, the supportive measures stipulated by the regulation mentioned above also included industrial upgrading, digital transformation, consumption promotion, facilities improvement, trade promotion, personnel training, and the deferral or instalment of utility bills.

40 Paragraphs 5 and 5-1 of the Regulation of Relief and Revitalisation for Industries and Enterprises Affected by the COVID-19 Pandemic issued by the Ministry of Economic Affairs.

limit differs on the scale of enterprises, up to NT\$ 150,000,000 for SMEs and NT\$ 500,000,000 for larger businesses. In both cases, no credit fees are charged during the guarantee period.

The liquidity assistance measures are carried by the Taiwan Central Bank and government-owned banks in cooperation with private banks. There were also specific loan schemes for particular industries such as agriculture, fishery, stock farming, industrial innovation and arts and culture, provided by the competent ministries. Moreover, individual employees were included in the loan scheme with loans of up to NT\$ 100,000 for each person; such loans were backed partially by the SME Credit Guarantee Fund with interest subsidy for 1 year<sup>41</sup>.

#### *b) Deferral and Exemption of Tax Payment and Social Security Contributions*

In association with the disease control measures, Paragraph 4 of the COVID-19 Special Act provided that employers, including agencies, enterprises, schools, legal entities and organisations, offering paid leaves to their employees in quarantine or isolation may deduct 200% of the salary payment from their income declaration in the current year and therefore be exempted from tax. The same shall apply to employers who provide paid leave for employees taking vaccination leave or leave to care for their children under junior high school due to the closure of childcare services and schools during the epidemic period. Under these circumstances, employees with paid leave would not be eligible for epidemic-related compensation from the government<sup>42</sup>. This mechanism illustrated a private-public sharing of financial burdens resulting from epidemic-related measures.

Furthermore, the Ministry of Finance in Taiwan modified the tax collection procedural rules to provide a tax deferral scheme for employees and employers suffering financial hardship in the epidemic-related recession<sup>43</sup>. Enterprises could qualify as recipients of operation subsidies provided by the competent ministries, or, in the case where an enterprise's turnover

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41 The subsidies and loan schemes for specific industries and employees are regulated by the respective legal orders.

42 See Section "IV. a" of this article.

43 The Ministry of Finance issued in 2020 the "Reviewing Rules of Tax Collection Authorities Regarding Application for Deferral or Instalment of Tax Payment by Taxpayers Impacted by the COVID-19 Pandemic" (稅捐稽徵機關)受理納稅義務人因特殊嚴重傳染性肺炎 (COVID-19) 疫情影響申請延期或分期繳納稅捐審核原則) and amended it in 2021.

in 2020 and 2021 had dropped more than 15% in any month or any two consecutive months compared to the average turnover of the second half of the previous year or the same period of any year since 2018, it can apply for profit-seeking enterprise income tax deferral, or an instalment plan. Deferral could be effected for up to one year and instalment plans could be arranged for up to 3 years. The same also applied to employees who were replaced on furlough or dismissed, or for those whose salaries or working days were reduced due to the pandemic.

With regard to social insurance contributions, Paragraph 4 of the Regulation of Reliefs for Employees Affected by the COVID-19 Pandemic stipulates a deferral plan for Labour Insurance, Employment Insurance and Labour Pension contribution payments. The qualified applicants include employers and the self-employed of affected sectors and furloughed employees. The maximum length of deferral is 6 months. Regarding National Health Insurance contributions, employers and insured persons from affected sectors may apply for deferral, instalment or interest-free loans for payment. The latter two instruments are regular relief measures for insured persons suffering financial hardship, provided by the National Health Insurance Act.

According to Paragraph 9-1 of the COVID-19 Special Act, all subsidies, allowances, reliefs and compensations provided by the government according to this Act or the Infectious Disease Control Act are exempted from tax.

### *c) Stimulus Vouchers*

Among the economic revitalisation measures listed in the regulation of the Ministry of Economic Affairs, the stimulus vouchers were the most significant ones. The policy aimed to stimulate domestic consumption and boost GDP after lifting public activities restrictions. Instead of cash distribution, which may be partially converted into deposit, stimulus vouchers came with an expiration date and were limited to consumption; they could not be deposited in banks, exchanged for cash, or used to pay taxes, fines, official fees or utility bills or bank loans. This measure was taken in 2009 in response to the recession caused by the global financial crisis. Every citizen without an age limit was given consumption vouchers worth NT\$

3,600<sup>44</sup>. The scheme was financed by a special governmental debt at 85.7 billion NT dollars and contributed 0.28% to 0.43% towards the GDP, less than the desired effect of 0.66%<sup>45</sup>. Regarding the COVID-19 pandemic, the COVID-19 Special Act authorised the competent ministries to adopt revitalisation measures to expand domestic demand and consumption. The Ministry of Economic Affairs thereby issued regulations in 2020 and 2021 to publish stimulation vouchers after lifting social activities restrictions<sup>46</sup>.

In June 2020, with previous experience under its belt, the Taiwanese government issued *Triple Stimulus Vouchers* in printed and digital form as a modified consumption voucher. All citizens, including immigrants with alien resident certificates, were eligible to purchase Triple Stimulus Vouchers worth NT\$ 3,000 at the price of NT\$ 1,000; citizens of low or middle-low-income households could receive vouchers free of charge. In conjunction with other vouchers for invigorating tourism, cultural and sports activities provided by various ministries and local governments, as well as discounts provided by private sellers, the turnover of tourism, gastronomy and retail businesses increased conspicuously in the second half of 2020. The number of furloughed employees therefore decreased from approx. 30,000 persons in June 2020 to 5,000-6,000 persons in December 2020<sup>47</sup>. After downgrading the level 3 epidemic alert to level 2 in July 2021, the Taiwanese government further granted *Quintuple Stimulus Vouchers* directly to citizens free of charge in August 2021, set to expire on April 30, 2022. Both voucher schemes were financed from governmental debts; the former cost 51 billion NT dollars, and the latter 120 billion NT dollars. However, the government's financing capacity was not

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- 44 Tain-Jy Chen (陳添枝), *The Planning and Implementation of Taiwan's Consumption Voucher Schemes to Invigorate the Economy* (「振興經濟消費券」政策之規劃與推動), *Taiwan Economic Forum* (台灣經濟論衡), Vol. 7, No. 2, February 2009, 26-38.
- 45 Department of Economic Research of the Council of Economic Planning and Development (經建會經濟研究處), *The Statistic and Impact Evaluation of Implementation of Consumption Voucher Schemes* (振興經濟消費券執行相關統計及影響評估), *Taiwan Economic Forum* (台灣經濟論衡), Vol. 7, No. 11, November 2009, 62 (66-68).
- 46 Regulation for Issuing the Triple Stimulus Voucher due to the COVID-19 Pandemic (因應嚴重特殊傳染性肺炎振興三倍券發放辦法) in 2020 and Regulation for Issuing the Quintuple Stimulus Voucher due to the COVID-19 Pandemic (因應嚴重特殊傳染性肺炎振興五倍券發放辦法) in 2021.
- 47 The Ministry of Economic Affairs, R.O.C. (Taiwan), *The Evaluation Report of Implementation Effectiveness of the Triple Stimulus Voucher* (振興三倍券執行成效評估書面報告), July 2021 (last visited: 15/12/2021).



unquestioned as the ceiling of governmental debt expanded. The actual contribution of Quintuple Stimulus Vouchers to the economic growth rate and employment still remains to be evaluated<sup>48</sup>.

#### 4. Social Protection

##### a) Epidemic-related Compensation

In conjunction with the restriction measures of disease control that have restrained personal liberty and family life and resulted in loss of wages and work, a series of social compensation benefits has been introduced by legislators and the government to balance the tension between the protection of personal freedom, the mitigation of economic disadvantages of individuals, and the improvement of public health. Paragraph 3 of the COVID-19 Special Act rules that public and private employers must ensure disease prevention isolation leave for employees in quarantine or isolation or those that need to care for their infected family members. The Special Act further forbids dismissing employees, deducting bonuses or imposing other unfavorable penalties on grounds of absence from work for the above reasons. Individuals that did not violate relevant regulations during quarantine or isolation, and that were not paid salary or subsidies during disease prevention leave were granted an epidemic compensation of NT\$ 1,000 per day. The same applies to caregivers who take leave to care for their quarantined or isolated family members. In addition, an NT\$ 100,000 funeral assistance was provided to survivors of COVID-19-affected victims.

Considering the fact that parents have often had to take unpaid leave to care for their children due to the closure of childcare services and schools during the epidemic, the Ministry of Education and the Ministry of Health and Welfare provided parents, custodians or actual caregivers of children in elementary schools or younger and children with disabilities under 18 years of age eligible with a lump sum compensation benefit in the amount

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48 Despite the global recession due to the pandemic, the annual GDP growth rate in Taiwan reached 3.12% in 2020. In comparison, the GDP growth rate of China was 2.3%; Japan, -4.6%; Korea, -0.9%; worldwide, -3.4%. Resource: [Taiwan National Statistics](#); [OECD Interim Economic Outlook Projection](#) (last visited: 15/12/2021).

of NT\$ 10,000 for each child under the *Disease Prevention Compensation for Family Scheme*<sup>49</sup>.

b) *Emergency Aid for Vulnerable Groups*

At the beginning of the COVID-19 outbreak from March to June 2020 and during the level 3 epidemic alert period from May to July 2021, the Taiwanese government immediately targeted the most vulnerable groups in the existing social assistance scheme. Under the *Supplementary Livelihood Aid Scheme for Vulnerable Groups* proposed by the Executive Yuan, the elderly, disadvantaged children and youth, and persons with disabilities that qualified as social assistance beneficiaries were granted supplementary aid amounting to NT\$ 1,500 per month without need for additional application<sup>50</sup>. Other vulnerable minorities without secure financial capacities, those not classified as low-income households and excluded by profession-related reliefs, were “caught” by some residual schemes. For example, the Ministry of Education provided grants and rent aid to college and university students suffering financial hardship due to the level 3 epidemic alert<sup>51</sup>.

Furthermore, based on Paragraph 3 of the COVID-19 Special Act mentioned above, the competent authority shall provide assistance in accordance with the Public Assistance Act to individuals who take leave or cannot work due to disease control measures if their livelihoods were affected. The legal mission has been fulfilled through various profession-related or social insurance status-related schemes by the competent ministries. The government has also extended the existing social assistance scheme temporarily during the epidemic to vulnerable workers in the informal economy such as street vendors or those in irregular working conditions

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- 49 Under the Disease Prevention Compensation for Family Scheme (孩童家庭防疫補貼), the Ministry of Health and Welfare is responsible for children under 2 years old, while the Ministry of Education is responsible for children between 2 and 12 years old and children with disabilities. The improvement of the qualification process and cash delivery is dealt with by respective administrative systems. See [Website](#) (last visited: 15/12/2021).
- 50 For the Supplementary Livelihood Aid Scheme for Vulnerable Groups by the Executive Yuan (防疫期間行政院關懷弱勢加發生活補助) for 2020 see [Website](#), for 2021 see [Website](#) (both last visited: 15/12/2021).
- 51 The aid scheme for students is based on the “Regulation of Reliefs and Revitalisation for Educational and Supportive Facilities and Businesses Affected by the COVID-19 Pandemic” (教育部對受嚴重特殊傳染性肺炎影響發生營運困難產業事業紓困振興辦法).

such as casual workers who were neither included by the social insurance schemes for civil servants, lecturers, farmers or employees and the self-employed, nor covered by any governmental reliefs. The *COVID-19 Emergency Aid Scheme* provided by the Ministry of Health and Welfare categorised citizens living below the extended poverty line according to modified means-testing and without any support from social insurance or other supportive schemes, and that are suffering a financial crisis due to reduced income, into 3 categories, and granted different levels of flat-rate emergency aid ranging from NT\$ 10,000 to NT\$ 30,000 per household under a “catch basin” scheme<sup>52</sup>. Noting the potential hindrances of recipients receiving the benefits, the government simplified and sped up means-testing and approval procedures. In cases where evidence of income shortage was not available, an affidavit or authorisation to investigate personal financial data from the applicant would suffice.

## 5. *Conclusion*

Learning from the experience of the SARS outbreak in 2003 and considering the obstacles to participating in the global health cooperation net, the government reacted immediately to the spread of COVID-19 at the end of 2019. The Infectious Disease Control Act and the COVID-19 Special Act provide a comprehensive legal framework for intervention in personal freedoms to combat the spread of infectious diseases. Most disease control measures, such as mandatory mask-wearing, restriction of gatherings, mandatory testing, digital contact tracing, quarantine and compulsory closure of businesses were, and continue to be, widely accepted by the community. In light of some critical events, such as the unexpected entry restrictions applied to citizens who had temporarily visited China during the Luna New Year vacation in 2020, and revelation of an undocumented foreign caregiver due to infection while working in hospital, the entire society was engaged in an intense debate about with whom and to what extent people in Taiwan were united. Under the concept of “The whole island stands in solidarity,” a consensus of health solidarity emerged beyond nationality, but limited by geographic borders<sup>53</sup>.

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52 For the COVID-19 Emergency Aid Scheme by the Ministry of Health and Welfare (衛生福利部因應疫情擴大急難紓困實施計畫) for 2020 see [Website](#), for 2021 see [Website](#) (both last visited: 15/12/2021).

53 After overcoming the vaccine shortage crisis, the Taiwanese government announced in December 2021 the COVID-19 vaccination programme for undocu-

Nevertheless, the expansion of government power was not sufficiently controlled nor balanced by judicial review with the sheer authorisation delegated by the COVID-19 Special Act. Questioned, for example, were the legality and constitutionality of some measures such as the duration of isolation for positive cases, restriction of foreign travel for certain professions such as physicians, digital tracing of infected persons and their contacts, establishment of vaccination priority groups, and the most recent policy that starting in 2022 all personnel in designated facilities shall be vaccinated with 2 shots or tested negative for COVID-19<sup>54</sup>. However, no political action for further legal amendment has yet been taken. For a young democratic society like Taiwan, it needs to be thoroughly deliberated how to strengthen health solidarity under the rule of law.

Solidarity for health shall be further strengthened with the commitment of the community members to support each other during the crisis. Without supporting aid for enterprises and individuals whose financial basis had been undermined by disease control measures, the spread of COVID-19 could not have been effectively controlled. In response to the recession and the threat to citizens' individual existence, the COVID-19 Special Act and numerous regulations of relief and revitalisation issued by the respective ministries have constructed a temporary legal framework

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mented foreign workers and guaranteed no reporting to authorities, no punishment, no future immigration control and no charge.

- 54 Huang, Cheng-Yi. [Soft Regulation and Hard Compliance in Taiwan](#), Regulatory Review, 11 June 2020 (last visited: 15/12/2021); Chung-Lin Chen (陳仲麟), Revisiting the Boundaries of Legal Reservation from the Controversy Over the Anti-Epidemic Travel Ban (從防疫出國禁令爭議再訪法律保留的疆界), *Law and Life Science (法律與生命科學)*, Vol. 9, No. 1, June 2020, 1-37; Wen-Yu Chia (賈文字), Do We Need to Talk About Constitutionalism for Epidemic Prevention? (防疫還要談憲政主義嗎?), *Law and Life Science (法律與生命科學)*, Vol. 9, No. 1, June 2020, 39-65; Shin-Rou Lin (林欣柔), The Power and Limits of Public Health under the COVID-19 Pandemic (新冠肺炎流行下的公衛權力與界限), *Law and Life Science (法律與生命科學)*, Vol. 9, No. 1, June 2020, 67-89; Chin-Wen Wu (吳秦雯), From SARS to COVID-19: The Legal Framework for the Prevention and Control of Infectious Diseases and the Restrictions of the Fundamental Rights under Judicial Interpretation No. 690 (從 SARS 到 COVID-19 : 司法院釋字第 690 號解釋架構下之傳染病防治法制與基本權限制), *Law and Life Science (法律與生命科學)*, Vol. 9, No. 1, June 2020, 91-112; Wen-Tsong Chiou, Chuan-Fang Wu, Ching-Yi Liu, Ting-Chi Liu, Wesley Yi-Hung Weng (邱文聰, 吳全峰、劉靜怡、劉定基、翁逸泓), Disease Control through Technical and Personal Data Protection, Part I and Part II (科技防疫與個人資料保護 (上) (下)), *Court Case Times (月旦裁判時報)*, No. 106, April 2021, 85-102; No. 107, May 2021, 88-104. A series of legal conferences with regard to COVID-19 and the rule of law also took place in the second half of 2021.

supplementary to the existing institutions. They have increased benefits to support affected groups, including employees, the self-employed, business owners and vulnerable groups. In order to ensure timely aid to those in need, eligibility was relaxed and the number of beneficiaries therefore enlarged. But the existing measures and institutions of employment stability benefits, economy stimulating packages and the social security system were not configured by the temporary programmes<sup>55</sup>.

Some critical issues for the future development of labour and social policy and the legal systems in Taiwan have been identified. First, the legal mechanism of short-time work benefits did not work, even though the triggering threshold of employment stability measures was lowered in 2019. During the pandemic, the government quickly adopted measures to secure furloughed employees' livelihood under the authorisation of the COVID-19 Special Act, yet no attention has been paid to the systematic failure of the employment insurance system. The flaw could continue to exist after the pandemic, because traditionally, labour and social policies are not the focus of political campaigns as compared to economic policies in politics.

Meanwhile, the pandemic-related recession has brought to light the financial vulnerability of the self-employed and SMEs as well as the fragmented status of the social security system for workers in the informal economy or in irregular work relationships. The relaxation of eligibility criteria or waiver of means-testing to grant epidemic-related benefits has helped more beneficiaries and resolved the problem temporarily. To some extent, issuing and granting stimulus vouchers for all citizens was a universal and unconditional benefit. However, the crisis-driven relief is either one-off or time-limited. In the current crisis and even in the long-term, no structural changes for employment promotion and social security schemes can be expected in Taiwan.

On the other hand, the epidemic-related compensation for quarantine, isolation and caring reimbursed personal loss for the common good, suggesting that the whole society stood with the disadvantaged individuals and groups in solidarity. These motives became well-known terms in society. Whether the Taiwanese scheme can be characterised as a "social compensation" benefit is worth further discussion. In the legal literature, the German academic concept of social compensation is introduced by legal

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55 Suetgiin Soon, Chelsea C. Chou and Shih-Jiunn Shi, *Withstanding the Plague: Institutional Resilience of the East Asian Welfare State*, Social Policy Administration, Vol. 55, Issue 2, March 2021, 374–387.

scholars and adopted by the Grand Justices of the Constitutional Court in Taiwan in Constitutional Interpretation No. 767 regarding the drug injury relief scheme in 2018. However, the drug injury relief scheme is financed by deposits of manufactures and importers, rather than by taxation. The relief scheme was not rooted in solidarity, and therefore is inconsistent with the original concept of social compensation. It is evident that even the Grand Justices have misunderstood the legal character of drug injury relief<sup>56</sup>. On the contrary, in the case of epidemic-related compensation, the whole society supported through taxation individuals that had lost earnings directly or indirectly due to restriction measures. In this respect, it can be considered as a social compensation scheme<sup>57</sup>.

Taiwan has learned its lessons from SARS and has so far efficiently contained the COVID-19 pandemic. A broad consensus on solidarity for health has therefore been built and strengthened. What are thus the next lessons we can learn from the crisis-related social and labour policy measures? Basically, most COVID-19-related measures, e.g. job retention, economy revitalisation and social protection rely on previous initiatives and existing institutions<sup>58</sup>. This time, the concept of social compensation plays a more significant role than usual for maintaining solidarity for health. The commitment of the state to accounting for affected citizens during the pandemic crisis expresses also an institution based on the social state principle already recognised by Constitutional Interpretation No. 485, manifesting that all members in the democratic society stand with each other in solidarity.

In view of the diverse mutations of the virus with its yet unknown impact on people's health, the disease control measures are expected to stay in place for some time. In a sense, emergencies are becoming the new normal. In the meantime, the pandemic directly or indirectly impacts the

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56 Nai-Yi Sun (孫迺翊), *Development in Law 2017-2018: Social Law* (2017 年至 2019 年社會法發展回顧), National Taiwan University Law Journal (臺大法學論叢), Vol. 48, Special Issue (Nov. 2019), 1761 (1787-1790). For the common background regarding public compensation in the context of social policy see: Ulrich Becker, *Social Policy and Social Law in Times of Crisis*, in: *Protecting Livelihoods in the COVID-19 Crisis: Legal Comparison of Measures to Maintain Employment, the Economy and Social Protection*, MPI Soc Working Papers 7/2020, 9 (13-14).

57 In addition to social compensation for quarantine, isolation and vaccine injury, the Infectious Disease Control Act provides also compensation for the expropriation of private land, products, buildings, facilities, transportation means and other resources for disease control.

58 Suetgiin Soon, Chelsea C. Chou and Shih-Jiunn Shi, *supra* note 55, at 383-384.

restructuring of the global supply chain. The domestic economy and the labour market are facing transformations and social policies need a reorientation accordingly. For further development towards a social state in the face of dynamic and continued socio-economic challenges, it is critical and essential to put more effort into reforming the institutional inadequacies of the social security systems, systemise emergency aid, and improve the existing institutions to provide more comprehensive protection to cover irregular employment and employees in transforming sectors.

