

Analysis

Government Support to Individuals and Households During Crises

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Original post [here](#).

Many countries are adopting programs to provide support to individuals in response to the COVID-19 pandemic, which has entailed unprecedented government-directed curtailment of economic activity. These programs are designed to provide cashflow support for individuals and households who may be struggling due to economic uncertainty and hardship. Measures to support individuals vary and either enhance cashflows or decrease required expenses. In the former category, countries have adopted measures to provide enhanced income support to the unemployed, direct payments to individuals, and favorable access to retirement savings. Tax cuts and filing extensions are examples of the latter.

This post begins by describing the challenges facing policymakers in designing support for individuals, provides an overview of options to support individuals, outlines a few examples of countries implementing a mix of these policies, and concludes by offering some key takeaways about why certain interventions to support individuals may be preferable in different scenarios

Statement of the Challenge

Governments must determine how to structure and implement effective, targeted support to individuals. With businesses shuttering in response to the COVID-19 pandemic, millions of individuals across the world are losing jobs and sources of income. Though the shock from the pandemic is expected to be temporary, many face immediate financial hardship with limited savings. Governments face the task of determining which tools to use to quickly provide large-scale, targeted support to individuals.

Policymakers must consider who will be eligible for support. Some tools are broad by nature, while others provide support to a specific subgroup. Eligibility can be complicated by immigrant and resident status. Funding for individual support is generally fiscal in nature, either through unemployment insurance, direct payments, tax measures, or housing relief, but the mechanism for funding is important. Some support programs require large, upfront expenditures, such as increased unemployment support or direct payments to individuals, while tax deadline extensions and tax cuts impact the timing or amount of revenue the government ultimately collects. Some programs, such as increased unemployment support, rely on existing systems, while others require that new processes be established.

In order to design policies to optimally target individuals, governments must consider the following:

1. How quickly will individuals receive aid under the program?
2. How much support should be provided?
3. Who will receive support?
4. How long should support be provided?

5. How will the government fund the program?
6. How should the tools be combined in the policy mix?

Options to Support Individuals

1. Unemployment Insurance and Wage Subsidies
2. Direct Payments
3. Income Tax Cuts
4. Other Tax Cuts
5. Deadline Extensions and Penalty Waivers
6. Access to Retirement Savings
7. Housing Relief

Unemployment Insurance and Wage Subsidies

Many countries provide support to employees who lose their jobs or who are at risk of losing their jobs. Two common approaches are unemployment insurance and short-time work schemes or wage subsidies. Unemployment insurance replaces some of an individual's lost income through direct benefits. Short-time work schemes and wage subsidies provide income support to individuals who are temporarily laid off or working reduced hours. Governments can utilize these systems to address individual hardships during times of economic downturn by increasing the amount of the usual support, lengthening the term of the support, or broadening the group of individuals who are eligible for the support.

Under unemployment insurance, governments provide direct benefits to individuals who meet qualifying criteria. During crises, countries can expand or provide additional support through their existing unemployment insurance system. The United States [CARES Act](#) temporarily increases the weekly unemployment benefit by \$600 (about 50% of GDP/capita, annualized), prolongs the covered period, and expands eligibility criteria. [During the 2007-09 Global Financial Crisis](#) (GFC), the United States extended the entitlement period multiple times, with unemployed workers eligible to receive up to 99 weeks of benefits. The [Coronavirus Supplement](#) in Australia provides an additional AUD 550 in unemployment benefits to eligible individuals every two weeks, on top of the [JobSeeker Program](#). Greece will provide EUR 800 (58% of [GDP/capita](#), annualized) to individuals who lose jobs due to the economic impact of COVID-19, while Belgium provides [additional daily allowances](#) to individuals whose job loss is due to a “force majeure” such as the COVID-19 pandemic.

Under [short-time work schemes or wage subsidy schemes](#), an employer that is experiencing economic difficulties may temporarily reduce the hours worked by employees or temporarily furlough them, while paying employees some portion of their wages that is subsidized by income support from the government. These schemes help employers retain employees rather than lay them off, helping to [keep unemployment levels down](#) and presumably fuelling a quicker recovery.

Short-time work schemes are common in many European countries, and many are expanding short-time work schemes in response to the COVID-19 pandemic. The duration of Germany's program has been expanded to provide support for up to 12 months. Since the onset of the pandemic, [650,000 German employers](#) have notified the government that they intend to use the country's Kurzarbeit scheme. The French system has seen dramatic increases since the onset of the crisis and is so far covering a third of the country's private-sector workers, at an expected cost [of EUR 24 billion](#) over the next three months. The United Kingdom has announced a new scheme under which it promises to pay employers 80% of workers' pay, as long as they don't lay them off. The EU recently [approved](#) an initiative, the [Support to Mitigate Unemployment Risks in an Emergency \(SURE\)](#), to lend up to EUR 100 billion to Member States to [support increased public spending](#) on short-time work schemes.

During the GFC, usage of short-time work schemes increased. The German Kurzarbeit [supported 1.4 million individuals](#). The [Czech Republic, Hungary, the Netherlands](#) and several other countries adopted new schemes. [Other countries](#) extended the duration of short-time work scheme support or increased the benefit amount.

Governments must determine what percentage of lost income to provide in benefits. This can be a flat rate amount. For example, the JobKeeper wage subsidy program in [Australia](#) provides AUD 1,500 (49% of [GDP/capita](#), annualized) every other week; the [New Zealand](#) wage subsidy provides NZD 585 (47% of [GDP/capita](#), annualized) per week for full-time workers and NZD 350 for part-time workers. Other countries provide benefits based on a percentage of each individual's average earnings, with a cap on the benefit amount. The percentage of lost income covered, or the replacement rate, is typically 60% to 80%. For example, [Belgium](#) reimburses 70% of lost wages up to EUR 2,750 per month (82% of [GDP/capita](#), annualized); [Canada's](#) wage subsidy covers 75% lost wages, up to CAD 847 per week (73% of [GDP/capita](#), annualized).

Governments may also choose to expand unemployment or wage support benefits to individuals not usually covered by such programs. and many have expanded the scope of programs in response to the COVID-19 pandemic. The [CARES Act](#) provides benefits to self-employed individuals and sole proprietors through the existing state-administered system, although such individuals would not normally be eligible. Unlike the existing program, which is state-funded, this coverage is fully-funded by the federal government. The government estimates it will cost [\\$250 billion](#). Other countries are similarly expanding coverage. The Austrian program now includes apprentices, and temporary workers are eligible in Germany. The EU SURE initiative permits funds to be used for short-time work or similar schemes for the self-employed.

Similarly, during the GFC, [some countries](#) expanded eligibility to part-time workers or fixed contract workers. [The Netherlands and Slovenia](#) required that participants undergo training during the hours not worked in order to receive benefits. Other countries incentivized participation in training programs by providing greater income support.

In the European short-time work and wage subsidy programs, benefits are typically provided through the employer. In such cases, the business must meet a set of criteria; many COVID-19 related programs are available only to businesses in hard-hit sectors or that have experienced large declines in sales or workforce. In [Australia](#), companies with more than AUD 1 billion in revenue are eligible for the JobKeeper wage subsidy program if revenue decreases by 50%; smaller companies are eligible if revenue decreases by 30%. In the [United Kingdom](#), the wage subsidy program is available to furloughed workers who do not provide revenue-generating services for their employer. Some countries, such as [Estonia](#), require employers to contribute a

certain amount of employee wages, while other [countries](#) request, but do not require, employers to try to cover the difference between the subsidy and the employee's standard wages

Some countries are waiving criteria and application materials in order to expedite the approval and payment process. In [France](#), the government must make a decision on an employer's wage subsidy application in two days; otherwise, it will be automatically granted. Other countries, such as [Australia](#), are waiving application materials for individuals applying for unemployment insurance.

For more specific information about Unemployment Insurance and Wage Subsidy programs, see [Support to Individuals through Unemployment Insurance and Short-Time Work Schemes](#)

Direct Payments

To address financial distress and cash-flow issues, some governments send money directly to residents. The [US](#) and [Hong Kong](#) have the largest and broadest of such programs. The US will send \$1,200 (approximately 1.9% of GDP/capita) to adult residents and \$500 per child. The Hong Kong government has announced that it will send a similar amount of HKD10,000 (\$1,290; approximately 2.7% of GDP/capita) to all adult permanent residents. For comparison, the [US](#) conducted a direct payment program in 2001 and 2008 with maximum payments to adults of \$300 and \$600, respectively. In March of this year, the [Australian](#) government introduced a program that provides up to two payments of AUD750 (\$482; approximately 0.8% GDP/capita) to approximately 6.5 million Australians described as [all welfare recipients and concession card holders, including all pensioners](#).

In the current US program, for those who filed taxes previously and included bank account information, the Internal Revenue System (IRS) will directly deposit the stimulus funds. The IRS is working on a website portal where eligible individuals will be able to provide bank account information. If no bank account information is available and where physical address information is available, the IRS will mail checks. By sending payments via direct deposit, the quickest distribution seems assured for most recipients; the government estimates that the first monies will arrive within three weeks.

The choice of administrative process affects the timing of the payment and thus how effective it is in implementing the intended policy. Eligible Australians were groups that already received government welfare payments and began receiving the COVID payments [within three weeks](#).

Hong Kong and [Singapore](#) announced direct payment plans, in February and March, respectively, but the payments are not expected to be distributed until summer. The reasons for the delay in the Hong Kong payment include approval of the budget, legal and technical issues, and the requirement that residents register for the benefit. Distribution is expected to begin [in August](#). In contrast, Singapore, subsequently announced that it would distribute part of the payments as early as April using known resident information and direct deposits in a manner similar to the US.

Direct payments programs often, though not exclusively, target those at lower income levels. Australia's program is designed with this objective. Funds are targeted at groups who need the funds and would spend them, thus [assisting the individuals and the economy](#). A number of other countries announced direct payments to lower income groups as follows: “1,500 vulnerable families” in Barbados, “12 million low-and modest-income families” in Canada, and “3 million of the poorest” in both Iran and Thailand.

The US and Canadian direct payment programs target a significant portion of the population. The payments begin to taper as income increases above a specified threshold, eventually reaching zero. The \$1,200 payment for a single adult in the United States begins to taper as income rises above \$75,000 (approximately 120% median income) and reaches zero at \$99,000. In a similar program in [Canada](#), the taper begins at around \$20,000 (approximately 80% of median income). [Hong Kong](#) is unique in offering stimulus payments to all adult permanent residents regardless of income level.

In some countries, including the [US](#) and [Canada](#), parents of dependent children are eligible for additional funds, \$500 and CAD300 per child, respectively. The 2001 [US](#) program did not include additional funds for children, but the 2008 US program in response to the GFC included an additional \$300 per child. [Australia](#) conducted a direct payment program in 2008 that included AUD1,000 per child.

As of the time of this writing, most programs announced have been single payments; however, Thailand and Barbados offer monthly direct payments. The program in Thailand is expected to last three months, and Barbados did not announce an end date to its program. [Australia](#)'s current direct payment program has two installments; the second is [available](#) to fewer residents than the first. Recurring payments provide additional flexibility and scalability that one-time payments do not.

For more specific information about Direct Payments programs, [see Support to Individuals through Direct Payments and Tax Cuts](#)

Income Tax Cuts

Some governments are providing stimulus funds to individuals via general income tax cuts. However, it is important to note that income tax cuts only allot funds to those who still have jobs, and therefore income. (However, sometimes individuals have to pay income tax on unemployment insurance payments).

[Indonesia](#) and [Kenya](#) have passed some of the largest income tax cuts. Indonesia's program decreases the income tax rate by 30% [for workers in most sectors](#), and cuts the rate to 0% at certain low-income levels. Kenya's program cuts the tax rate to 0%. [Hong Kong](#) has taken a different tactic and exempted the first HK\$20,000 of income from tax for all workers. The cost to the government of such programs is less clear, as it represents a loss of future income as opposed to an increase in immediate expenses. The [US](#) cut income taxes during the 2001 recession.

Although income tax cuts also increase household disposable income, the increase is often not as perceptible as direct payments. [Surveys of past tax cuts](#) have shown that they often go unnoticed by the beneficiaries. However, this may be a more viable method for countries with limited resources with which to fund direct payments or augment unemployment support.

Other Tax Cuts

Governments can also lower taxes on certain goods and services so that households experience a relative increase in purchasing power. By cutting taxes other than income taxes, more individuals potentially benefit, whether or not they have income. For example, decreasing sales taxes benefits consumers across the country. But governments can also target tax cuts to certain

hard-hit sectors. There are three broad categories of taxes that have been cut in response to the COVID-19 crisis:

1. Sector specific: many countries cut taxes on goods and services related to the tourism and travel industry, which has been hit particularly hard by the virus, including: El Salvador, Indonesia, Norway, and Turkey.
2. Basic food items: countries cut taxes on basic food items, including El Salvador and Gibraltar.
3. Healthcare and medical related items: many countries cut taxes on goods and services related to the medical, emergency, and hygiene industries, including: Colombia, Curacao, and Greece.

This type of specific, targeted tax cut appears to be a relatively new policy option in response to the current COVID-19 pandemic. Note that our resource guide focuses almost exclusively on national programs and therefore does not capture actions related to taxes below the national level.

Deadline Extensions and Penalty Waivers

In response to the COVID-19 crisis, many countries have extended the filing deadline for income taxes, or waived the fees, penalties, and interest associated with late payments, even if they have not decreased their tax rate. Both measures allow households to temporarily delay their tax obligations and thus, may provide liquidity support to a significant portion of households in a country. While more countries have adopted explicit deadline extensions, both measures have seen widespread application. Deadline extensions have been used for short horizons, some as short as two weeks, as in [Egypt](#), but most have been for between one and three months. The [US](#) extended the deadline to file and pay personal income taxes by three months. Penalty waivers have been used to provide longer-term relief. [Switzerland](#) implemented a penalty waiver for any federal taxes due between March and December 2020, providing up to nine months of relief. On average, these programs provide taxpayers with an additional three months to meet their income tax obligations.

Deadline extensions can be implemented on a targeted or universal basis. While many countries, like the US, chose to extend the deadline for all taxpayers, other countries offer relief on the basis of need with defined eligibility criteria. This is the case in [Germany](#), where taxpayers have to be “directly and not insignificantly affected” by current conditions to defer their tax payment. In such cases, targeted programs require taxpayers to submit an application to the tax authority to establish eligibility. Such application systems have also been implemented in [Belgium](#), [Singapore](#), and [El Salvador](#). Singapore follows the German approach and targets taxpayers who are experiencing financial difficulties. El Salvador provides relief to all taxpayers who owe less than USD 10,000 in taxes. For taxpayers employed in the tourism industry, this cap is increased to USD 25,000. In general, tax authorities can grant penalty waivers to eligible taxpayers without requiring an application.

These programs provide relief to taxpayers by allowing postponement of tax payments while the government bears a cost in the form of delayed fiscal revenue. To find a balance, some countries permit taxpayers to opt into installment plans to spread the tax burden over time, instead of simply delaying payment. [Portugal](#), Singapore, El Salvador, and Belgium have implemented such programs.

Extending filing tax deadlines (and the related penalty relief) provides an easy-to-implement and readily available tool to provide liquidity support to taxpayers. The actual benefit for an individual, however, varies and may be limited, especially in countries where taxes are collected throughout the year through payroll deductions. The benefit would be the greatest for individuals who have under-withheld or who are required to make direct installment payments to the revenue agent. By making extended deadlines optional, taxpayers entitled to refunds would still be able to file earlier in order to secure them. Also, it should be noted, there may be taxes, other than income taxes, for which this type of deadline extension and penalty waiver treatment would also apply.

For more specific information about Deadline Extensions and Penalty Waivers programs, see [Support to Individuals through Tax Deadline Extensions and Penalty Waivers](#)

Access to Retirement Savings

Some countries - including the [US](#), [Australia](#), and Malaysia - have temporarily suspended the taxes, penalties, and fees associated with early withdrawals from tax-advantaged retirement accounts. Many programs have an explicit cap on the amount that can be withdrawn.

Retirement accounts typically offer special tax treatment and other incentives to encourage individuals to save money for retirement. To discourage withdrawals from these accounts before retirement, the government charges a penalty for early withdrawals. Suspending these penalties and fees provides impacted households with improved access to liquidity. In the US, individuals impacted by the COVID-19 crisis may withdraw up to \$100,000 from a tax-deferred account without having taxes or the 10 percent penalty withheld. Provided that the individual contributes an amount equal to the withdrawal to the account within three years, the taxes and penalty will be waived. To facilitate the return contribution, yearly contribution caps have also been waived. Taxes will still be owed on any amounts not repaid within three years. A similar eight percent penalty was waived in Malaysia. In Australia, individuals may withdraw up to AUD 10,000 without penalty.

The US did not waive the 10 percent tax on early withdrawals during the GFC. [Empirical evidence](#) suggests that individuals still tapped into their retirement accounts to absorb income shocks. The policy currently in place substantially lowers the cost of this option and thus makes it viable to a wider range of liquidity-constrained households. However, the benefits of such policies remain limited to middle- and higher-income individuals who are more likely to have contributed to a retirement account. A 2019 [Federal Reserve study](#) found that only around 60% of US households had a retirement account.

Housing Relief

Since housing costs are often the largest fixed costs of households, during a crisis governments may provide targeted support for homeowners and renters through mortgage and rent forbearance and debt restructuring. Some governments have funded mortgage purchase programs and changed accounting rules to provide flexibility for debt restructuring in order to provide relief for individuals. For information about government policy options targeting homeowners and renters, see [Residential Mortgage and Rent Relief During Crises](#).

Illustrative Examples

In a separate post, we outlined the combination of individual support measures taken to date in the [United States](#) in response to COVID-19. We briefly outline two additional countries' policy actions to support individuals below.

Germany

Germany, like many other European countries, made use of its established welfare infrastructure to provide support. Through its short-time work scheme, [Kurzarbeit](#), the government was able to provide rapid relief to underemployed individuals, preventing lay-offs and the associated cost of mass unemployment. As a result, Germany has not provided emergency support to individuals, which would have entailed an additional administrative burden. Use of the short-time work scheme increased in March, with nearly 650,000 businesses notifying the government that they intend to use the program.

Similar to a majority of OECD countries, the German government also offered the possibility to [defer individual income-tax payments](#). Only households directly affected by the current crisis are eligible.

Thailand

One of the first actions the Thai government took in this crisis was to delay the deadline for income tax filings. In early February, it [pushed the deadline](#) from March to the end of June. On March 24, the government [approved a direct payment](#) of THB 5,000 (\$154) per month for three months for three million of the country's poorest residents. The Thai government also [cut the income withholding tax](#) from 3 percent to 1.5 percent for six months, from April to September.

Key Takeaways

Below we outline a number of important considerations that policymakers review in providing support to individuals and households.

How quickly will individuals receive aid under the program?

The amount of time it takes financial support to reach eligible individuals varies across programs and across countries.

Traditional unemployment insurance programs and short-time work programs are considered automatic stabilizers, as they are preexisting programs designed to support individuals through their normal operations without additional government legislation. In times of crisis, some countries expand or modify such programs to increase the speed of support or expand reach. For example, the United States waived the one-week waiting period for unemployment benefits. Many European countries with short-time or wage subsidy programs have in the current and past crises utilized existing infrastructure and thus appear to be able to quickly deliver benefits to individuals through employers.

In a crisis, countries can also increase the amount of support or provide supplemental benefits. These expansions can be implemented as quickly as funds are made available by the legislature and processed through the administrative infrastructure. Of course, a significant influx of new applications, as the US has experienced with its unemployment insurance programs during the COVID-19 crisis, may create administrative log-jams that slow the delivery of funds.

Cutting taxes, extending tax deadlines, and waiving penalties can all be implemented with relatively little administrative burden. The main challenge is to clearly communicate the decision and its terms. Therefore, the support can arrive fairly quickly. However, as noted above, the support this tool provides in terms of cash flow can be limited.

Direct payment programs may require new programs to be passed by the legislature, as in the US and Hong Kong, or may rely on augmenting an existing program, as occurred in Canada. Once approved, individuals receive support only as quickly as the government can get financial information or physical addresses for all eligible individuals. Where an existing program is used as a means of distribution, as in Canada, payments may be quicker to implement, but administrative times vary greatly. In the US, where the government is using available taxpayer information, the money is scheduled to arrive within three weeks. However, in Hong Kong, the money is not scheduled to arrive until five months [after](#) the announcement of the program, which requires that individuals register for the benefit.

How much support will be provided?

The size of individual support programs varies across countries, as economic activity and per capita GDP differ. Some variation in policy mix appears to be based on preexisting, non-crisis support programs. For example, direct payments in the US appear necessary to support individuals; in contrast, several European countries have large existing safety net programs and have not chosen to create new direct-payment programs.

Certain interventions have an explicit, predetermined size, such as direct payments, while other interventions, such as unemployment insurance, are dependent on exogenous variables such as labor market demand. For example, a country can determine how large direct payments to individuals will be and the total number of individuals eligible to receive the payments, and thus estimate the total size of the support program. For example, the [direct payments in Hong Kong](#) are estimated to benefit seven million individuals with a total cost of HKD 71 billion. However, unemployment insurance claims will vary based on the number of unemployed, which can be projected, though uncertainty about the total size of the program will remain. Certain countries, including Belgium and Australia, are providing additional benefits to individuals impacted by the Covid-19 pandemic. Countries frequently determine the size of support to individuals based on projected income loss to households.

Who will receive support?

Support to individuals can be targeted or universal. Programs such as unemployment insurance and facilitated access to liquidity from retirement accounts are targeted by design. However, most programs discussed above can be implemented in various ways depending on the specific subgroups of the population that policymakers want to target. Even unemployment support can be broadened to cover groups not traditionally covered, as demonstrated by various short-term work schemes in Europe, such as temporary workers in [Germany](#) and apprentices in [Austria](#). Eligibility for income tax cuts or direct payments can be assessed based on income to ensure that benefits are allocated following a need-based approach. Tax deadline extensions can be implemented on a universal basis and thus benefit all taxpayers. When implementing an individual support program, policymakers must determine how to deliver support to the segment of the population that needs it. The policy design can be adjusted to ensure benefits are allocated efficiently and match the country's fiscal capacity.

How long will support be provided?

Support programs can be a single instance of support or can be spread out over time. In times of crisis, governments can extend the duration of unemployment insurance and wage subsidy programs. Denmark's new wage subsidy program is available for [three months](#), while Germany's extended short-time work scheme, [Kurzarbeit](#), is available for 12 months. The US CARES Act extends the unemployment entitlement period from 26 weeks to 39 weeks; in the GFC, the US ultimately expanded the entitlement period to 99 weeks.

Most direct payment programs we reviewed were one-time, with the exception of Thailand (three monthly payments), Barbados (monthly payments for an unspecified period of time), and Australia (two installments, although the second is available to a smaller subset of those eligible for the first). Tax cuts provide recurring support to the taxpayer each time they pay the tax at the lower rate. In response to COVID-19, most countries have delayed tax deadlines by a few months.

How will the government fund the program?

Most of the programs for funding to individuals come from public expenditures. Direct payments to individuals are publicly funded through fiscal stimulus measures.

For some wage subsidy programs and short-time work schemes, employers are required to chip in a certain percent of wages to the employee, in addition to what the government subsidizes, normally between 60% and 80%. During times of crisis, employers may face difficulties in meeting the required contribution; thus, not all wage subsidy programs or short-time work schemes require employer contributions.

In the United States, standard unemployment insurance benefits are typically paid from employer contributions to the federal government and to the insurance funds of the states in which they operate. However, the expansion of the US unemployment insurance system in response to COVID-19 is federally funded. Income tax cuts or changes to other taxes impact government revenue, potentially delaying or decreasing total government revenues for the year. With a direct payment, the government spends cash immediately, but with tax cuts, the government foregoes future revenue. Policymakers considering direct support to individuals should consider how the program is funded, specifically whether direct cash spending is feasible in contrast to forgoing future tax revenue.

How can the tools be combined?

When designing a policy mix to support individuals, it is critical to identify the main policy objectives. These include desired recipients, size, and timing of the support. At the same time, policymakers need to be mindful of a country's policy environment and fiscal capacities. The optimal mix will depend on country-specific variations in these two factors as much as on the policy objectives. For instance, expanding unemployment benefits may be an efficient channel to provide support to a large number of households in countries with a preexisting infrastructure, but may not reach individuals who are ineligible for the scheme. Direct payments may be preferred in countries with less developed or more fragmented unemployment systems or as a way to provide a benefit to the broad citizenry or targeted groups. And different benefits can be combined to deliver different assistance to different groups. For example, a direct payment can be targeted at low-income earners, while greater access to retirement savings is targeted to high-wage earners. Similarly, countries with extensive fiscal capacities can implement programs such

as wage subsidies or universal payments and incur a large cost in the present. For governments facing fiscal constraints, it may be preferable to implement support programs by forgoing present revenue through tax cuts, tax deadline extension and various penalty waivers.

Given policy objectives and country-specific factors, the set of programs discussed above can be combined and tailored in many different ways to support households through a downturn.