



# To the point!

Cross-Asset- and Strategy-Research

## Germany calls in sick

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March 28, 2024

**The high sickness rate is driving the economy into recession**

Last year, employees in Germany were on sick leave for an average of 20 days. The average share of sick workers for those with statutory health insurance was 5.7%. Another sad record. In comparison: until 2016, the rate was typically in the region of 3.5% to 4%, and only slightly higher thereafter (see Figure 1). With a normal sickness rate like this, Germans would have worked over five days more in 2023. With that, Germany would have avoided the recession last year!

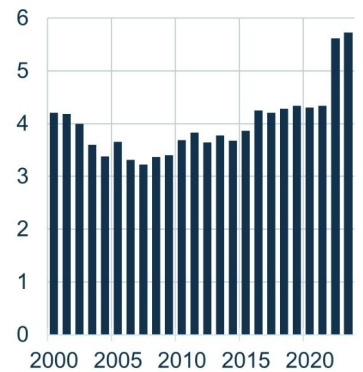
In other countries, too, the sickness rate has been higher in recent years due to the corona virus. But unlike in Germany, it dropped back in most countries in 2023. In Germany, it has continued to rise – and significantly so!

### A man goes to the doctor...

No, that's not funny. But seriously, what's going on? Workforces in Germany are getting older and older and therefore tend to be more prone to illness. Health resilience (unfortunately) decreases with age. But that can't explain the massive increase since the end of the pandemic. After all, Germans are not ageing faster today than before. Equally implausible are attempts to explain that this is due to the generous sick day regulation in which workers receive up to six weeks of paid sick leave per year. After all, paid sick leave was already in place before Covid-19. The financial incentives to call in sick are unlikely to have increased.

Since the pandemic subsided the Robert Koch Institute (Germany's public health institute – an authority that most Germans associate with their unpleasant memories of the times of the coronavirus) has observed an increased incidence of respiratory diseases. This trend was clearly a driver of the higher sickness

Avg. share of sick workers (in %)



Sources: LBBW Research, Statista, Federal Ministry of Health

**Colds and flu: Top diagnosis for days of absence**

rate (see Figure 2). Some of this may be a one-off catch-up effect, as traditional viruses were much less prevalent during coronavirus period because of social distancing rules.

It is also possible that Covid19-infections have weakened the immune system of many people in the long term. That would indeed be the worst-case interpretation from a personal, medical and economic perspective. Alas, it's not for the chief economist of a German state bank to judge this, but rather for the experts at Robert Koch Institute. Watch that space!

### A challenge for companies

It is still far too early to speculate about the German sickness rate for the current year. During the coronavirus pandemic, doctors were allowed to issue sick notes for employees for up to five days over the phone. After a brief suspension, this process was reintroduced in December 2023. A personal appointment is not necessary as long as there are no severe symptoms and the patient is known to the doctor, two conditions firmly in the eye of the beholder.

Of course, this will also be welcomed by those employees who prefer to stay at home when in doubt about a little sneeze – or just because. It cannot be ruled out that, the experience of the coronavirus and working from home has lowered the threshold for getting a doctor's note even for minor ailments. Trust and honesty are essential for unbureaucratic solutions.

We wish everyone a speedy recovery, because the job market needs everyone. Even today, fewer hours per year are worked per employee in Germany than in any other OECD country. This is mainly due to the strikingly [high part-time employment rate](#), especially among women, as I have repeatedly pointed out elsewhere. If Germany now becomes the sick man of Europe quite literally, it will be even more difficult for the economy to recover!

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### Top three reasons for calling in sick 2023 (missed days per 100 insured workers)



Sources: DAK (one of Germany's largest statutory health insurers)

## Has it become too easy to take sick leave?