

# German ministers warn on pandemic's economic impact

BERLIN (Reuters) – The number of COVID-19 infections is still much too high in most German regions and people must do more to reduce their contacts to slow the spread of the disease, German Economy Minister Peter Altmaier said on Monday.

With ministers due to meet later to discuss further responses to the greatest public health crisis in a century, Altmaier added that pandemic relief aid for companies cannot be extended indefinitely.

“People have to show discipline,” the architect of Germany’s economic response to the pandemic told Deutschlandfunk radio. “We have to do more to reduce social contacts.”

In an indication of the severity of the pandemic’s economic impact, the percentage of companies using the state-backed furlough scheme rose to 28% in November, up from 24.8% the month before, the Ifo institute said.

Even though Germany has been in partial lockdown since the start of November, the number of new infections rose overnight compared to the same period last week to 11,169, the Robert Koch Centre for Infectious Diseases said.

While he promised that taxes would not be raised before the national election due late next year, Altmaier’s warnings on the economy echoed those of Chancellor Angela Merkel’s chief of staff Helge Braun, who said no amount of government aid could fully cushion companies.

While government stimulus might help most companies survive the crisis, “it still won’t pass without consequence,” he told Handelsblatt newspaper. There was still scope for more economic relief measures later in the summer, he added.

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