



**MEA: Announced Measures offer Limited Respite to Businesses. Payment for Quarantine Leave introduced by Stealth.**

The Malta Employers' Association stated that the incentives launched by Government offer welcome, but limited relief to businesses which have been affected by the global outbreak of the COVID-19 Corona Virus. MEA stressed that although at this stage, some industries have been affected more than others, the longer the situation persists, more sectors will be affected and therefore the fiscal measures need to be spread out to more sectors, including self-employed. The measures which were announced will have to be supplemented with other more substantial fiscal measures.

Many companies are being proactive and taking workplace measures to mitigate the impact of the situation on their employees, through the implementation of flexi-time, teleworking and by taking health and safety measures at the workplace to minimise exposure to the virus. This is even more the case in view of the increased demands for absence from work by working parents, particularly after schools have been closed. There is a growing number of companies that are also implementing measures such as obligatory leave, reduced hours and mini-shutdowns to deal with a drop in orders and business. Thus far, layoffs are only being resorted to as a last recourse, but the situation might change if things take a turn for the worse, and if the slowdown persists over time. MEA has submitted to government various recommendations to reduce the spread of the virus as much as possible, and has supported the health authorities in continuously informing and updating its members.

The decision to impose by stealth on employers, payment for quarantine leave by amending a legal notice which was never discussed with employer bodies is unacceptable and deplorable. MEA calls for an immediate repeal of this legal notice, and to take the issue to the relevant fora, namely the MCESD and the Employment Relations Board. Employers agree that employees should be compensated for quarantine leave, and will continue to insist that the financial burden of quarantine leave should be carried by the state in the same way that it is compensating public sector employees. Employers are already being penalised by a drastic disruption in their workplaces and they should not under any circumstance be expected to make good for quarantine leave. Adding such costs increase the probability of lay-offs in the private sector.

**14<sup>th</sup> March 2020**