

10<sup>th</sup> March 2021

## Media Release

### **MEA: Extension of Wage Supplement positive, but number of cases is alarming**

The Malta Employers' Association stated that the decision to extend the wage supplement till the end of 2021 is a step in the right direction. This is a realistic move as it is evident that the recovery from the pandemic will be slower than anticipated a few months ago, and many businesses are holding on to their labour force in spite of a severe fall in activity. The MEA positively notes Government is conscious that a fast roll-out of the vaccine is necessary to achieve herd immunity within the shortest time possible, and fully appreciates the efforts by the health authorities in such stressful times. However, the Association reiterated its position that this is only part of the overall effort required to ensure a speedy recovery.

The current situation, with figures repeatedly reaching record levels over the past two weeks is alarming and calls for mitigating measures to cut down on the number of daily reported cases. The Association added that 'We need to go beyond knee-jerk reactions to this crisis. What is required is a clear strategy so that businesses can be in a better position to plan, instead of being faced with sudden restrictions, which can be costly for many businesses. The prospect of a second successive dry tourism season can cripple many companies with long lasting effects on this sector. Government should take any measures during the coming two months to place the country in a better situation to accept manageable tourism during the summer season, subject to international developments which may be beyond our control'.

The plan should therefore focus on attempting to reach herd immunity within the shortest time possible, together with tangible measures to reduce the daily number of infections, as the current numbers will certainly be a strong deterrent for anyone to visit Malta on holiday, and are causing untold disruptions to the normal functioning of most businesses in Malta.