



Malta Employers' Association

Report on Sick Leave survey for the Year 2004

June 2005

Malta Employers' Association

Sick Leave Benchmarking Survey Report - 2004

The following report is the result of a survey conducted by the Malta Employers' Association to identify the extent of sick leave in Malta. The survey was distributed among companies operating in different sectors in January 2005.

1. Respondents:

A total of 110 organisations replied to the survey, representing over 150 companies since a number of them are groups of companies. The companies that responded to the questionnaire employ 22,000 employees.

The organisations came from the following sectors:

Manufacturing	29
Hotels/restaurants	12
Miscellaneous services	46
Wholesale and retail	8
Banking and Finance	9

16 of these companies were parastatal organizations.

2. Incidence of sick leave

The average incidence of sick leave per employee during **2004** was of **6.7 days**. Of these, 93.4% was sick leave on full pay, 5% was sick leave on half pay and 1.4% was unpaid sick leave.

Taken over an average number of available working days of 223 (total number of days in a year less weekends, leave and public holidays), this would amount to 3%.

The sick leave figure recorded in similar surveys conducted for 2002 and 2003 were:

	2002		2003	
	Av. Days	%	Av. Days	%
Manufacturing	8.3	3.7	8.9	3.95
Hotels/Restaurants	3.64	1.6	4.3	1.93
Wholesale/retail	7	3.08	5.7	2.5
Banking/Finance	5.96	2.58	5.75	2.49
Other services	3.88	1.74	4.5	2.04
Construction	7.85	3.53	12.38	5.57

3. Sick leave by Sector

There is a significant discrepancy of sick leave incidence between sectors as shown in the following table:

Fig. 1 Incidence of sick leave by sector

Sector	Average No. of Days Sick Leave
Manufacturing	7.5
Hotels and restaurants	2.7
Wholesale and Retail	5.9
Banking and Finance	5.8
Other services	8.2
Construction	6.6

The data also shows that there is a marked discrepancy between parastatal organizations and companies in the private sector. Average sick leave taken in private companies was of **5.2** days per employee, whereas in parastatal companies, the comparable figure is of **10** days. It is also noted that the percentage of sick leave on half pay and that is unpaid in parastatal organizations is lower than that in the private sector. In private companies, 5.9% of sick leave is on half pay, and 2% unpaid. In parastatal companies, only 3.5% of sick leave taken was on half pay, and 0.6% was unpaid.

4. Cost of sick leave

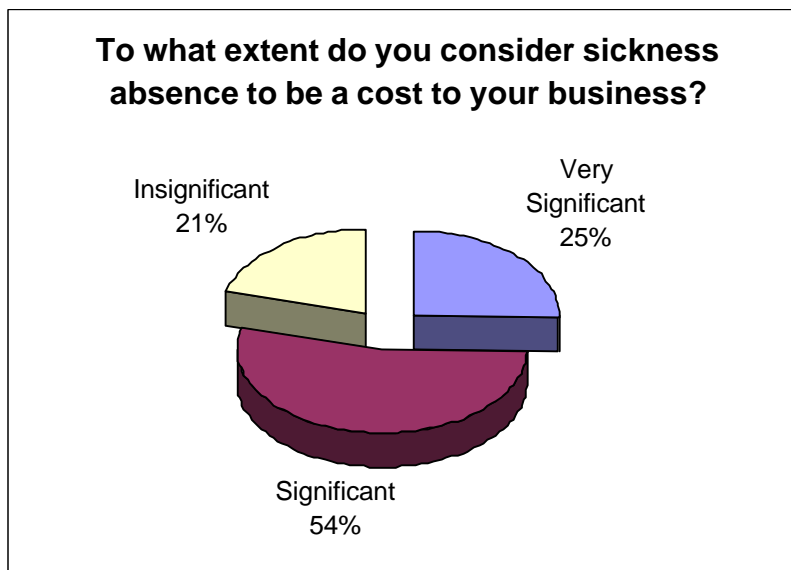
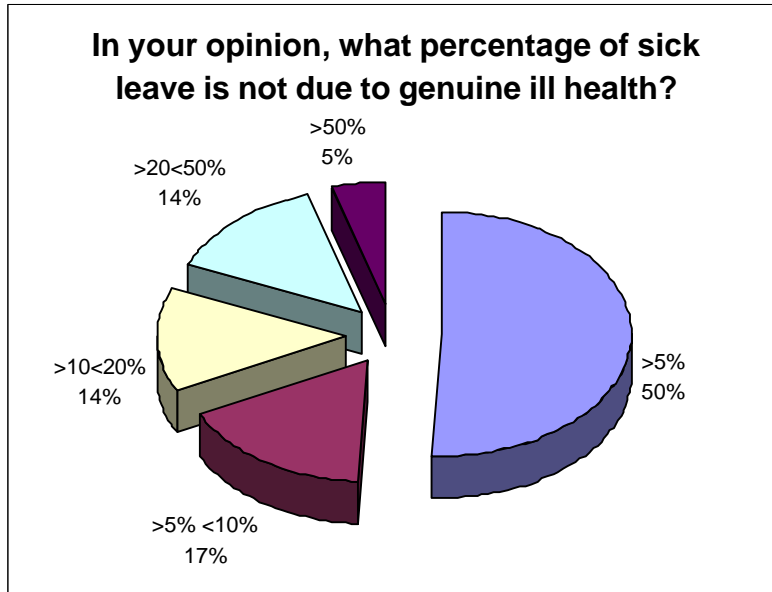


Fig.2 shows that 54% of respondents consider sick leave to be a significant cost to their business, 25% see it as very significant and 21% as insignificant.

70% of respondents stated that they have a written absence management policy in their organisation.

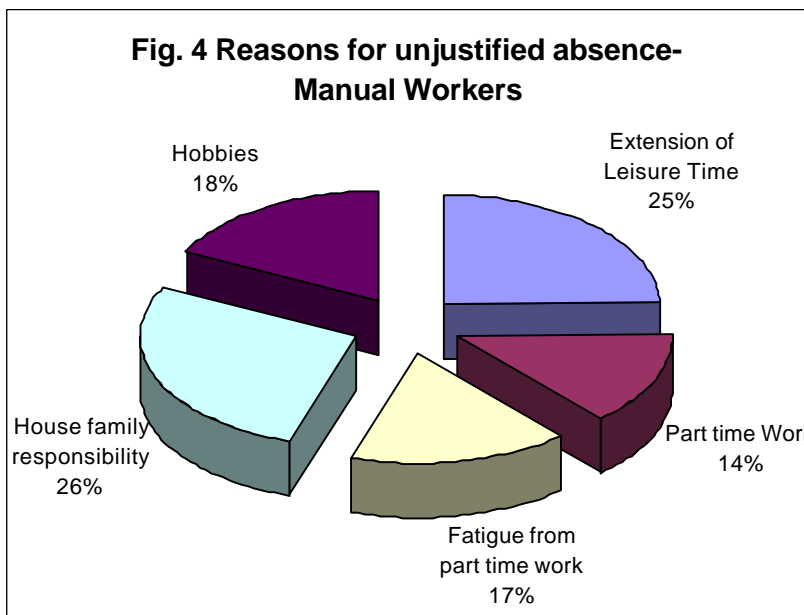
Fig. 3 below shows employers' perception on the extent to which the sick leave is genuine.

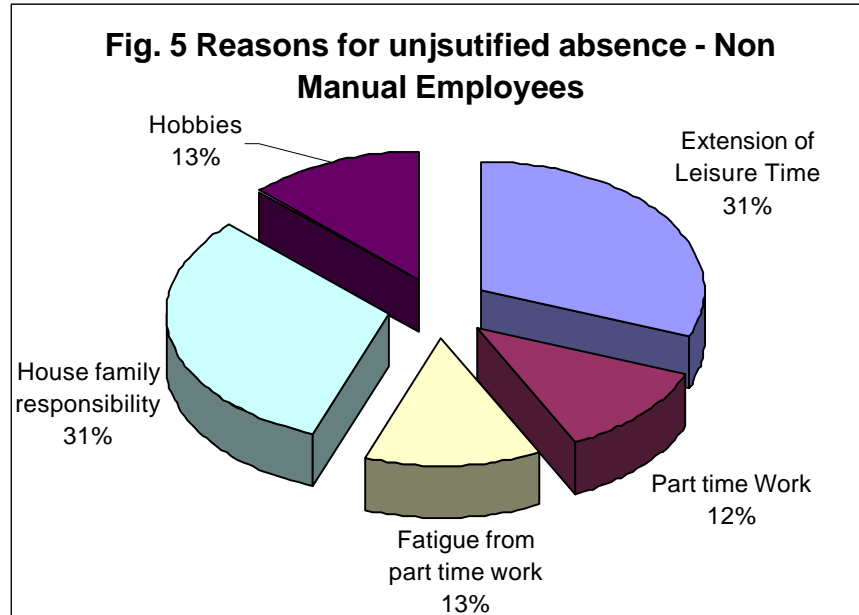


Half the respondents expressed the opinion that less than 5% of the sick leave taken is not genuine. Only 5% reported that more than 50% of sick leave taken is unjustified.

5. Reasons for unjustified absence

The following figures provide a breakdown of the perceived reasons for unjustified absence by manual and non manual employees:



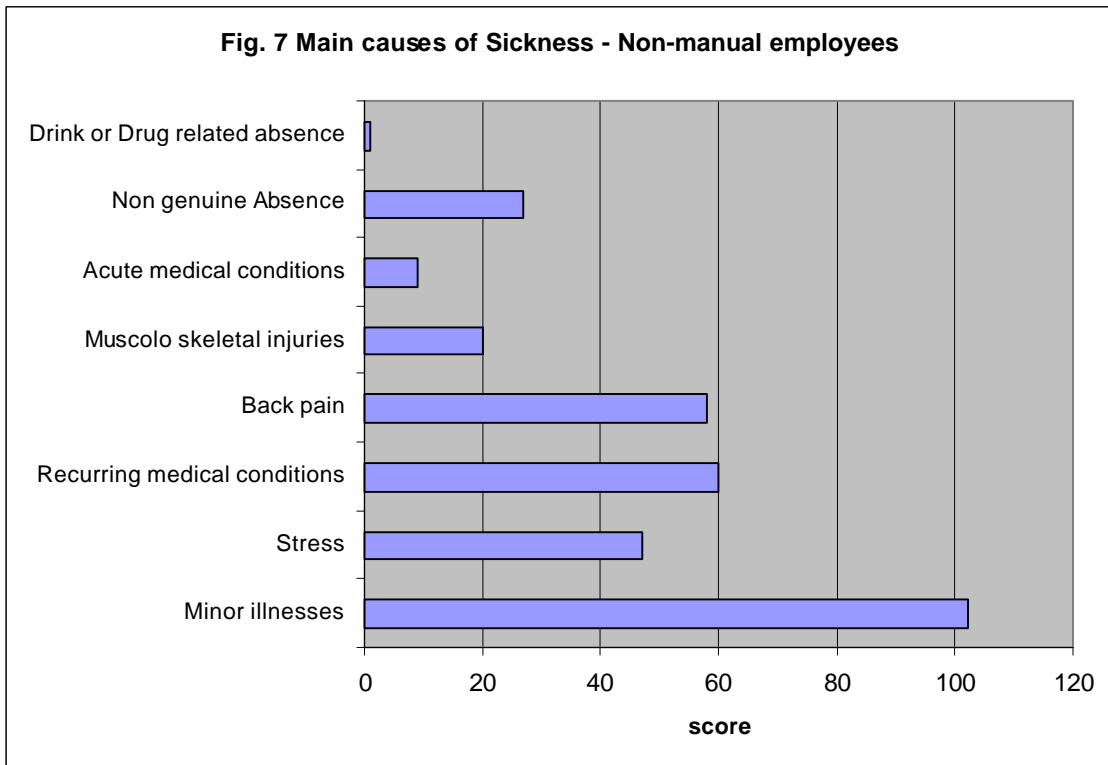
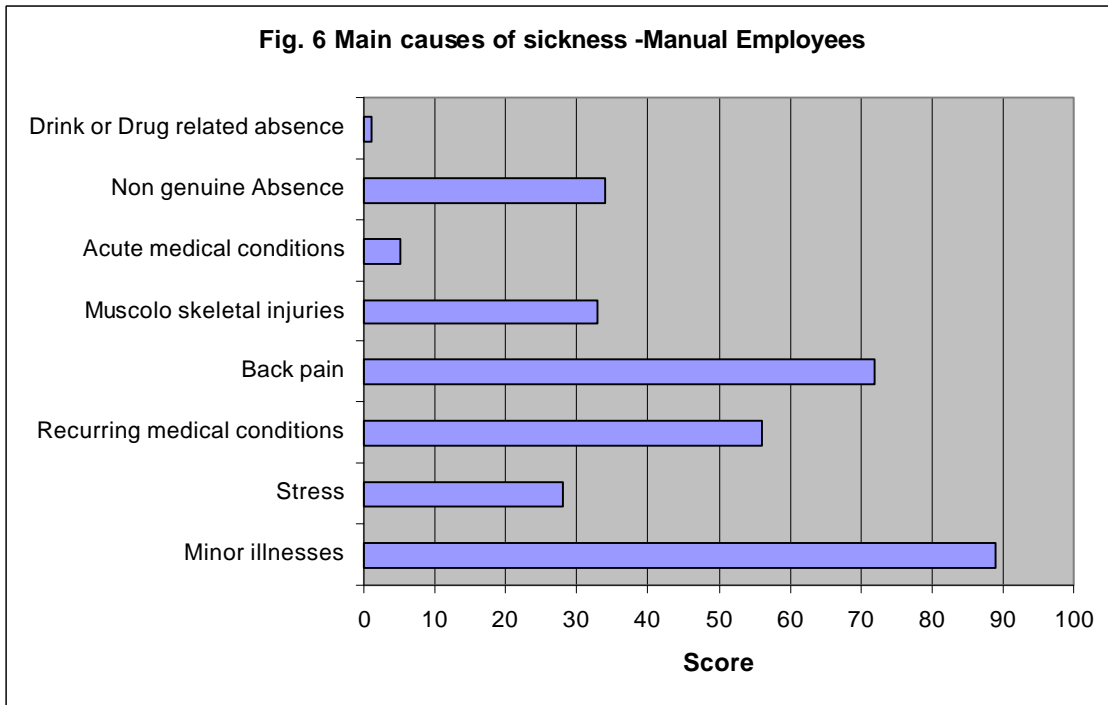


In both segments, the main two reasons for unjustified absence are house and family responsibilities and extension of leisure time. There is a greater tendency for unjustified absence to be due to part time employment for manual employees (31%) than non manual employees (25%).

6. Main causes of sickness

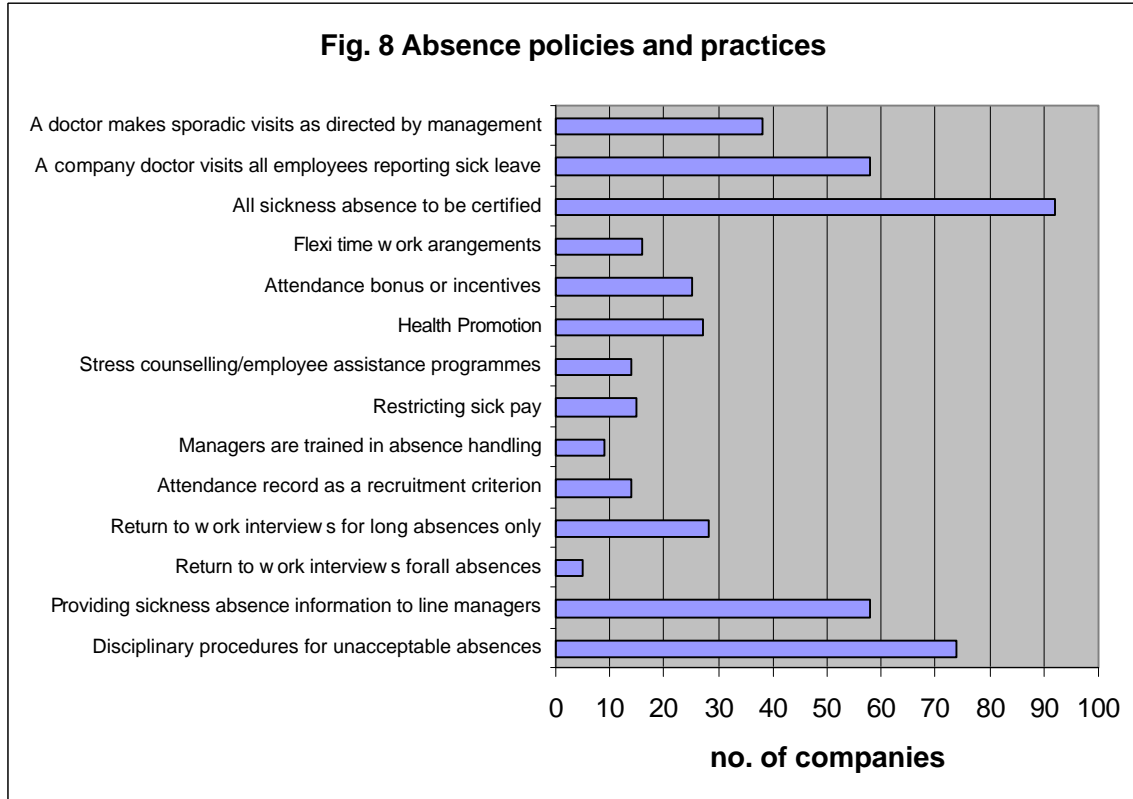
Figs. 6 and 7 give reasons for taking sick leave for manual and non-manual employees. As expected, the main reason for taking sick leave is that of minor illnesses. Manual employees are more prone to musco-skeletal injuries and back pain than non manual employees. Stress features as a more powerful factor in the case of non-manual employees.

For both manual and non-manual employees, drink and drug related absence is insignificant. This is consistent with the surveys carried out in previous years.



7. Absence policies and practice

Fig. 8 shows that most companies emphasise certification for sick leave and also use of company doctors, either to make sporadic visits or to visit all employees reporting sick.



There is less use of training managers in handling absence and return to work interviews. These practices can contribute significantly to reduce sick leave.

The results also reveal that only 21% of respondents claim that they benchmark their absence performance against that of other employers in the sector.