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Factsheet for case MT-2020-13/264

Covid Wage Supplement

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Country	Malta, applies nationwide
Time period	Open ended, started on 24 March 2020
Type	Tripartite agreement
Category	Employment protection and retention – Income support for people in employment (e.g. short-time work)
Case created	03 April 2020 (updated 27 April 2020)

Background information

This measure provides employees with a basic wage cover in view of the disruption caused by the COVID pandemic to certain industries. Funds are forwarded to employers who are in turn obliged to forward these to their employees. Full time employees in specific sectors will receive 800 Euros a month from the government through their employers. As part of the agreement, employers in these sectors will continue providing their workers with a further 400 Euro a month. Employers who were too highly impacted by the pandemic and cannot afford the further 400 must register with the Department of Industrial relations.

Content of measure

Full time employees working in organisations that operate in sectors severely hit by the COVID-19 pandemic, or on order of the Superintendent of Public Health had to suspend their operations are entitled up to five days salary based on a monthly wage of 800 Euros. This is also applicable to self-employed individuals. Part-time employees are eligible for 500 Euros a month. The sectors that can apply for this supplement are under constant review and are listed on the Malta Enterprise website (Annex A).

In other sectors also thought to have been hit by the pandemic but to a lesser degree, the list of which are also available on the Malta Enterprise website (Annex B), full time and part-time employees are entitled to the equivalent of one days' salary per week, set at 160 Euros per month and 100 Euros per month, respectively. Those in Gozo are entitled to two days' salary per week; 320 Euros per month for full-time and 200 Euros per month for part-time employees.

Full-time self-employed in sectors thought to have been hit but to a lesser degree who have employees will receive 320 Euro per month, part-time self employed 200 Euro per month. Full-time self-employed based in Gozo in these same sectors will also be entitled to 320 Euro per month but will rise to 480 Euro if they employ staff, and the employees will be entitled to two days salary. Part-time self-employed in Gozo will be entitled to 200 Euro, rising to 300 Euro if they employ staff. The employees will receive 2 days salary.

Use of measure

The exact number is currently unknown. It is expected that 60,000 workers will avail themselves of the measures available to employees in the hardest hit sectors. Furthermore, 50,000 workers are expected to make use of the measures for the lesser hit sectors.

Actors, target groups and funding

Actors	Target groups	Funding
National government	Employees Self-employed SMEs	National funds

Social partners

Role of social partners	Consulted
Form of involvement	Bi-or tripartite social dialogue bodies

Consultation was carried out in the Malta Council for Economic and Social Development (MCESD), a tripartite body, with the government announcing that agreement was reached in this forum.

Employer associations were vocal in the press following the official announcement stating their agreement with the new measures.

Some employers in sectors which have not been included in the measures have also been vocal in the press that their workers should also be included. These include those in marketing and real estate.

Sectors and occupations

This case is sector-specific.

Economic area	Sector (NACE level 2)
G - Wholesale And Retail Trade; Repair Of Motor Vehicles And Motorcycles	G45 Wholesale and retail trade and repair of motor vehicles and motorcycles
	G46 Wholesale trade, except of motor vehicles and motorcycles
	G47 Retail trade, except of motor vehicles and motorcycles
H - Transportation And Storage	H49 Land transport and transport via pipelines
I - Accommodation And Food Service Activities	I55 Accommodation
	I56 Food and beverage service activities
J - Information And Communication	J59 Motion picture, video and television programme production, sound recording and music publishing activities
M - Professional, Scientific And Technical Activities	M74 Other professional, scientific and technical activities
N - Administrative And Support Service Activities	N77 Rental and leasing activities
	N78 Employment activities
	N79 Travel agency, tour operator and other reservation service and related activities
	N80 Security and investigation activities
	N81 Services to buildings and landscape activities
	N82 Office administrative, office support and other business support activities
P - Education	P85 Education
R - Arts, Entertainment And Recreation	R90 Creative, arts and entertainment activities
	R93 Sports activities and amusement and recreation activities
S - Other Service Activities	S96 Other personal service activities

This case is not occupation-specific.

Sources

- 24 March 2020: Government substantially raises its aid to businesses hit by COVID-19 slowdown
- 25 March 2020: Supporting businesses impacted by Covid-19 (covid19.maltaenterprise.com)
- 25 March 2020: Social partners react to government aid package
- 27 March 2020: Malta Enterprise - Annex B
- 27 May 2020: Malta Enterprise - Annex A