



## **MCTU PROPOSAL TO THE GOVERNMENT, EMPLOYERS IN THE PRIVATE SECTOR AND NON PROFIT SECTOR DURING THE CORONA VIRUS CRISIS**

**Date: 26th March 2020**

Malawi congress of Trade Unions (MCTU) has 25 affiliated trade unions with over 300,000 members, working in all sectors of the economy in Malawi.

MCTU wishes to thank the Malawi Government for taking preventive measures that have to be followed by all workers, employers, public institutions and all other Malawians in order to keep Malawi a Covid 19 free nation.

MCTU has observed that Covid 19 has serious social and economic effects on economies, on work and on workers. In particular as the economies slow down due to enforcement of measures to respond to Covid 19, many categories of workers, particularly those in the lower income groups, in informal employment and in the informal economy have become even more vulnerable to labour rights transgressions, unlawful and unfair retrenchments by employers, temporary dismissals, suspensions, unlawful and unfair reduction of wages, forced leave without pay and many other practices.

MCTU has also observed that the anti-Covid 19 measures announced by the President in some cases lack enforcement and an enabling allocation of resources to ensure that the response is robust:

In view of the foregoing observations, MCTU demands that the following measures be taken immediately by relevant authorities:

### **The Malawi Government to:**

Prioritize its expenditure towards preventive measures and the mitigation of the negative impacts of Covid 19 on the economy and workers.

We therefore propose as follows:

- ✓ The Government should intervene to increase disposal income and allow access to essential items (both food and non food items) through:
  - 100% tax relief to workers within a specific salary bracket of MK40,000 to MK 100,000
  - Reduction of income tax or PAYE .i.e. Tax free bracket to be temporarily increased to MK 100,000.
  - Removal or reduction of VAT on all food and non-food items including sanitation items published
- ✓ Government should consider providing some financial packages, cash transfers and supplying free food to vulnerable workers and Micro, Small and

Medium Enterprises (MSMEs) especially those in the informal economy and their families in order to survive the negative impacts of Covid 19.

- ✓ The government should ensure that no worker is fired or retrenched due to the Covid 19.
- ✓ The government and all employers should ensure that all workers are paid full salaries and settle all arrears if any immediately.
- ✓ Employers including government should consider workers to work from home and that no worker with symptoms of cold or flu should be allowed to report for duties. In addition people should avoid unnecessary movements and government should monitor that.
- ✓ Employers should allow flexible working hours and shift reporting to work so that work places are not congested.
- ✓ Workplaces, public institutions, Markets and shops should be frequently inspected by public health workers together with the social partners to ensure that they are complying with the recommended hygienic and sanitation requirements as prescribed by World Health Organization (WHO) in order to stay free from Covid 19, for instance all entry points into work premises/public institutions to have the necessary sanitation and hygiene facilities and provisions such as soap, windows and doors should be left wide open for free air circulation .
- ✓ Employers should provide the N95 masks and hand sanitizers to all workers so that workers and the public are protected from Covid 19.
- ✓ The government should allocate enough money to Central and district hospitals from the Covid 19 Emergency Fund announced by the Government, to enable the hospitals prepare shelters for isolation and quarantine of suspected Covid 19 patients, acquire testing kits and develop human capacity to manage Covid 19.
- ✓ Shopping centers and market places to be frequently monitored to ensure that they are following all preventive measures and that shops are not overcrowded.
- ✓ Reserve Bank to work with Financial institutions especially banks to assess the impact of Covid 19 on the economy and workers so that they offer flexible financial services to their clients for instance:

- Soften their loan conditions to both business and individuals so that people have access to money, especially businesses whose cash flows have been affected by Covid 19 pandemic, so that workers are not retrenched due to non-performance of businesses.
  - Lower interests rates so that businesses or individual are able to access affordable loans and other financial services.
  - Temporarily suspend all loans that businesses and individuals owe financial institutions until such a time that the negative impacts of Covid 19 have been minimized.
- ✓ All non-essential services functions which require personal contact should be completely closed down.
  - ✓ The general public is also urged to buy enough food and other necessities so that in the case of a lockdown they are able to survive.
  - ✓ We strongly recommend that the Government in consultation with the social partners and other stakeholders develop and put in place a universal social protection system to cover all categories of workers and people in the time of need.
  - ✓ Lastly we call upon the government of Malawi to enhance the social protection system and fast track the Workers Compensation Fund and ensure that such crises are fully addressed within the fund.

In conclusion,

1. It is our greatest hope that NO WORKER in Malawi will lose a job due to the Covid 19.
2. In the event of a LOCKDOWN workers MUST be paid their salaries and other employment benefits until such a time it is safe to work and that all employers should ensure that they observe and follow all the labour laws.
3. We call upon the general public to be honest and responsible during this period of the Covid 19 by self-quarantine or reporting any case or symptoms of the Covid 19 to the appropriate authorities so that together we manage the situation.



**Denis Charela Kalekeni**  
**MCTU- Secretary General**  
**Cell: +265 999 100 013 or 0888 852 058**