



THE GOZO BUSINESS CHAMBER

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PR GBC04/2020

Press Release: The Gozo Business Chamber's Reactions to the Incentives announced by the Government on Saturday 14th March

The Gozo Business Chamber would like to express its opinion on the present COVID-19 hitting the islands of Malta and Gozo at the moment and react to the so called incentives which Government has announced yesterday, Saturday 14 March 2020:

1. The present COVID-19 scenario has impacted heavily on the businesses of Malta and Gozo. Relying more heavily on tourism, Gozo is the hardest hit, with a number of large and small businesses already planning a closure having their cash flow dwindling down to practically nothing. For these businesses nothing, except a heavy subsidy on wages, will keep them above the surface.
2. It is neither just nor equitable that businesses are being called by Government to shoulder the burden of quarantine leave. The call by the unions was heeded to the full and Government acceded by transferring the problem to the most vulnerable, aiding to the collapse of businesses.
3. The GBC accepts positively the Government's help in teleworking efforts already implemented by companies. One must also note that this will help some sectors but obviously cannot be of aid to all sectors especially those involved in manufacturing, retail, transport, and construction.
4. The GBC also notes positively that Government will be accelerating its payments to the private sector. This is a step in the right direction.
5. Although it is positive that the Government has protracted VAT and NI Contributions payments, this does not help in the long run. What the Chamber is proposing is that from March onwards and for as long as this situation subsists, employers are only bound to pay 50% of National Insurance contributions.
6. We are inviting Government to discuss with us a specific programme of incentives for Gozitan businesses. Gozitan businesses cannot afford more days in this situation let alone weeks and months.

The Government is called to act incisively by providing (together with the banks) substantial cash injection into businesses by the way of grants and loans (at subsidized rates) as other Governments are doing all over the EU. Government is called to consult with Gozitan institutions so that a specific package is drawn out to aid businesses on the sister island with immediate effect.

Incorporated by Public Deed on 20th December 1999