



PRESS STATEMENT

DELIVERED BY

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MINISTER OF STATE FOR LABOUR, EMPLOYMENT
AND INDUSTRIAL RELATIONS**

ABOUT THE

**SOCIAL ECONOMIC EFFECTS OF THE GLOBAL
CORONA VIRUS PANDEMIC IN UGANDA**

**AT THE
MINISTRY HEADQUARTERS, KAMPALA**

20th MARCH, 2020

Distinguished Members of the Press,

We converge here this afternoon to brief you on the social economic effects of COVID-19 pandemic in Uganda and more specifically on the employment relationship. Further to the statement of H.E. the President of the Republic of Uganda on 18th March 2020 on the COVID-19 and guidance from MoH on COVID-19 prevention measures, I would like to reiterate that the virus is dangerous and therefore the guidance given above should be adhered to by all workers and employers in Uganda.

World over the COVID-19 has been noted to be having far-reaching impacts on labour market outcomes. Beyond the urgent concerns about the health of workers and their families, the virus and the subsequent economic shocks will impact the world of work across three key dimensions: 1) The quantity of jobs (both unemployment and underemployment); 2) The quality of work (e.g. wages and access to social protection); and 3) Effects on specific groups who are more vulnerable to adverse labour market outcomes (youth, women, children, persons with disabilities, unprotected workers, migrant workers among others).

The effects of COVID-19 have already been felt in the tourism transport and industrial/manufacturing sectors. The effect on the other sectors is also anticipated. We know that Employers are beginning to be constrained with matters related to maintenance of the work force and labour productivity. I would advise that COVID-19 pandemic should not disrupt the employment agreement, leave and overall employer-employee relationship.

Similarly, the threats related to lay off/termination of workers and reduction in productivity levels among others have been noted but all parties are advised to endeavor to follow the procedures enlisted in the Employment Act 2006 for any measures to be undertaken. Such measures should be undertaken after consultation with the Ministry.

I hereby draw the attention of all employers, workers and the general public to the following guidelines and considerations as we look forward to mitigating the effects of COVID-19 pandemic on employment in Uganda:

- i. The employers should retain the employees who are on monthly pay since termination at this stage may become costly in terms of payment of terminal benefits (i.e. severance pay; repatriation; payment in lieu of notice; payment in lieu of leave; compulsory compensation, any other damages);
- ii. The engagement of the employees who are still under casual terms may be reviewed and some of them can be advised to stay home;
- iii. Employees should be encouraged to take pending annual leave and or leave without pay upon agreement with their employers;
- iv. In case of unionized workers, the parties should explore the provisions in the Collective Bargaining Agreement incase layoffs and redundancies become the best option (while observing requirements under Section 40 (3) (a) and Section 84 of the Employment Act 2006);
- v. Employers should provide training of workers on preventive measures for COVID-19, provide personnel protective equipment and treatment of affected workers in line with Part III of the Occupational Safety and Health Act 2006;
- vi. We have henceforth suspended labour externalization for 32 days from 18th March 2020. The countries of focus are the

- United Arab Emirates, Saudi Arabia, Qatar, Jordan, Somalia, Kuwait, Bahrain, Afghanistan and Iraq.
- vii. Meanwhile, all Labour migrant workers returning from the high risk countries shall be subjected to terms and conditions set by the Ministry of Health i.e. mandatory quarantine for 14 days;
 - viii. In the meantime, our Ministry will continue to perform other assignments required to the externalization of labour, although no one will be cleared for travel.
 - ix. During the period of the suspension of externalization, we will closely monitor the situation in liaison with the embassies of the destination countries, the Ministry of Foreign Affairs, as well as our diplomatic representation abroad.

Should layoff of employees not be avoided, then the following procedures shall be applied:

- i. All affected employees should be given notice in accordance with provisions under Sections 58 and 81 of the Employment Act 2006;
- ii. The processes should have a humane face and clearly written and signed agreement between parties and timeframe;
- iii. Workers should be prepared or counseled prior to termination or during the period of notice, including those that have been affected by the pandemic;
- iv. Any temporary layoff should not break the continuous service of an employee as required by Section 84 of the Employment Act 2006;
- v. There should be commitment that workers should be re-engaged when the work normalizes; and
- vi. Terminal benefits that accrue should be paid when an employer decides to terminate employment relationship unless otherwise agreed.

I urge all the experts to provide continuous information and sensitization of workers and the general public on preventive measures of COVID – 19. This is the only way the anxiety, fear and effects of the pandemic will be well managed.

As I conclude, I wish to thank H.E. The President of the Republic of Uganda for the guidance and measures communicated to the nation, which will go a long way to preserve the workforce and maintain the productivity, which is required to begin work after normalization of the situation. I also thank the Minister of Health for the continued guidance on preventive measures to all the employers, workers and entire population of Uganda.

The Ministry will continue to support the workers and employers on matters related to employment relationship during the period of implementation of the measures for prevention of COVID-19.

FOR GOD AND MY COUNTRY

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