



▶ Country policy responses Timor-Leste

▶ COVID-19 and the world of work

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During the initial phase of the COVID-19 outbreak, a number of countries and their social partners have implemented decisive measures to combat the spread of the disease, while ameliorating its pernicious effect on the economy and labour market.

Stimulating the economy and employment

Government requested parliamentary approval for the Petroleum Fund withdrawal of USD 400 million, for general spending as well as stimulus package for the economy. On 2 April, parliament approved USD 250 million of that request. Specifics are yet to be disclosed and are awaiting approval by Council of Ministers or Parliament.

Supporting enterprises, jobs and incomes

Currently government priorities are:

- continuity of the distribution and supply of essential goods, such as food, medicines and clinical equipment,
- ensuring continuity of the provision of electronic communications services and their widespread accessibility by citizens,
- temporary exemption from the payment of taxes and electricity and water tariffs, and

- creation of credit lines at reduced interest rates and financial support for citizens and businesses.

Specifics are yet to be decided and communicated.

The following policies are under discussion by the government but have yet to be approved:

- Grant of 100USD per month is going to be given to all families in the country for a period of 3 months. The grant will be universal and delivered in cash.
- A subsidy of 50% of the minimum wage will be given for every employee registered in the Contributory Social Security System, under the condition that: a) the employer does not fire the worker; and b) the worker has no debts to the Social Security System

Protecting workers in the workplace

- National Council of Workers discussed and made proposals

for consideration of Council of Ministers through Secretary of State SEFOPE. The proposals, which were availed to ILO in confidence until when approved, include: tax exemptions, wage subsidies, subsidies for rents for those businesses using rented spaces, and a call to ensure the continuation of imports to the country.

- All parties are relying on Article 15 of the Labour Code which gives employers permission in cases of emergency to suspend activity for a maximum period of two months, during which employees should be paid 50% of their salary. This may become an issue if the state of Emergency is extended beyond 2 months.
- Under State of Emergency; Workers encouraged to Work from Home; Necessary to wear mask together with provision of sanitary facilities at work places.

Relying on social dialogue for solutions

- National Council of Workers convened on March 2020 in response to COVID-19 crisis and came up with proposals to be issued to government through Secretary of State – SEFOPE.

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- Tripartite Meeting convened between SEFOPE, KSTL and CCI-TL on 28/03/2020 and facilitated by ILO to discuss on World of Work Policy Guidance to respond to COVID-19

Other Measures

Government is seeking to implement a Universal Benefit Scheme as a social protection safety net to the vulnerable in response to the COVID-19 crisis. Details are not known, as the necessary approvals are yet to be made. It is to be noted that the intervention was developed without prior ILO advice and guidance, which was provided post-decision making for consideration.

Summary of actions by the ILO in this country

- Tripartite Meeting convened between SEFOPE, KSTL and CCI-TL on 28/03/2020 and facilitated by ILO to brief and discuss on World of Work Policy Guidance to respond to COVID-19 for consideration of Council of Ministers.
- ILO through ACTION II Programme continues to provide support to the Ministry for Social Solidarity and Inclusion (MSSI) on Social Protection Interventions during the COVID-19 Crisis including:
 - Social Protection Guidance Measures to Mitigate to COVID-19 Crisis
 - Advisory Note on intended Universal Benefit Scheme
- The ILO is also exploring potential additional funding sources to support the undergoing activities, including global calls.



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► **\$100**

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Source: <https://www.ilo.org/global/topics/coronavirus/country-responses/lang--en/index.htm#TL>

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