

## **COMMUNITY ALERT**

# **CORONAVIRUS AND THE PRACTICAL ISSUES: WHAT CITIZENS, EMPLOYERS AND PARTIES IN A LEGAL ACTION NEED TO KNOW**

**March 2, 2020**



On 30 January 2020, the World Health Organization declared the novel coronavirus (COVID-19) outbreak a Public Health Emergency of International Concern. The Macau Government announced a series of preventive measures against the new coronavirus.

This alert considers (i) the key measures in place, (ii) the working schedule of the public services, (iii) the provisional economic support measures, (iv) operation of courts, and (v) the employment issues arising out of the coronavirus outbreak.

### Quick reading guideline

<b>If you are:</b>	<b>read:</b>
resident in Macau	points (I) to (III) – pp. 2 to 13
party in a legal action	point (IV) – p. 13
employer	point (V) – pp. 13 to 17

## I. Key measures implemented by the Macau Government

At the moment of writing of this note (2 March 2020), the Macau Government announced the following measures:

<b>Sector</b>	<b>Measure in place</b>	
<b>Health</b>	<p><b>Supply of protective masks</b></p> <p>Macau residents and non-resident workers are each entitled to buy a maximum of 10 face masks per supply phase from health centers and certain pharmacies.</p>	<p><b>Suspension of private health care</b></p> <p>On February 4, the Health Bureau called for health care provided in private health establishments to be suspended. In order for private hospitals to operate as usual and provide services, the Health Bureau has developed the "Prevention of New Coronavirus Infection-Recommendations for General Clinics and Clinics". All private hospitals must strictly adhere to the guidelines and take into account the nature of the business and assess risks, then, at its own discretion, provide limited services or operate as usual.</p>

Sector	Measure in place	
	<p><b>Visiting hours in public hospital</b></p> <p>All visiting hours in the public hospital are suspended, and videocalls may be arranged during this time.</p>	<p><b>Arrangements for public health services</b></p> <p>Public health services have resumed normal operation from February 17 onward. Special arrangements can be seen in this <a href="#">link</a>.</p>
<p><b>Immigration</b></p>	<p><b>Visitors from Hubei Province</b></p> <p>Starting from midnight of 27 January 2020, (i) visitors from Hubei Province and (ii) visitors that have been to Hubei Province within the previous 14 days will be denied permission to enter Macau unless they present a valid certificate confirming they are free of infection from the novel coronavirus. Such certificate should be issued by medical authorities recognized by Macau.</p> <p><b>Special measures for holders of non-resident work permit</b></p> <p>In accordance with the Chief Executive Dispatch no. 40/2020, starting from <b>midnight of 20 February 2020</b>:<sup>1</sup></p> <ol style="list-style-type: none"> <li>1. All holders of the non-resident worker identification card wishing to enter Macao and who have visited the Mainland in the 14 days prior to their entry will need to undergo medical observation for 14 days in places in Zhuhai City appointed by the health authority and obtain a medical certificate of non-infection with the new type of coronavirus issued by health services in Zhuhai City, before being able to enter Macau;</li> <li>2. Holders of the title of identification of non-resident worker who cannot obtain the medical certificate referred to in the previous paragraph and who cannot return to the place of origin, when they intend to enter Macau will need to undergo medical observation at places and dates according to the requirements of the health authority.</li> </ol> <p>For reasons of public interest, namely the prevention, control and treatment of disease, relief and emergency, and in exceptional cases of maintaining the normal functioning of Macau or the basic living needs of residents, the health authority may waive compliance with the measures referred to in the previous number by the holders of the non-resident worker identification card.</p>	<p><b>Suspension of the Individual Visit Scheme for Mainland residents</b></p> <p>As of 28 January 2020, the authorities in Mainland China have stopped issuing individual travel visas for visits to Macau by Mainland visitors.</p>

<sup>1</sup> See Dispatch of the CE no. [40/2020](#), of February 17, 2020.

Sector	Measure in place	
Public services and public space	<p><b>Resumption of normal operation by public services</b></p> <p>From 2 March onward, public services will resume normal activity. Citizens should submit an electronic <a href="#">health statement</a> before going into the public services, otherwise the public services can decide whether to accept a verbal statement. Citizens will be subject to body temperature measurement, and should wear mask at all time.</p>	<p><b>Public recreation areas</b></p> <p>Public parks will resume opening to the public. Children’s recreation facilities will remain closed.</p>
Economy and finance	<p><b>Wealth Partaking Scheme</b></p> <p>The date for distributing funds will begin in April. To see the schedule of distribution of funds, follow this <a href="#">link</a>.</p> <p><b>Support Plan for Small and Medium Enterprises</b></p> <p>The Directorate of Economic Services (DES) will launch on 10 February the online submission service for applications to the Support Plan for Small and Medium Enterprises. Entrepreneurs interested in applying for the support plan, can submit, by e-mail, the application form, available on the DES online system. For more information on the requirements for applying for the plan and how to present it, entrepreneurs can click on this <a href="#">link</a>.</p>	<p><b>Waiver of rents payable on public properties</b></p> <p>The Government will waive rents otherwise payable on public properties used by local businesses for a period of 3 months.</p>
Gaming	<p><b>Temporary closure of casinos for 15 days</b></p> <p>By Chief Executive Dispatch no. 27/2020<sup>2</sup>, as of midnight of 5 February 2020, all casinos are closed in Macau.</p> <p>This measure is lifted by Dispatch no. 39/2020,<sup>3</sup> according to which <b>casinos will be reopened as of midnight of 20 February 2020.</b></p> <p>Casinos may, however, apply for <u>an extension for reopening of up to 30 days</u> if they are not fully prepared. All casinos should be reopened 30 days after February 20 (i.e. March 31).</p>	<p><b>Mandatory Use of Face Mask</b></p> <p>All casino workers, without exception, have the obligation to use a respiratory protection face mask during their working hours. This order is mandatory and is valid until 22 March, subject to prorogation if the situation so requires.</p>

<sup>2</sup> See Dispatch of the CE no. [27/2020](#), of February 4, 2020.

<sup>3</sup> See Dispatch of the CE no. [39/2020](#), of February 17, 2020.

Sector	Measure in place
<b>Entertainment</b>	<p><b>Temporary closure of entertainment premises</b></p> <p>Starting at midnight of 5 February 2020, all bars, cinemas, massage parlours, theatres, indoor playgrounds, gaming arcades, fitness centers and health clubs, internet cafes, pool and bowling centers, beauty parlors, saunas, night clubs, karaoke venues and discos. The Chief Executive order did not specify the closing period, nor did it make any announcement in that respect.</p> <p>This measure is lifted by Dispatch no. 50/2020<sup>4</sup>, according to which the above entertainment premises will be reopen as of midnight of 2 March 2020.</p>
<b>Transportation</b>	<p><b>Usage of masks in public transport</b></p> <p>Starting from noon of 3 February 2020 all passengers using public transportation, including buses and taxis, are required to use a face mask. The driver is entitled to refuse transportation of any person who refuses to comply with such requirement.</p>
<b>Education</b>	<p><b>Suspension of classes</b></p> <p>Classes of tertiary education institutions, secondary and primary schools and kindergartens, as well as the private tutorial centers and continuing education institutions, have been suspended.</p> <p>The date of class resumption is postponed until further notice and will be announced by the Government two weeks before the class resumption. DSEJ has planned the resumption of classes to take place when there are no new confirmed cases of novel coronavirus in Macau and Guangdong Province for 14 consecutive days. At present, due to the epidemic development in the neighboring regions, there is a chance of class resumption in late April, and, if conditions permit, classes may be resumed earlier. As of the date of writing of this note, March 2, nothing has been announced regard the resumption of classes of tertiary education institutions.</p> <p>Registration in subsidized daycare centers will begin in March and April 2020, and the draw for the list of admitted children, publication of the list, and the handling of registration formalities will be carried out in May and June 2020.</p>

Establishments such as hotels, restaurants and other food or beverage establishments (tea houses, cafes, bakeries or ice cream shops) have not been ordered to close.

This note is written on 2 March 2020, and the measures are under frequent review by the Government given the fluidity of the current situation. Please refer to [news.gov.mo](http://news.gov.mo) for updated measures.

<sup>4</sup> See Dispatch of the CE no. [50/2020](http://www.gov.mo/eng/dispatch/50/2020), of February 27, 2020.

## **II. Public services**

Starting from 2 March, all public services will resume its operations normally. All public services must comply with the guidelines issued by the Macau Health Services and the Directorate of Administration and Civil Service for the Prevention of the Epidemic, particularly the recommendations contained in “Prevention of Novel Coronavirus Infection – Advice for Public Entities”<sup>5</sup>.

Citizens who intend to enter into public services buildings must present health declaration (available [here](#)), must wear a mask at all times, and will be subject to body temperature measurement.

Additionally, the deputies of the Legislative Assembly will provide a public attendance service for the hearing of the citizen’s opinions, on Mondays, Wednesdays and Fridays, from 12 PM to 13 PM, by prior appointment to this telephone number: 8796 7501.

Similarly, the Institute for Municipal Affairs has launched an Advisory Council and Board of Directors Hotline to listen to citizen’s opinions and requests. The Hotline service (2833 7676) is available from 2 March, from 10h30 AM to 11h30 AM.

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<sup>5</sup> Available [here](#).

### III. Provisional Economic Support Measures

On 13 February 2020, the Macau Government announced the following measures of provisional economic support for (i) residents; (ii) companies, and (iii) small and medium-sized enterprises (SME):

#### A. Economic Support Measures for Residents

Measure	Arrangement
<b>Wealth Partaking Scheme</b>	<p>The date for distributing funds will begin in April<sup>6</sup>:</p> <ul style="list-style-type: none"> <li>• Permanent residents will be entitled to MOP\$10,000.00 (ten thousand patacas);</li> <li>• Non-permanent residents will be entitled to MOP\$6,000.00 (six thousand patacas).</li> </ul>
<b>Health voucher</b>	<p>Each beneficiary of the Health Care Reimbursement Plan (i.e. permanent resident of Macau) will be entitled to another health voucher of MOP\$600.00 for the year 2020.</p>
<b>Support granted by the Social Welfare Bureau</b>	<p>Families who are receiving economic subsidies from the Social Welfare Bureau will be entitled to two additional months of subsidies:</p> <ul style="list-style-type: none"> <li>• The first subsidy will be granted in March; and</li> <li>• The second subsidy in September.</li> </ul>
<b>Vouchers for consumption</b>	<p>Each resident will receive a card with a stored value of 3,000 patacas that would be valid for three months, to be used in restaurants, retail outlets, and shopping centers, etc. There will be a 300-pataca cap on spending.</p>
<b>Professional income Tax</b>	<p>Refund of income tax for 2018 up to 70% of the collection, up to the limit of MOP\$20,000.00 (twenty thousand patacas).</p>

<sup>6</sup> To see the complete schedule of distribution of funds, follow this [site](#).

Measure	Arrangement
<b>Property tax</b>	Exempt the Property Tax of all housing units for the year 2019.
<b>Electricity and Water Bills</b>	Subsidize all electricity and water tariffs of the housing units of Macao residents for a period of 3 months (from March to May).

## B. Economic Support Measures for Companies

Measure	Arrangement
<b>Supplementary Income Tax</b>	The Supplementary Income Tax will be deducted for the year 2019, in the maximum amount of MOP\$300,000.00 (three hundred thousand patacas). The beneficiaries of this measure will cover commercial companies, including small and medium-sized companies.
<b>Property Tax</b>	25% of the Property Tax of the units destined for commercial establishments will be deducted.
<b>Tourism Tax</b>	Exempt the payment of 5% of the tourism tax of establishments providing services such as hotels, bars, establishments of the type "health club" and karaokes, etc., for a period of 6 months.
<b>Circulation Tax</b>	Refund the Circulation Tax for the year 2020 of all commercial vehicles that have already been paid (such as: taxis, goods vehicles, instruction vehicles, and passenger transport vehicles for hospitality).
<b>Stamp Duty for Business/ Administrative Licenses</b>	Exempt or return the fees for issuing administrative licenses and also the respective stamp taxes paid during the year 2020 (i.e. stamp duty for licenses for hotels, restaurants, travel agencies).



**C. Economic Support Measures for SME**

<b>Measure</b>	<b>Arrangement</b>	<b>Beneficiaries</b>
<b>SME Support Plan</b>	Each SME can be provided with an interest-free special financial support loan of up to MOP\$600,000.00, which must be repaid over a period of 8 years.	SMEs that have been operating in Macau for at least 2 years
<b>SME Credit Guarantee Plan</b>	Each SME can be given a credit guarantee in the maximum amount of 70% of the bank credit requested, up to the limit of MOP\$4.9 million. The repayment term for credit cannot exceed 5 years.	SMEs that have been operating in Macau for at least 1 year
<b>SME Credit Guarantee Plan for a Specific Project</b>	Each SME can be given a credit guarantee in the maximum amount of 100% of the bank credit requested, up to the limit of MOP\$1 million. The repayment term for credit cannot exceed 5 years.	SMEs that have been operating in Macau for at least 3 years
<b>Adjustment of reimbursement measures</b>	Reduction to MOP\$1,000 of the amount to be paid in the next installment, and the settlement of the remaining amount, in equal parts, in the following installments	Companies that benefit from different support plans launched by Directorate of Economic Services as long as they make the request
<b>Special SME Support Plan of a temporary nature</b>	Each SME can receive support in the amount of 600 thousand patacas, interest-free, with a repayment term of 8 years	SMEs that are unable to benefit from the various measures mentioned above

Measure	Arrangement	Beneficiaries
<b>Credit Interest Bonus Plan for SME of a temporary nature</b>	Interest subsidy on loans up to a maximum amount of 2 million patacas, with a maximum interest rate of 4% over a period of 3 years	SMEs that obtained bank loans, due to the scarcity of operational funds, caused by the epidemic
<b>Payment of rents of public properties</b>	Exemption from the payment of rents of public properties by a period of 3 months	Tenants of public properties leased by the Government

#### D. Other Measures

Measure	Arrangement
<b>Exemption from payment of licensing fees and administrative license</b>	Exemption from payment of the respective fees for all sectors Such as licensing fees for hotels, restaurants, tourist guides and taxis
<b>Exemption from payment of fees related to the annual license, in accordance with the Table of Fees, Rates and Prices of IACM<sup>7</sup></b>	Vendors, street vendors, artisans and other street shops operators are exempt from payment for the year 2020 of the fees related to the annual license, in respect to Articles 1, 2 and 3(1)(1) of the Table of Fees, Rates and Prices of IACM.

<sup>7</sup> [Chief Executive Dispatch no. 268/2003.](#)

Measure	Arrangement
<p><b>Exemption from payment of rent and fees related to market stalls, in accordance with the Table of Fees, Rates and Prices of IACM<sup>8</sup></b></p>	<p>Tenants of market stalls are exempt from payment for the year 2020 of market stall rents, located in the following markets:</p> <ul style="list-style-type: none"> <li>• Iao Hon;</li> <li>• Almirante Lacerda;</li> <li>• S. Domingos;</li> <li>• S. Lourenço;</li> <li>• Horta e Mitra;</li> <li>• Tamagnini Barbosa;</li> <li>• Patane;</li> <li>• Taipa and Coloane.</li> </ul> <p>Moreover, tenants of market stalls are exempt from payment for the year 2020 of the fees related to its license, in accordance with article 5 of the Table of Fees, Rates and Prices of IACM.</p>
<p><b>Exemption from payment of inspection fee</b></p>	<p>Exemption from payment for the year 2020 of the facilities inspection fee for each establishment (MOP\$500.00)</p> <p>Such as hotels, restaurants, bars, travel agencies</p> <p>Exemption from payment for the year 2020 of the inspection fees relating to vegetables for human consumption, plant-health inspection, meats, eggs and fish, as well as live animals for human consumption.</p>
<p><b>Extension of deadline for renovation of annual licenses, in accordance with the Chief Executive Dispatch no. 268/2003</b></p>	<p>The application for renewal of the annual license in accordance with the Chief Executive Dispatch no. 268/2003, which should have been submitted in the months of January and February 2020, is extended until 31 March.</p>

<sup>8</sup> [Chief Executive Dispatch no. 268/2003.](#)

Measure	Arrangement
<p><b>Exemption from payment of mooring utilization fees and maritime clearance</b></p>	<p>Exemption from the payment of mooring and vessel usage fees for Macau maritime travel lines, its maritime clearance, as well as mooring utilization fees per vessel with cross-border passenger maritime transport routes, for the period between February and April 2020</p>
<p><b>Exemption from the payment of pecuniary remuneration by the concessionaires of the Outer Harbor Ferry Terminal and Taipa Ferry Terminal</b></p>	<p>Exemption from payment of the pecuniary remuneration for the period between February and April 2020</p>
<p><b>Exemption from paying taxi parking at the Hong Kong-Zhuhai-Macau Bridge parking lot</b></p>	<p>Exemption from paying taxi parking at the west parking lot of the Hong Kong-Zhuhai-Macau Bridge Border Post during the period to combat the epidemic</p>
<p><b>Exemption from payment of taxi inspection fee and taximeter verification fee</b></p>	<p>Exemption from payment of the annual fees</p>
<p><b>Exemption from the payment for the operation of radiocommunications</b></p>	<p>Exemption from payment of the fees for terrestrial mobile devices used by private entities</p> <p>Such as taxi network and radio station payment</p>
<p><b>Extension of the repayment term for loans from cultural industries</b></p>	<p>Extension by 1 year of the term for repayment of interest-free loans from the creative and cultural industries, granted by the Cultural Industries Fund</p>

Measure	Arrangement
<p><b>Training and job offer</b></p>	<p>Improve vocational training for local employees to help them seize employment opportunities to be made available under the Government’s planned expansion of investment in infrastructure projects.</p> <p>Such training schemes would aim to produce locally a greater number of electricians; plumbers; welders; carpenters; plasterers; ironworkers; refrigeration and air conditioning technicians; technicians for assembling prefabricated items; and foremen for construction sites.</p>

The schedule for implementing some of the measures announced today would be dependent on relevant legislative procedures. The Government would announce in a timely manner more details regarding each measure.

#### **IV. Courts**

The Courts have resumed normal activities as of 2 March 2020.

#### **V. Employment issues**

The Macau Government has announced that all civil servants would work from home (save for essential services) until 16 February 2020, and the private sector has been advised to follow suit. We set out below the responses to some frequently asked questions:

**A. What are an employer’s legal obligations?**

Under Law no. 7/2008 (Labor Relations Law), an employer is under a duty to take reasonable care to provide and maintain a reasonably safe place of work for its employees.

In accordance with Law no. 2/2004 (Law on Prevention, Control and Treatment of Infectious Diseases), employers have the duty to collaborate with the competent entities, as well as to comply with the orders and guidelines issued by them.

In late January, the Macau Government announced that except for staff of the departments providing essential public services, all other civil servants would work from home until 16 February 2020. The Macau Government also asked the private sector to adopt similar approach as far as practicable. So far, the Government’s recommendation is not mandatory in the private sector. In any case, employers should monitor the guidelines, recommendations and directions made by the Macau Government and implement the measures accordingly to ensure the health and safety of employees.

**B. Do I have to continue to pay wages and benefits during a novel coronavirus outbreak?**

Yes, but it depends:

Scenario:	Payment of remuneration:
<p><b>1. The workplace is closed because of order made by the employer, and the employee is unable to perform work</b></p>	<p>The employment contract will continue during a novel coronavirus outbreak unless the employment has ceased for any other reason. In principle, an <u>employer cannot refuse to pay</u> wages because the employee is unable to attend the workplace or perform any work because of the closure of the workplace imposed by the employer.</p>

Scenario:	Payment of remuneration:
<p><b>2. The workplace is closed because of order made by the Government</b></p>	<p>When the closure of the workplace is determined by a government order, this may give rise to different legal consequences for labor contracts depending on the particulars of each case. Several situations may be considered, including (i) whether such closure is mandatory, (ii) whether it causes the provision of work to be objectively impossible, (iii) whether it is due to the employer’s fault, and (iv) whether such closure is temporary or definitive, etc.</p> <p>Legal advice for each particular situation should be sought.</p>
<p><b>3. The employee is required by the employer to stay out of the office or be subject to a quarantine period due to internal company policy not imposed by the Government</b></p>	<p>An employer may impose such policy but <u>cannot refuse to pay</u> wages in this case, as the non-performance of work is caused by the employer.</p>
<p><b>4. The employee is unable to enter into Macau for the performance of work because of measures imposed by the Government (for instance, a quarantine period or entry ban is imposed)</b></p>	<p>In this case, although the absence is deemed to be justified under the Labor Relations Law, the employee is <u>not entitled to remuneration</u>.</p>

**C. In case of the workplace is closed due to measures imposed by the Government or the company policy, do I have to continue paying the employee his or her daily average salary (including commission) or only the base salary?**

Under Law no. 7/2008 (Labor Relations Law), the employer cannot, in principle, reduce the basic remuneration of the employee, which includes the following:

- Base pay;

- Overtime remuneration or extraordinary remuneration for night work or shiftwork, if their total sum during the last six months is more than twenty per cent of the average monthly basic remuneration of the employee;
- Food allowance;
- Family allowance;
- Subsidies and commissions; and
- Charges levied by the employer to the customer as extraordinary accounts and subsequently paid to the employee.

Basic remuneration can only be reduced by written agreement between the parties, which only takes effect after notification to the Labor Bureau, to be made by the employer within ten days.

**D. Can I impose annual leave on my employees?**

Yes, but it depends

<p><b>Mutually agreed annual leave</b></p>	<p>No notice period is required if the annual leave arrangement is mutually agreed by the employer and employees.</p> <p>A mutual consent agreement shall be separately prepared for the said purposes.</p>	
<p><b>Annual leave imposed unilaterally</b></p>	<p>i. Mandatory paid vacations days imposed by the Labor Relations Law (6 days)</p>	<p>In case annual leave is imposed by the employer unilaterally in accordance with the demands of the company’s operation, it should be made with a minimum notice period of 30 days.</p>
	<p>ii. Additional contractual paid vacations days (i.e. vacation days beyond the mandatory annual leave)</p>	<p>In principle, the provisions of the employment contract are applicable. In the absence of a provision in this regard, the legal regime requiring the minimum notice period should apply.</p>



**E. Can I impose unpaid leave on my employees?**

No. Unpaid leave cannot be imposed by the employer, unless otherwise agreed by the employees.

**F. Can I require my employees and clients to have their temperature tested or wear masks before allowing them to enter the workplace?**

It is generally lawful for an employer to ask its employees and clients to undergo a temperature test or wear face masks on a voluntary basis if there is a reasonable basis for doing so. The screening of employees and clients would likely be considered a reasonable step for an employer to take to reduce the risk of its employees being exposed to harm. Hence, in principle, an employer may reasonably deny access to the workplace for employees or clients who do not comply with such requirement.

Temperature testing may, however, raise issues of data privacy. As such, employers should be mindful of the data protection rules in relation to the purpose and manner of the collection of such data.

**Conclusion**

We will continue to keep you informed of any new developments and/or guidelines issued by the Government on the matter of health and safety issues relating to the novel coronavirus.

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***Disclaimer:*** *The information contained herein is for informational purposes only and is not intended to constitute legal advice. As legal advice must be tailored to the specific circumstances of each case, nothing provided herein should be used as a substitute for advice of a qualified lawyer in Macau.*