



L-ERBATAX-IL LEGIŻLATURA

P.L. 2484

Dokument imqiegħed fuq il-Mejda tal-Kamra tad-Deputati fis-Seduta Numru 165 tas-7 ta' Novembru 2023 mill-Ministru għall-Wirt Nazzjonali, l-Arti u l-Gvern Lokali, f'isem il-Prim Ministru.

Raymond Scicluna
Skrivan tal-Kamra

MINIMUM WAGE AGREEMENT IFFIRMAT MILL-IMSIEHBA SOĊJALI

***13024. L-ONOR IVAN CASTILLO** staqsa lill-Uffiċċju tal-Prim Ministru: Jista' l-Prim Ministru jqiegħed fuq il-Mejda tal-Kamra kopja tal-Minimum Wage Agreement iffirmit mill-imsieħba soċjali?

02/11/2023

ONOR. ROBERT ABELA: Qiegħed inpoġġi fuq il-Mejda tal-Kamra dan il-ftehim li l-Oppożizzjoni kienet mistiedna għall-iffirmar tiegħu u m' attenditx.

Seduta Numru 165

07/11/2023

NATIONAL AGREEMENT ON THE MINIMUM WAGE AS RECOMMENDED BY THE LOW WAGE COMMISSION

28th October 2023

1. Principles

The members of the Low Wage Commission are recommending to Government this text for an agreement between the Social Partners regarding the minimum wage in Malta for the 2024 to 2027 period.

The signatories to this agreement acknowledge that:

1.1 An increase in the minimum wage is needed to avoid an excessively low minimum wage level that results in undesirable social and economic consequences, which could:

- exacerbate the risk of poverty or social exclusion;
- reduce incentives to work;
- prolong the existence of undesirable, low-skilled and low-cost business models;
- hinder Malta from being sufficiently aligned with EU-wide efforts relating to minimum and low wages.

1.2 It is imperative that the increase in minimum wage should not impair business competitiveness and quality job creation, or hamper the proper functioning of collective bargaining exercises.

1.3 Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union establishes a framework to improve the adequacy of statutory minimum wages, amongst others by linking these to median or average wages. Furthermore, the aim is to enhance effective access of workers to minimum wage protection, including through collective bargaining. The Directive explicitly promotes collective bargaining, recognizing that strong and inclusive collective bargaining systems play an important role in ensuring adequate minimum wage protection.

1.4 Nonetheless, increases in the minimum wage alone will not and cannot be expected to address poverty.

1.5 In the ongoing situation of global economic, social and financial turmoil, the increase in the minimum wage set forth in this agreement will be implemented within a context of collective bargaining which:

- recognises the revision of the minimum wage as an important indicator in the setting of wages in the lower categories, and

- prevents undue inflationary impacts on wage levels in general that are not backed by productivity growth, and which compromise business viability and the creation of quality jobs.

This agreement does not interfere with the normal conduct of the enterprise-level collective bargaining processes in the country.

- 1.6 Equally, the Social Partners commit to continue to collaborate to promote measures and practices which ensure fairness, inclusiveness and compliance with applicable laws and regulations by all players in the labour market.

2. The Minimum Wage

The signatories agree that the level of the minimum wage in Malta shall be governed as follows.

- 2.1 The levels of the weekly minimum wage for the period 2024 to 2027 for persons aged 18 and over shall be:

As from 1 January 2024: €200.73 per week + statutory COLA award for 2024

As from 1 January 2025: €203.73 per week + statutory COLA awards for 2024 and 2025

As from 1 January 2026: €206.73 per week + statutory COLA awards for 2024, 2025 and 2026

As from 1 January 2027: €210.73 per week + statutory COLA awards for 2024, 2025, 2026 and 2027

- 2.2 The differentials prevailing for minimum wage levels for persons aged under 18 shall continue to apply.

- 2.3 Article 2.1 of this agreement supersedes all of the provisions concerning the minimum wage and increments related to it which had been stipulated in the agreement entitled "National Agreement on the Minimum Wage" dated 28th April 2017 as well as the mandatory supplements as outlined in terms of regulation 4 of SL 452.71 National Minimum Wage National Standard Order, and requires that respective laws and regulations are updated accordingly.

3. Work of the Low Wage Commission

This agreement has been reached through the work of the Low Wage Commission set up in March 2023 through LN66/2023, as per the provisions of the April 2017 agreement. The Commission shall continue to operate within the ambit of the remit set through LN66/2023 by October 2027, provide Government with recommendations towards a new agreement that supersedes the one being signed today;

- undertake all activities necessary for it to fulfil its remit at law;
- consider additional actions recommended by the Minister responsible for Social Dialogue.

4. Conclusion

All the signatories to this agreement are making the above recommendations to Government in line with the remit entrusted to the Low Wage Commission.

Signed on this day the 28th day of October 2023

Signatories:

Hon Dr Andy Ellul – Parliamentary Secretary for Social Dialogue

Perit David Xuereb – Chairman - MCESD

Mr Mark Musu - Deputy Chairman – MCESD

Mr Josef Bugeja - General Workers Union

Mr Josef Vella - UHM Voice of the Workers

Dr Martin Balzan - Confed. of Malta Trade Unions

Mr Chris Attard - FORUM Unions Maltin

Mr Chris Vassallo Cesareo - The Malta Chamber of Commerce, Enterprise, and Industry

Mr Paul Abela - Malta Chamber of SMEs

Mr Andrew Agius Muscat – Malta Hotels & Restaurants Association

Ms Joanne Bondin - Malta Employers' Association

Mr Benjamin Rizzo - Civil Society Committee