



**RESPONSE TO MALTA
LABOUR
MIGRATION
POLICY**

Consultation Document



**RESPONSE TO MALTA
LABOUR
MIGRATION
POLICY**

Consultation Document

January 2025

Index

1. Introduction - Page 1
2. Priority Recommendations - Page 3
3. Recommendations on The Labour Migration Policy - Page 5
4. AFTA Additional recommendations for the Labour Migration Policy - Page 42
5. Conclusion - Page 44



1

Introduction

Introduction

The Association for Temping and Outsourcing Agencies commends the Maltese government on its economic achievements over the past decade. It is evident that Malta has performed significantly above the EU average, a testament to the government's robust economic and social initiatives. This sustained growth has attracted both local and foreign businesses to invest in our island, creating more opportunities for Maltese citizens and foreign nationals alike.

This economic success has led to an expansion of opportunities for the Maltese workforce, allowing many individuals traditionally employed in low-skilled jobs to upskill and transition into higher-skilled roles, earning better wages and improving their standard of living. Moreover, students are staying longer in educational institutions with the government actively encouraging such continued education, and unlike in the past when students often worked part-time in retail, fast food, or hospitality sectors, they are now finding employment directly related to their field of study. This shift reflects the positive changes brought about by the government's focus on education and skill alignment.

The consultation document clearly demonstrates the need for Third-Country Nationals (TCNs), particularly in industries where no local workforce is available, as highlighted in various tables. However, the document's intention to limit the entry of low-skilled TCNs appears contradictory to current economic demands. While we fully agree that only the necessary workforce should be added, the focus should primarily be on eliminating rogue employers who exploit the system rather than imposing measures that may hinder businesses meeting legitimate economic needs.

The correlation between the economic activity on migration is evident, particularly during the COVID-19 pandemic when net migration dropped to a minimum. This clear correlation underscores the direct link between economic growth and the demand for foreign workers. The recovery period, marked by a resurgence in net migration, further highlights how TCNs are essential for sustaining and fuelling Malta's economic activity.

A balanced approach between employers and employees is imperative to maintain and enhance quality. Placing excessive regulatory burdens on employers, such as turnover-based restrictions, risks creating an environment where employers may be unfairly disadvantaged. Instead, fostering mutual benefits for both parties will promote a sustainable labour market.

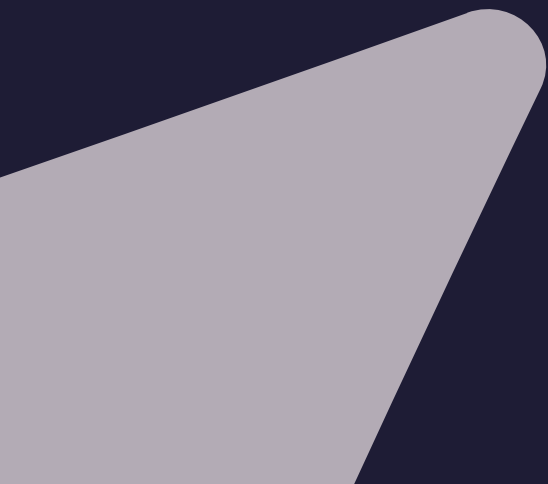
We also support the policy's emphasis on career opportunities rather than mere jobs, underlining the importance of training and upskilling. However, it is essential to recognise that upskilling naturally leads to workforce mobility, which may result in higher turnover rates, particularly for companies specialising in low-skilled, entry-level roles. While this mobility is a natural byproduct of upskilling and should not be penalised, it is also important to acknowledge that it can create challenges for employers striving to retain staff. Additionally, upskilling may lead to increased competition between TCNs and Maltese workers for certain roles, which could create friction in specific sectors. Retention and upskilling, therefore, may sometimes contradict each other, and policy measures must strike a careful balance to address these dynamics effectively.

The Association strongly opposes Recommendation 18, which effectively caps workforce growth by limiting the recruitment of TCNs based on a fixed percentage of an organisation's existing workforce. Such restrictions stifle growth, curb competitiveness, and disproportionately affect industries reliant on TCNs.



2

Priority
Recommendations



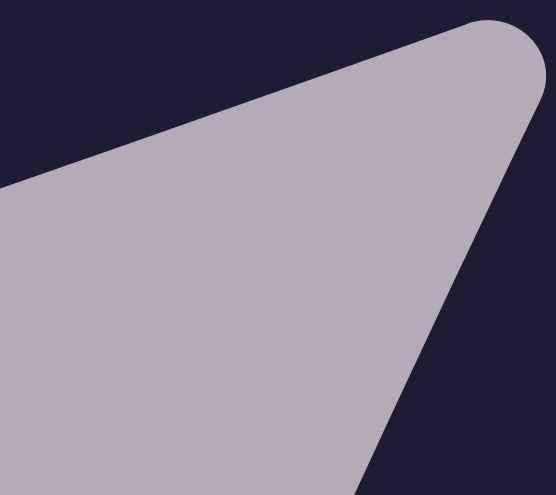
Priority Recommendations

Recommendation 1	Minimum Termination Rates - Page 5
Recommendation 4	Permit Fees - Page 9
Recommendation 5	Enhancing Direct Access to TCN Recruitment - Page 10
Recommendation 6.2	Prohibition of Financial Compensation - Page 12
Recommendation 13	Establishing a High-Risk Country List - Page 19
Recommendation 18	Workforce Applications Limits - Page 24
Recommendation 21	Minimum Number of MT/EU Nationals prior to applications - Page 27



3

Recommendations on The
Labour Migration Policy



Minimum termination rates allowed prior to application

Recommendation 1

Employers are encouraged to prioritise employee retention by investing in training, development, and improving working conditions. For the purpose of promoting stability in the labour market, a minimum termination rate is being proposed as a prerequisite for applying for TCNs. This threshold is set higher than the typical minimum termination rate experienced by firms to ensure that no sector is unfairly disadvantaged.

Termination rates are defined as the number of terminations divided by the total workforce for the past 12 months.

1. Micro firms (1-9 employees): The condition does not apply.
2. Small firms (10-50 employees): A firm with termination rates above 50% of its workforce will fail the LMNT and its application will be refused.
3. Medium firms (51-249 employees): A firm with termination rates above 40% of its workforce will fail the LMNT and its application will be refused.
4. Large firms (250+ employees): A firm with termination rates above 35% of its workforce will fail the LMNT and its application will be refused.

This condition will be subject to the following exemptions:

1. Applications recommended and endorsed by Malta Enterprise.
2. Occupations that fall under the health sector and the care of persons with disability and the elderly, including, Care Workers Chemists and Pharmacists, Doctors (General practice, specialised and medical, Nurses, and Veterinarians);
3. Student workers recognised under Subsidiary Legislation 212.18 (formerly known as LN29 of 2008) and students at the Institute of Tourism Studies and other higher institutions recognised by Jobsplus who require a work placement as part of their studies.

Aim of this measure: This measure is designed to incentivise employers and ensure they make the necessary efforts to retain their workforce and thus avoid the unnecessary loss of experienced employees. By encouraging employers to enhance working conditions for all workers and invest in training opportunities, the proposal seeks to create a more stable and supportive work environment while also limiting the need for new applications for TCNs.

AFTA Recommendation 1

The Association for Temping and Outsourcing Agencies (AFTA) is in agreement with this recommendation, provided it is framed within the context of targeting rogue players. It is well-known that rogue players exploit turnover rates as a means of generating illicit income through fees charged to TCNs for recruitment and employment. These practices are most prevalent among smaller firms whose business models are primarily driven by income derived from the engagement of employees.

AFTA emphasizes the importance of clarifying the definition of “termination” within the context of this document to ensure consistent application and understanding. ****It is critical that the methodology and criteria for calculating termination rates be explicitly detailed, so stakeholders can apply them transparently and consistently.****

To improve fairness, AFTA proposes adjusting the termination rate thresholds as follows:

Small and Medium Firms – 45%

Large Firms – 50%

Additionally, AFTA recommends that these thresholds serve as indicative guidelines rather than rigid limits. Regulators should retain the authority to take disciplinary measures against companies that abuse the system, even if their termination rates fall below the indicative thresholds. Conversely, companies with strong track records and transparent operations should not be penalised for exceeding these thresholds if they can demonstrate legitimate reasons for higher turnover rates.

AFTA also stresses the importance of full transparency in calculating and implementing the thresholds for the labour market testing process. Clear communication and criteria are essential to maintain confidence in the regulatory framework.

For firms found to be abusing the system, AFTA urges the government to propose appropriate suspension periods from applying for permits. These suspension periods should act as an effective deterrent while allowing regulators the flexibility to impose tailored sanctions based on the severity of the violation.

Furthermore, AFTA highlights that implementing this recommendation could lead to wage inflation, as employers may find themselves at the mercy of employees demanding non-efficiency-related wage increases. Such dynamics could adversely affect business operations and competitiveness.

Lastly, as highlighted in the introduction, AFTA supports the policy’s focus on career opportunities over jobs, with an emphasis on training and upskilling. However, it is crucial to recognise that upskilling naturally leads to workforce mobility. Companies specialising in low-skilled, entry-level roles are more likely to experience higher turnover as employees advance their careers. This dynamic must be acknowledged and incorporated into the regulatory framework to avoid unintended consequences for these businesses.

Redundancies

Recommendation 2

If an employer has affected a redundancy of any worker of any nationality (including Maltese nationals) due to loss of business for the same designation during the previous 12 months, their application will be rejected.

Aim of this measure: This measure aims to ensure that employers have made the necessary efforts to retain their workforce and hence avoid the unnecessary loss of experienced employees by enhancing working conditions for all workers and investing in training opportunities.

AFTA Recommendation 2

AFTA agrees with this recommendation, noting that it reflects a policy approach that has already been effectively implemented in recent years.

Renewal period up from one to two years

Recommendation 3

To encourage retainment, the renewal period following the completion of one year of engagement will be extended from one to two years, provided that the TCN concerned has been offered a contract with a validity period that is not less than two years.

Low-skilled workers (defined as those employed under ISCO 5-9) will be encouraged to enrol in training courses and integrate into the Maltese labour market and society, as outlined in recommendations 26 and 27.

Low-skilled workers who effectively demonstrate that they have enrolled in training programmes will have their renewal period extended to two years.

Additionally, work permits for TCNs under the KEI, SEI, the Blue Card Directive, and the Skilled Occupation List will be automatically renewed for three years.

Aim of this measure: To encourage employers to prioritise retaining their existing workforce, where efforts should focus on improving working conditions for all employees, investing in training opportunities, and implementing upskilling and integration measures.

AFTA Recommendation 3

The Association for Temping and Outsourcing Agencies (AFTA) agrees with this recommendation, provided that it applies uniformly to all entities, including outsourcing and temping agencies. Ensuring that the policy framework treats all organisations equitably is critical to maintaining a level playing field across sectors.

AFTA also emphasises that if this recommendation does not extend to outsourcing and temping agencies, it would not only contradict the document's overarching focus on retention but also be discriminatory and unfair.

Excluding these agencies from the scope of the recommendation would undermine the objective of fostering workforce stability, create inconsistencies within the regulatory framework, and unjustly penalise one sector.

Higher fees for first-time permits, lower fees for renewals

Recommendation 4

Currently, the fee for submitting a first-time single permit application and a renewal of a single permit is set at €300. The proposed changes aim to incentivise retention of the existing foreign workforce and promote more careful and selected endorsement of single permit applications by prospective employers.

Specifically, the proposal suggests increasing the fee for a first-time single permit application to €600 while simultaneously decreasing the fee for the renewal of a single permit to €150 annually. This restructured fee approach intends to balance the initial entry cost with a more affordable renewal process, potentially encouraging employers to retain foreign workers and approach initial applications with greater consideration.

Aim of this measure: This measure aims to further encourage retainment by making it more financially viable for the retainment of TCNs.

AFTA Recommendation 4

The Association for Temping and Outsourcing Agencies (AFTA) recognises that Malta is competing with other countries to attract talent from outside the EU. The government's focus on attracting high-quality workers is commendable, but achieving this goal requires a nuanced approach. This includes robust legislation against exploitation, ensuring a safe and secure working environment, and offering career opportunities and upskilling initiatives. Such measures will make Malta an attractive destination for top talent while addressing workforce needs sustainably and responsibly.

Additionally, AFTA suggests introducing a variable fee structure based on the Labour Market Needs Test. For roles or sectors with significant demand and a shortage of workers, the fee should be set lower than €600 to incentivise quality workers to choose Malta over competing countries. Conversely, for roles where the need is less critical, the €600 fee could be applied to balance the labour market more effectively.

The Association for Temping and Outsourcing Agencies (AFTA) also proposes that the €600 fee apply exclusively to first-time work permit applicants. In the case of a change of employer, the fee should be equivalent to that of a permit renewal. This adjustment would better reflect the realities of the labour market and ensure fairness for both employees and employers.

Enhancing direct access to TCN recruitment

Recommendation 5

Maltese firms currently face significant challenges in directly applying for TCNs, which has led many to rely heavily on third-party services. This reliance is problematic and costly, as it not only undermines a firm's ability to recruit based on organisational fit but also involves substantial service fees. In response, the relevant authorities are planning a comprehensive approach to address these issues, including the development of specialised training programs designed to enhance Maltese firms' capabilities in directly accessing the TCN application process. The goal is to empower firms with the knowledge and skills needed to manage third-country national recruitment more independently and effectively.

Aim of this measure: To make it easier for employers to directly access the TCN application process.

AFTA Recommendation 5

The Association for Temping and Outsourcing Agencies (AFTA) strongly opposes Recommendation 5 of the new Malta Labour Migration Policy. The policy fails to acknowledge the fundamental reason why companies rely on these services: the inherent seasonality and flexibility required by businesses operating in cyclical or project-based sectors.

This policy not only fails to understand the dynamics of the labour market, but it also undermines the government's own efforts to regularise and stabilise the market through its existing licensing regime. By suggesting that businesses abandon their reliance on flexible services, the policy moves in direct contradiction to the intent of these measures. AFTA urges the government to reconsider this recommendation and instead focus on enforcing and strengthening the licensing regulations, which will provide a more balanced, sustainable, and competitive framework for all stakeholders involved. The government itself uses this system to ensure flexibility in certain operations. Had the government adopted its own recommendation, it would result in disproportionately bloating the Public Sector with TCNs, making the government the primary employer of such migrants, which could lead to a significant pull factor.

Moreover, since outsourcing and temping agencies are under a licensing regime that grants the government and its authorities greater control, the same cannot be said for other entities. Many unregulated companies have no checks, cash guarantees, or proper oversight of their Ultimate Beneficial Owners (UBOs) and employment practices. It is a known fact that companies in various industries have been brought to justice for abuses in TCN applications and employment. Therefore, AFTA proposes that the government impose stricter requirements on all companies applying for TCN permits to ensure greater control and compliance.

AFTA recommends that companies seeking to employ TCNs either utilise licensed employment service providers, licensed outsourcing, and temping agencies, or subject themselves to additional regulations, such as providing bank guarantees. This would ensure a higher level of accountability and prevent abuses that compromise the integrity of Malta's labour market.

Desk-investigations and possible disqualifications

Recommendation 6

The proposed policy aims to significantly strengthen the regulatory oversight of work and residence permit issuance by enhancing the desk- investigative capabilities of the relevant authorities. A key innovation in this approach is the introduction of a disqualification mechanism for employers who fail to comply with established laws and regulations regarding TCN employment. This new framework will not only improve enforcement mechanisms but also incorporate administrative penalties designed to ensure strict adherence to legal requirements, thereby creating a more robust and accountable employment ecosystem for foreign workers.

1. **Prompt Submission of Engagement Forms:** Employers are required to promptly submit engagement forms for all employees, including TCNs who have been granted a work permit. Failure to fully complete these forms within two working days following engagement will result in a refusal of applications for TCNs. This refusal will remain in effect until the issue is rectified. Administrative penalties shall apply for late submission.
2. **Prohibition of Financial Compensation Requests by Employers:** Employers shall not be permitted to request any form of financial compensation from employees in relation to their hiring or subsequent termination. Legal amendments shall be enacted to enforce this prohibition.
3. **Compliance with the Persons with Disability (Employment) Act (CAP 210):** Employers are expected to comply with the provisions of the Persons with Disability (Employment) Act (CAP 210). This act mandates that at least 2% of an employer's workforce should be persons with disabilities or require an annual contribution. Non-compliance will result in disqualification from applying for TCNs, which will remain in effect until the issue is resolved.
4. **Adherence to Conditions of Employment:** Employers found to be breaching any other conditions of employment outlined in Maltese law will be disqualified from applying for TCNs. The disqualification period can extend for a period of up to 12 months.
5. **Compliance with Employment-Related Regulations:** Employers found to be in breach of employment related regulations will be disqualified from applying for TCNs for up to 12 months.
6. **Failure to meet legal requirements:** Any employer found in breach of any legal requirements, such as that related to taxation and social security, will be disqualified from applying for TCNs until the situation is resolved.

Aim of this measure: This measure seeks to safeguard employees from exploitation, reward employers who uphold fair treatment of their workers, and reduce unfair competition from those who fail to do so.

AFTA Recommendation 6

6.2. The Association for Temping and Outsourcing Agencies (AFTA) requests a more detailed explanation of what is meant by “financial compensation on termination.” This clarification is critical, as the proposal could potentially counteract the objective of enhancing workforce retention.

AFTA is particularly concerned that such financial compensation might include:

- Notice period fees, which could incentivise workers to leave their positions prematurely;
- Remaining contract balances for the duration of definite contracts, which may encourage higher turnover by making it easier for employees to move on without fulfilling their contractual obligations.

If the recommendation aims to enhance retention, AFTA emphasises that it must be carefully structured to avoid inadvertently encouraging workforce mobility that could undermine employers’ operational stability. Clear guidelines and transparent definitions are essential to ensure this recommendation supports the overarching goal of retention.

AFTA strongly agrees with the adherence to employment regulations, irrespective of the sector or industry. Therefore, it fully supports Recommendations 6.1, 6.3, 6.4, 6.5, and 6.6.

Consistent compliance with existing LMNT policies

Recommendation 7

Following the approval of applications, employers found attempting to circumvent the conditions that led to their successful application will be disqualified from further applications until the situation is rectified. For the purpose of facilitating compliance, a comprehensive database of third-country nationals' job postings will be created. This database will be used to verify that the roles assigned to these individuals correspond precisely with the work contract upon which the employment license was originally granted.

Aim of this measure: The primary objective of this measure is to protect employees from potential exploitation while prioritising employers who demonstrate a commitment to fair treatment of workers and, in parallel, stop unfair competition from non-compliant employers.

AFTA Recommendation 7

AFTA strongly agrees with this recommendation and supports penalising those who circumvent the system. The Association for Temping and Outsourcing Agencies has zero tolerance for individuals or entities that exploit employees or manipulate the system for personal or illicit gains.

However, it is crucial to acknowledge the unique nature of temping and outsourcing, where employees may change locations or clients based on operational needs and seasonality. This flexibility is inherent to the business model and should not be misconstrued as non-compliance.

AFTA supports the creation of a comprehensive database of third-country nationals' job postings to enhance transparency and verify compliance. This measure will protect employees from exploitation, prioritise fair employers, and deter unfair competition from non-compliant actors.

Salary Payment method for newly engaged TCNs

Recommendation 8

As of 2025, all salary payments to third-country nationals must be conducted exclusively via bank transfers to enhance the monitoring of employment contract conditions. Cash payments will no longer be recognised as fulfilling the requirements of the employment contract. This condition will apply to new applications and 'change of employers' starting in 2025.

Aim of this measure: The measure aims to significantly improve the Maltese authorities' ability to monitor and enforce the work contract conditions under which employment licenses for TCNs are granted.

AFTA Recommendation 8

The Association is in agreement with Recommendation 8, its scope, and its context. However, it is important to consider that third-country nationals may face challenges in obtaining a bank account. Employers must ensure that the bank account receiving salary payments is under the employee's name and fully controlled by the employee. Payment to third-party bank accounts should be strictly prohibited.

AFTA supports the intent of this recommendation to enhance the monitoring and enforcement of employment contract conditions. This measure will contribute to greater transparency and compliance in the labour market.

Extension of grace period for TCNs whose employment has been terminated

Recommendation 9

Under the current legal framework (Immigration Act, Chapter 217 of the Laws of Malta), a single permit holder whose employment is terminated is mandated to leave Malta immediately. A proposed amendment to national legislation, specifically Subsidiary Legislation 217.17, would introduce a more flexible approach, granting TCNs a 30-day period following employment termination, during which these TCNs may legally remain in Malta to seek new employment. Furthermore, the proposal includes a provision to extend this initial 30-day period by an additional 30 days, bringing the total potential stay to 60 days, contingent upon the TCN demonstrating sufficient financial resources to support themselves without accessing social assistance. The underlying rationale for this proposed change is to prioritise the retention of existing skilled individuals already in Malta, thereby reducing the burden and complexity associated with processing entirely new employment applications..

Aim of this measure: This measure aims to provide adequate time for TCNs who lose their jobs to secure new employment within the Maltese labour market.

AFTA Recommendation 9

AFTA strongly supports this recommendation, as it ensures that the country does not lose valid and skilled potential workforce already available in the market. Allowing TCNs a 30-day grace period, with the possibility of a 30-day extension, provides a fair and practical approach to retaining talent within Malta.

However, AFTA emphasises that authorities should exercise caution when granting the additional 30-day period. There is a risk that some TCNs may exploit the system by working in the black market during the initial 30 days before formally securing employment and submitting their application as required by law. Proper monitoring and enforcement mechanisms must be in place to mitigate such potential abuses.

This measure, if implemented effectively, will prioritise workforce retention, reduce the administrative burden of processing new employment applications, and ensure that skilled individuals who are already contributing to the Maltese economy have the opportunity to remain productive within the labour market.

Amendment to restrict single permit applications for non-work visa holders

Recommendation 10

According to Article 8 of Subsidiary Legislation 217.17, a TCN may submit a single permit application from outside the EU, from Malta, or from any EU Member State where they are legally present. This has led to visa holders and TCNs from visa waiver countries applying for a single permit while legally present in Malta. They remain in the country pending a decision on their application, even after their visa or allowable stay under the visa waiver expires. As a result, if their single permit application is approved, it may later be revoked once authorities become aware that the TCN was residing in Malta irregularly.

Therefore, it is proposed that TCNs legally present in Malta on visas that do not permit employment should not be granted a single permit. In this regard, an amendment to Article 20 of Subsidiary Legislation 217.17 is recommended to introduce a clause stating that applications from TCNs present in Malta on visas not allowing work (e.g. tourist visas) will be rejected.

Aim of this measure: This measure seeks to prevent the exploitation of individuals without an employment license and curtail instances of irregular stays.

AFTA Recommendation 10

The Association has no objection to Recommendation 10. The proposed amendment to restrict single permit applications for non-work visa holders is a reasonable measure to prevent exploitation and curtail instances of irregular stays. Ensuring that TCNs on visas that do not permit employment cannot apply for a single permit aligns with the goal of maintaining a well-regulated labour market.

Interim permits for TCNs from visa waiver countries

Recommendation 11

The proposal introduces a nuanced approach for TCNs from visa waiver countries applying for single permits. Those who apply within 60 days of entering the EU will be granted an interim permit allowing them to remain in Malta while their application is processed. However, individuals applying between 61 and 90 days after entering the EU will be required to await the application's outcome from outside the EU.

Aim of this measure: This measure seeks to prioritise individuals from visa-waiver countries while simultaneously preventing irregular stays.

AFTA Recommendation 11

The Association has no objection to Recommendation 11. The proposal to grant interim permits for TCNs from visa waiver countries who apply for single permits within 60 days of entering the EU is a reasonable approach to facilitate processing while preventing irregular stays. This measure strikes a balance between prioritising qualified individuals and ensuring compliance with immigration regulations.

Partners and families

Recommendation 12

The Government's 2022 electoral manifesto proposes to enhance labour market accessibility for TCNs already residing in Malta, with a focus on facilitating their workforce participation and productive engagement. Hence, it is proposed here that two distinct categories of individuals be granted special consideration: (i) partners of Maltese nationals and (ii) parents of Maltese nationals who are under 23 years old. For these groups, the recommendation is to issue residence permits that explicitly include a notation confirming their entitlement to seek employment. Moreover, these individuals would be exempt from the standard single permit process typically required for labour migrants.

Aim of this measure: To encourage the participation of TCNs partners and families in the labour market.

AFTA Recommendation 12

The Association has no objection to Recommendation 12. The proposal to grant residence permits to partners and parents of Maltese nationals under 23, with explicit entitlement to seek employment, is a positive step in encouraging the participation of TCNs families in the labour market. This measure aligns with the goal of promoting greater workforce inclusion and engagement.

Establishing a high-risk country list for employment applications

Recommendation 13

This recommendation calls on stakeholders to develop a comprehensive list of third countries deemed as high-risk due to security, public policy, or public health concerns.

Under this proposal, applications for low-skilled employment from nationals of countries on this high-risk list will be categorically rejected. For other employment categories, a more nuanced approach is recommended, with applications to be evaluated individually on a case-by-case basis. These case-by-case assessments will consider relevant contextual factors, such as whether the TCN is already legally residing in another EU Member State or EEA country.

Aim of this measure: The primary aim of this measure is to introduce an additional protective layer for Maltese society by implementing a strategic screening mechanism that mitigates potential risks originating from high-risk jurisdictions while maintaining a balanced and contextually sensitive approach to employment applications.

AFTA Recommendation 13

AFTA acknowledges the intention behind this recommendation, which aims to safeguard public security and health. However, AFTA emphasises that the mechanism for determining which countries qualify as 'high-risk' must be transparent and based on clear, objective facts. The criteria used to define 'high-risk' countries should be thoroughly outlined and supported by evidence to ensure fairness and prevent subjective or biased decisions. Additionally, AFTA stresses the importance of establishing a clear process for regularly updating this list to reflect changing circumstances and evolving risks. The list should not be static, but should be subject to regular review to ensure that it remains relevant and accurate in relation to actual security and health concerns.

Without these safeguards, there is a risk of restricting access to the labour market based on arbitrary or politically influenced decisions, which could inadvertently lead to discrimination against individuals from certain countries. The aim should be to ensure that the screening mechanism does not create unnecessary barriers or divisions within society, but rather upholds the inclusive values of the migration policy while protecting public security and health.

AFTA believes that a transparent, fact-based, and regularly updated approach will support both the integrity of the migration policy and the fair treatment of individuals seeking to contribute to the workforce.

A study on skilled-occupation salaries

Recommendation 14

A study will be carried out to determine the salary levels across skilled occupations, which will serve as a basis for establishing occupation-specific salary thresholds. In line with practices in other countries, employers would be expected to pay TCNs a salary that reflects the market wage for the occupation in which they are hired.

Aim of this measure: Such salary thresholds ensure fair remuneration for TCNs while avoiding the use of migration to undercut the domestic workforce. Moreover, thresholds enhance alignment between the labour migration system and the needs of the local economy while promoting competitiveness. These occupation-specific thresholds will also support the attraction of highly skilled labour.

AFTA Recommendation 14

The Association has no objection to Recommendation 14. The proposed study to determine salary levels across skilled occupations and establish occupation-specific salary thresholds is a sound approach to ensuring fair remuneration for TCNs. This measure helps align the labour migration system with the needs of the local economy while preventing the undercutting of the domestic workforce. Additionally, it supports the attraction of highly skilled labour and enhances competitiveness.

Victims of human trafficking

Recommendation 15

Third-country nationals who are identified as victims of human trafficking and apply for a residence permit under S.L. 217.07 shall be exempt from the application fee. The residence permit issued to these individuals shall be valid for one year instead of the current six-month period and renewed throughout the whole period and the whole duration of the court proceedings.

Aim of this measure: Further protection of victims of human trafficking.

AFTA Recommendation 15

AFTA is in agreement with this recommendation. Furthermore, the government should enhance its outreach efforts regarding domestic violence and human trafficking, ensuring that victims are well-informed about where they can seek help and protection.

The proposal to exempt victims of human trafficking from the application fee and extend their residence permit to one year, in alignment with the duration of court proceedings, is a necessary measure to provide better protection and support to those affected.

Strengthening the vacancy requirement

Recommendation 16

Prior to applying for the hiring of new TCNs, employers must issue a vacancy that allows sufficient time for Maltese, EEA, Swiss nationals, or TCNs already in the Maltese job market to apply.

An employer must place one job advert with Jobsplus and the EURES portal for at least three weeks within the two months preceding the application for a single permit. If an employer receives applications from Maltese, EEA, or Swiss nationals, they must provide reasons for their rejection. Jobsplus has the authority to evaluate these reasons and, if deemed unsatisfactory, refuse the application. Any job advert that does not meet these criteria will be considered ineligible, and the application will be automatically denied.

The following exemptions will apply:

1. TCNs eligible under the Key Employment Initiative, the Specialist Employment Initiative, the Blue Card Directive, and the Skilled Occupation List (see Recommendation 22 and Appendix A for the detailed list) must advertise for a minimum of two weeks within the two months prior to application on an appropriate local media platform.
2. The following categories will be fully exempt from the vacancy requirement:
 - Occupations that fall under the health sector the care of persons with disability and the care of the elderly, including Care Workers, Chemists and Pharmacists, Doctors (General practice, specialised and medical, Nurses, and Veterinarians).
 - Student workers recognised under Subsidiary Legislation 212.18 (formerly known as LN29 of 2008) and students at the Institute of Tourism Studies and other higher institutions recognised by Jobsplus who require a work placement as part of their studies.
 - Applications recommended and endorsed by Malta Enterprise.

Aim of this measure: This measure aims to ensure that employers prioritise the recruitment of persons already in the domestic workforce.

AFTA Recommendation 16

AFTA has no objection and is in agreement with Recommendation 16. The proposal to strengthen the vacancy requirement ensures that employers prioritise the recruitment of individuals already within the domestic workforce, which is a fair and balanced approach.

Suitability check

Recommendation 17

Each applicant will be subject to an independent suitability check.

Jobsplus retains the right to refuse any application that does not provide sufficient evidence of job suitability.

The following conditions and documentation shall apply:

1. A Curriculum Vitae must be presented with each application. CVs must be signed by both the applicant and employer and must be relevant to the job.
2. A Copy of qualification certificates and accreditation/recognition – in the case of lesser-known academic institutions, the applicant must obtain recognition from the Malta Qualifications Recognition and Information Centre (MQRIC).
3. All regulated occupations must be approved by the regulatory body.
4. References/testimonials – applicant must provide at least two references that can attest to the applicant's experience and character.
5. Evidence of sufficient knowledge of the English or Maltese Language must be submitted. A copy of the qualifications must be provided and must be consistent with IELTS of Band 6 or above. In the absence of sufficient qualifications. Interviews might be carried out to determine language skills.

The Declaration of Suitability form is to be maintained solely for low-skilled occupations, for which the above conditions shall not apply, except for evidence of language proficiency in the English or Maltese Language.

Aim of this measure: This measure seeks to ensure that TCNs are well-suited for the roles they are recruited for and possess basic language skills in Maltese or English.

AFTA Recommendation 17

AFTA recommends that the language proficiency requirements should be aligned with the specific of each job role. This approach would ensure that language skills are assessed based on the actual requirements of the position.

Workforce application limits

Recommendation 18

Employers are eligible to apply for additional TCNs based on a fixed percentage of their current total workforce. This will be measured as the workforce at the end of the 12-month period preceding the application for TCNs. Moreover, any terminations affected within those 12 months will be deducted from the maximum allowed applications as stated below. This does not apply to any engagements of Maltese and EU nationals, upon which no restrictions apply.

The specific percentage is determined by the size of the organisation as follows:

1. Micro firms (1-9 employees): Eligible for a level of employment that does not exceed 200% of their workforce at the end of the 12-month period preceding the application.
2. Small firms (10-50 employees): Eligible for a level of employment that does not exceed 100% of the workforce at the end of the 12-month period preceding the application.
3. Medium firms (51-249 employees): Eligible for a level of employment that does not exceed 50% of their workforce at the end of the 12-month period preceding the application.
4. Large firms (250+ employees): Eligible for a level of employment that does not exceed 25% of their workforce at the end of the 12-month period preceding the application.

Authorities may entertain requests to temporarily deviate from this condition by seeking justification where necessary, including the advice of Malta Enterprise, and considering business plans and growth projections. Any other exemptions by Malta Enterprise will be applied to ensure that this condition does not affect Malta's ability to attract investment, which is fundamental for the Maltese economy and society.

Aim of this measure: This measure aims to ensure that the recruitment of third-country nationals is fully aligned with the labour market's needs and avoids saturation.

AFTA Recommendation 18

AFTA recommends the removal of Recommendation 18, which proposes imposing workforce application limits based on a fixed percentage of the total workforce. This recommendation undermines economic growth and competitiveness by restricting businesses' ability to recruit talent in line with operational needs.

This proposal effectively acts as a de facto cap on economic growth and curbs competition, limiting businesses' ability to scale, innovate, and adapt to market demands, and hindering growth potential. Additionally, this policy is discriminatory towards companies that are heavily reliant on TCNs, unfairly restricting their ability to hire the talent they need.

By imposing rigid limits, it prevents companies from responding to economic changes or seizing new opportunities, ultimately stalling growth and harming Malta's competitiveness. To remain viable, businesses must have the freedom to hire based on their needs and the LMNT. AFTA believes this policy will negatively impact business growth and Malta's broader economic interest.

Newly-registered businesses

Recommendation 19

The current LMNT excludes newly registered businesses from any labour market testing. This condition shall be removed. Moreover, a newly registered business whose ownership does not include Maltese, EU nationals, or long-term residents will be excluded from applying for TCNs.

Authorities may entertain requests to temporarily deviate from this condition by seeking justification where necessary, including the opinion of Malta Enterprise, especially in instances of Foreign Direct Investment (FDI), and by considering business plans and growth projections. Any other exemptions by Malta Enterprise will be applied to ensure that this condition does not affect Malta's ability to attract productive investment, which is fundamental for the Maltese economy and society.

Aim of this measure: This measure aims to limit applications for TCNs in businesses that do not align with Malta's overall economic vision.

AFTA Recommendation 19

AFTA is concerned that this recommendation may conflict with competition law by restricting market entry for entrepreneurs, especially those who seek to start new businesses.

First employment

Recommendation 20

The first employment should be of Maltese/EU nationality or any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection) in the following way:

1. Micro firms (1-9 employees) - shall first employ two full-time Maltese/EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection) prior to application for TCNs.
2. Small firms (10-50 employees) - shall first employ four full-time Maltese/EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection) prior to application for TCNs.
3. Medium (50-249 employees) - shall first employ 20 full-time Maltese/EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection) prior to application for TCNs.
4. Large (250+ employees) - shall first employ 40 full-time Maltese/EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals prior to application for TCNs.

Authorities may entertain requests to temporarily deviate from this condition by seeking justification where necessary, including the advice of Malta Enterprise, as well as by considering business plans and growth projections. Any other exemptions by Malta Enterprise will be applied to ensure that this condition does not affect Malta's ability to attract productive investment that is fundamental for the Maltese economy and society.

Aim of this measure: This measure aims to ensure that the recruitment of third country nationals is fully aligned with the needs of the labour market and to avoid saturation.

AFTA Recommendation 20

AFTA suggests that Recommendation 20 may create significant barriers for newly established businesses, particularly in industries that rely heavily on third-country nationals (TCNs). The proposed requirement that businesses must first employ a specific number of Maltese/EU nationals or other TCNs with equal treatment before applying for TCNs could inadvertently restrict the ability of new businesses to hire the talent they need to grow.

Minimum number of MT/EU nationals prior to application for TCNs

Recommendation 21

Employers must have, prior to the application for TCNs, a sufficient number of Maltese/EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection) employed within their organisation to be considered eligible, depending on the size of organisation:

1. Micro firms (1-9 employees) - at least two persons employed within the organisation must be Maltese or EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals as those who are long-term residents or beneficiaries of protection). Such individuals must have a time contract of 40 hours a week.
2. Small firms (10-50 employees) - at least four persons employed within the organisation must Maltese or EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals as those who are long-term residents or beneficiaries of protection). Such individuals must have a time contract of 40 hours a week.
3. Medium (50-249 employees) - at least 20 persons employed within the organisation must be Maltese or EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals as those who are long-term residents or beneficiaries of protection). Such individuals must have a time contract of 40 hours a week. (such individuals must have a full-time contract of 40 hours a week
4. Large (250+ employees) - at least 40 persons employed within the organisation must be Maltese or EU nationals or any other TCN who enjoys equal treatment as Maltese/EU nationals (such as those who are long-term residents or beneficiaries of protection). Such individuals must have a full-time contract of 40 hours a week.

Moreover, those employers with a share of TCNs that exceeds 80% of their current workforce, will be viewed unfavourably and will be subject to enhanced LMNT.

Authorities may entertain requests to temporarily deviate from this condition by seeking justification where necessary, including the opinion of Malta Enterprise, as well as by considering business plans and growth projections. Any other exemptions by Malta Enterprise will be applied to ensure that this condition does not affect Malta's ability to attract productive investment that is fundamental for the Maltese economy and society.

Aim of this measure: This measure aims to ensure that the recruitment of third country nationals is fully aligned with the needs of the labour market and to avoid saturation.

AFTA Recommendation 21

AFTA strongly opposes Recommendation 21 and recommend the removal of such recommendation, which mandates a minimum number of Maltese/EU nationals employed prior to applying for TCNs. While we recognise the importance of prioritising Maltese and EU nationals in the workforce, this proposal fails to account for market realities and the evolving dynamics of the Maltese workforce.

It is critical to acknowledge that in cases where Maltese/EU nationals are unavailable, businesses must have the flexibility to recruit from Third-Country Nationals to meet their operational needs. The proposal in Recommendation 21, which mandates a minimum number of Maltese/EU nationals prior to applying for TCNs, imposes a rigid restriction that ignores the realities of the labour market. In many sectors, there is a significant shortage of local talent. Limiting the ability to hire skilled workers from TCNs undermines the growth and competitiveness of businesses, particularly in industries facing labour shortages.

The expectation that businesses will always be able to meet such thresholds, without any consideration for industry-specific challenges, creates an overly restrictive framework.

Ultimately AFTA suggests that if the government retains such policy, the recommendation should not be a one-size-fits-all approach, but should be tailored to the specific needs of each industry, taking into account the findings of the LMNT.

This would ensure a more flexible and effective approach, addressing workforce shortages without imposing unnecessary restriction. The rigid nature of this proposal disregards these challenges and may hinder business growth and competitiveness, ultimately limiting the ability of businesses to expand and meet market demands.

Renewal verification

Recommendation 22

Renewals will be contingent upon verification that the working conditions, as stipulated in the work contract at the time of single permit application approval, are being maintained. Jobsplus will request confirmation that the working conditions are being met by requiring employers to present bank statements for the TCNs whose application is due for approval, as well as tax declarations.

Moreover, any compliance issues outlined above could lead to such applications not being renewed.

Aim of this measure: This measure aims to ensure that work contracts are being fully adhered to at the point of renewal while avoiding exploitation.

AFTA Recommendation 22

AFTA fully supports this recommendation, as it serves as a deterrent against exploitation while promoting transparency and fairness within the labour market. This approach ultimately contributes to a more ethical working environment for all parties involved.

Assessment of shortages and surpluses with the possibility of introducing quotas or moratoriums on surplus occupations

Recommendation 23

Jobsplus will continue to adopt evidence-based methodologies to analyse the labour market, identifying both overall and sector-specific shortages and surpluses. Based on these findings, it may implement temporary or permanent measures to help re-align the labour market towards equilibrium, particularly in cases of surpluses or overstaffing. In response to such imbalances, Jobsplus could introduce quotas or even temporary moratoria on hiring for occupations where there is an excess supply of labour.

The authorities will then announce the specific occupations that would be subject to quotas or moratoriums.

Aim of this measure: This measure aims to ensure that the recruitment of third country nationals is fully aligned with the needs of the labour market and to address saturation when it occurs.

AFTA Recommendation 23

AFTA is in agreement with Recommendation 23, provided that the evidence-based methodologies used to assess the labour market are rooted in transparency, factual data, and objective analysis. It is crucial that the identification of shortages and surpluses, both overall and within specific sectors, is conducted based on sound, verifiable evidence, rather than being influenced by social or political biases.

Skilled-occupation list

Recommendation 24

To support the adoption of a skills-based approach to economic migration, a Skilled Occupation List (SOL) has been developed. This list aims to outline the high skills needed in the Maltese economy and will be used by authorities to streamline certain application processes, including the vacancy requirement, as well as to attract high-net-worth individuals. The list is based on ISCO classifications 1-3 and will be regularly updated according to the evolving needs of the Maltese economy. This list will be updated and aligned with Malta's skills strategy following its conclusion. This list is outlined in Appendix A.

Aim of this measure: This measure aims to prioritise the recruitment of highly qualified individuals.

AFTA Recommendation 24

AFTA has no objection to Recommendation 24, which aims to support a skills-based approach to economic migration through the development of a Skilled Occupation List (SOL). This list is a valuable tool for identifying high-skill occupations that are critical to the Maltese economy and will help streamline the application processes, including the vacancy requirement, for these roles.

Reviewing the salary benchmarks for the KEI and SEI

Recommendation 25

The Key Employment Initiative and the Specialist Employment Initiative are key programmes aimed at attracting high-net-worth individuals. Both initiatives are designed to streamline the application processes for individuals within these categories. Hence, to ensure that the salary benchmarks remain relevant, the KEI benchmark is set to increase to €45,000 gross annual income, while the SEI benchmark is set to rise to €30,000 gross annual income.

Aim of this measure: This measure aims to prioritise the recruitment of highly qualified individuals.

AFTA Recommendation 25

Provided that they are made in line with the Government's Labour Market Needs Test (LMNT). It is important to ensure that these benchmarks align with Malta's actual labour market demands rather than solely focusing on the skills of the employee.

AFTA acknowledges the need to expedite the KEI and SEI to attract high-net-worth individuals and highly qualified professionals, but we also emphasise that limiting access to the Maltese Islands based on the skill levels of Third-Country Nationals (TCNs) could create contradictions, especially in sectors that are highly dependent on such workers despite their lower skill levels. These sectors are integral to the functioning of the economy and should not be disadvantaged in the process.

Integration courses prior to arrival in Malta

Recommendation 26

Currently, there is no obligation for TCNs admitted to Malta on the basis of a single permit to attend pre-departure integration courses (i.e. integration courses offered before TCNs apply for a single permit). This creates a situation where very often TCNs do not know what to expect upon arrival in Malta, given they may not be familiar with the culture and values of Maltese society, as well as their rights and obligations.

To address integration challenges and promote societal cohesion, a collaborative proposal involving the Human Rights Directorate (HRD) suggests mandating pre-departure integration courses through a restructured 'I Belong' programme. Under this framework, Identità will only issue an approval in principle after the TCN provides documented evidence of completing the mandatory integration courses.

Therefore, prior to their arrival, TCNs will be provided with essential information to facilitate their transition into Maltese society, including information on their legal rights, Maltese cultural norms, and potential opportunities in Malta. TCNs must be able to demonstrate fluency in either Maltese or English.

Aim of this measure: This measure aims to integrate third country nationals in the labour market and Maltese society.

AFTA Recommendation 26

AFTA agrees with the proposal to provide integration crash courses to Third-Country Nationals (TCNs) prior to their arrival in Malta, as this is a positive step towards facilitating their transition into Maltese society and the labour market. These courses will help them better understand the culture, values, rights, and obligations they will encounter, thus promoting societal cohesion.

However, AFTA suggests that the requirement to complete these courses should not be mandatory prior to the single permit application submission. Instead, evidence of completion should be submitted during the period when TCNs are required to submit other documents, such as medical records, to Identità upon their arrival in Malta. This would ensure that the process remains efficient while still achieving the intended integration benefits. Additionally, AFTA encourages the Government to allow institutions accredited by the Malta Further and Higher Education Authority (MFHEA) to provide these courses. This would help prevent potential bottlenecks in the provision of integration courses, ensuring that there is enough capacity for TCNs to access these resources in a timely manner.

In summary, while AFTA supports the integration initiative, we recommend a slight adjustment in the timing of the course requirement, along with broadening the pool of course providers to ensure the initiative's smooth implementation.

Upskilling and integrating the foreign workforce

Recommendation 27

The significant presence of foreign workers in low-skilled roles necessitates a collaborative approach between government and employers to invest in workforce development. Strategic training initiatives are crucial for boosting productivity, enhancing employee retention, and mitigating labour and skill shortages.

Effective upskilling requires carefully designed programmes that address the unique challenges faced by foreign workers. Malta's "I Belong" programme serves as an exemplary model, targeting non-EU nationals with comprehensive language and cultural orientation courses that support immigrants seeking long-term residence.

To expand on this foundation, additional training schemes could be developed through partnerships with private educational institutions and employers. Government support could be implemented via targeted funding mechanisms, such as tax credits for both established and newly arriving non-EU workers.

These programmes should incorporate the following key components:

1. **Language and Literacy Training:** Offering courses that enhance proficiency in Maltese and English, which is essential for effective communication and integration within the workplace.
2. **Vocational Training and Certification:** Providing industry-specific training and certification that ensures will help workers with the necessary skills to advance in their respective fields.
3. **Integration Courses:** Introducing cultural orientation and workplace norms to help foreign workers better understand and adapt to the expectations and practices in their new work environments.
4. **Recognition of Prior Learning and Foreign Qualifications:** Establishing bridging programmes that validate and recognise the skills and qualifications workers have acquired abroad, enabling smoother transitions into higher-skilled roles.
5. So as to support these initiatives, several schemes should be explored:
6. Firstly, the government could offer incentives for non-EU workers to enrol in existing training programmes within the private sector that align with the above components. These incentives could take the form of tax rebates, which could potentially enhance retainment and reduce turnover.
7. A comprehensive integration training programme will be developed and implemented in collaboration with HRD. This initiative aims to facilitate migrant integration into Maltese society by reducing language and cultural barriers, enhancing participation and productivity, and ultimately creating a positive societal impact.
8. Secondly, there is an opportunity for the government to partner with employers in the design and delivery of these training programmes, ensuring they are tailored to specific industries and meet the evolving needs of the market. Employers can contribute by shaping the curriculum, providing training facilities, and identifying the most relevant courses. Additionally, the government could incentivise employers to hire and upskill foreign workers by offering wage subsidies, grants for training programmes, or formal recognition for businesses that actively contribute to workforce development.
9. The current legislation on Long-Term Residence Status sends a mixed message. While the government is pushing for integration efforts to start before arrival, the legislation implies integration need not be prioritised until after four years of residence in Malta. Another inconsistency is that the "I Belong" certificate expires after 12 months.
10. In order to rectify this situation, the following proposed amendments aim to address current limitations in the 'I Belong' course certification process. Specifically, the recommendation is to eliminate the 12-month validity period for the course certificate, recognising that the integration course content remains relevant beyond the current time-restricted framework.

11. Additionally, a modification to Article 5(3) of Subsidiary Legislation 217.05 is proposed. This amendment would remove the existing requirement that integration measures must have been completed within the 12 months immediately preceding an application for long-term residence status. The change acknowledges that integration efforts and knowledge gained through such courses maintain their value over time.
12. These proposed modifications seek to create a more flexible and practical approach to recognising immigrants' efforts to integrate into Maltese society, removing arbitrary time constraints that may unnecessarily complicate the long-term residence application.

Aim of this measure: This measure aims to upskill the workforce.

AFTA Recommendation 27

AFTA fully supports any incentives aimed at training and upskilling foreign workers. These initiatives are key to boosting productivity, enhancing employee retention, and addressing skill shortages. However, it is important to factor in that, as mentioned earlier in other recommendations, upskilling will likely lead to more workforce mobility, particularly in low-skilled jobs. This could make it increasingly difficult for companies that specialise solely in low-skilled entry-level roles to retain their workforce. Therefore, while upskilling is beneficial, companies must be mindful of the potential challenges in maintaining a stable workforce in such sectors. We encourage further development of training programmes that also consider these dynamics to ensure long-term sustainability and success.

Lowering fees for occupations within the health and care of persons with disability and the elderly

Recommendation 28

The fee for submitting a first-time single permit application is proposed to increase to €600. However, to support essential services in the health sector and in the care of persons with disabilities and the elderly, the fee for single permit applications in these sectors will be reduced to €150. The renewal fee will remain at €150, and any other fees currently below this threshold will remain unchanged.

Aim of this measure: This measure aims to prioritise the needs of Maltese society in the areas of healthcare, and care of the elderly and persons with disability.

AFTA Recommendation 28

AFTA has no objection to Recommendation 28. The proposal to reduce fees for single permit applications in the health sector, as well as for the care of persons with disabilities and the elderly, is a positive step to support essential services in these critical areas.

Skills card expansion

Recommendation 29

It is opportune to leverage the recent introduction of the Skills Card for Hospitality and Catering as a model for other sectors. Expanding the skills card to more sectors will ensure that individuals employed in these occupations possess the necessary skills and qualifications, benefiting the Maltese labour force. The next sector for which a skills card is envisaged is the construction sector.

Aim of this measure: This measure aims to upskill the workforce.

AFTA Recommendation 29

AFTA is in agreement with the expansion of the Skills Card initiative, using the model developed for Hospitality and Catering as a template for other sectors, including the construction industry. This expansion will ensure that workers possess the necessary skills and qualifications, contributing to a more competent and competitive Maltese labour force.

However, AFTA emphasises that further discussions with stakeholders are essential to ensure the smooth implementation of this measure and avoid creating bottlenecks in the process. To enhance the efficiency and accessibility of training, AFTA suggests that the government allow private MFHEA-accredited institutions to provide the training for these skills, while the exams and certification could be managed by government entities. This approach, similar to the driving license regime, would help streamline the process while maintaining quality control and ensuring widespread access to training opportunities.

Align labour migration policy to the national skills strategy

Recommendation 30

The National Skills Council (NSC)'s ongoing efforts to identify skills gaps, both vertical and horizontal, could play a vital role in refining the existing methodologies developed to assess labour market needs. The National Skills Strategy could serve as an essential input to the Skilled Occupation List and identifying saturated occupations.

Aim of this measure: This measure aims to upskill the workforce.

AFTA Recommendation 30

AFTA has no objection to Recommendation 30. Aligning the labour migration policy with the National Skills Strategy is a logical step to ensure that migration efforts address the real needs of the labour market and help upskill the workforce effectively.

Strategic Partnerships

Recommendation 31

As outlined in the Employment and Training Services Act, Jobsplus' role is to assist job seekers to find employment. This role has been impacted by the influx of TCNs and Malta's low unemployment rate. Specific strategic partnerships could shift this trend and improve Jobsplus' job-matching function. Authorities should establish tailored memorandums of understanding and diplomatic partnerships with other countries. This strategy ensures that individuals applying to work in Malta possess the right skills for specific occupations.

Aim of this measure: The aim of this measure is to attract people with the skills needed in the labour market.

AFTA Recommendation 31

AFTA welcomes Recommendation 31. Establishing strategic partnerships and tailored memorandums of understanding with other countries will improve the job-matching function of Jobsplus and ensure that TCNs possess the right skills for specific occupations in Malta.

Register of exemplary employers – longer renewal periods

Recommendation 32

A register will be created for employers who wish to hire TCNs and meet certain criteria. In addition, employers must effectively demonstrate that they are aligned with all employment laws and have invested in their workforce by participating in official training schemes available at Jobsplus, Malta Enterprise, or any other body with official recognition.

Once registered, these employers would enjoy a streamlined labour market testing process, which would, in turn, improve the efficiency of the application procedure.

Moreover, employees working for employers in this register would be eligible for a renewal period of more than two years and up to four years. The creation of this register would, therefore, encourage the continuous upskilling and retention of the foreign workforce.

Aim of this measure: This measure aims to prioritise exemplary employers during the permit process.

AFTA Recommendation 32

AFTA welcomes Recommendation 32, which encourages exemplary employers by offering streamlined processes and extended renewal periods for workers. However, AFTA emphasises the need to ensure proper enforcement.



4

**AFTA Additional
recommendations for the
Labour Migration Policy**



AFTA Other Recommendations

Recommendation – Change of Employer Fee

AFTA agrees with Recommendation 4 of the National Migration Policy to decrease the renewal fee to €150. Additionally, AFTA recommends that the €150 fee should also apply to applications for a change of employer.

However, if an employee changes their employer within the first year of employment with their previous employer, the permit fee should remain at €600. This measure is intended to protect employers from potential abuse of the system by employees and will also help employers retain staff in line with the objectives of the National Migration Policy.

It is important to note that this provision does not apply in cases where the employee is being exploited.

Recommendation – Work Only Visa For The First Year

The Association is suggesting that third-country nationals should only be issued a work-only visa during their first year in Malta. This measure aims to prevent employees from using Malta as a stepping stone during their initial year of employment. It is a known fact that candidates often use Malta as a gateway to access other European countries, which is something that, as a nation, we should actively work to limit.

This recommendation aligns with the objectives of the National Migration Policy and ensures that Malta benefits fully from the contributions of these employees during their initial period of employment. After completing the first year, employees would automatically become eligible for a Schengen visa.

Recommendation – Abandonment of Work

AFTA proposes a revision of the current system governing the change of employers for Third-Country Nationals (TCNs). While we agree with Jobsplus providing the termination letter to employees seeking such documentation, we recommend that Identità take further steps to ensure that no outstanding dues exist between the employee and the previous employer before approving a new application.

To address cases where TCNs abandon their place of work without fulfilling their obligations—such as paying the notice period required by Maltese labour laws or settling the remaining balance of their contract—AFTA suggests that employers be provided with a designated email to report such instances. These reports would allow the authorities to ensure that all outstanding issues are resolved before the employee is permitted to transition to a new employer. This approach aligns with the policy's focus on staff retention and ensures that employers are not unfairly burdened by non-compliance, promoting a more balanced and effective labour migration system.

Recommendation – Economic & Social Impact Assessment

AFTA emphasises that it is critical that before taking a final decision, government should commission and publish thorough Economic Impact Assessment and Social Impact Assessment. These evaluations are essential to understanding the broader consequences of the policy's implementation in order to assure an evidence-based and data-driven approach rather than anecdotal references.

By being informed its economic and social implications, the government can ensure that the policy achieves its objectives while avoiding unintended consequences.

Adopting such an approach will not only improve the policy's design and effectiveness but also build greater trust and collaboration among stakeholders.



5

Conclusion

Conclusion

The Association for Temping and Outsourcing (AFTA) acknowledges the National Migration Policy as a pivotal step toward building a more transparent and accountable system to manage migration effectively. The urgent need for stronger enforcement mechanisms is evident and must remain a priority to address gaps in oversight and compliance. AFTA also reaffirms its commitment to combating exploitation within the industry, as fair practices are central to our vision and the long-term sustainability of the workforce.

However, the association is concerned that the policy adopts an overly generalised, one-size-fits-all approach that does not sufficiently consider the diverse realities and nuanced needs of the market. The migration landscape is complex, encompassing varied sectors, workforce categories, and market demands, which require tailored strategies rather than blanket solutions. Ignoring these differences risks creating inefficiencies and stifling the adaptability required for a dynamic labor market.

Additionally, AFTA firmly believes that any form of limitation or restriction on growth has no place in this policy. Instead, the focus should be on fostering an environment conducive to innovation, flexibility, and sustainable expansion across all industries.

The association commends the government's introduction of the licensing regime as a bold and necessary step forward. This initiative represents a meaningful move toward greater accountability and oversight in migration management, which we welcome with open arms. However, certain recommendations outlined in the policy inadvertently undermine the government's considerable efforts and the foundational work invested in this licensing framework. To build on this progress, future revisions must align more closely with the practical realities faced by businesses and workers alike.

In conclusion, while the National Migration Policy has made commendable strides, AFTA emphasises the need for a more targeted, inclusive, and growth-oriented approach. Collaboration with key stakeholders, informed by robust economic and social assessments, is essential to refining this policy into a balanced and effective framework that meets the needs of businesses, workers, and society at large.



AFTA

Association for Temping
& Outsourcing Agencies