



## **MALTA EMPLOYERS' ASSOCIATION**

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### **Media Release**

#### **MEA calls for Objectivity on Labour Market Issues**

The Malta Employers' Association urged unions to stop projecting a negative impression of Maltese employers on media programmes through generalizations which do not reflect the true state of affairs of employment relationships in Malta.

The Association expressed concern that unions are repeatedly resorting to anecdotal evidence or exceptional cases which mislead public perception. One case is a repeated reference to an employer who is engaging persons to work for thirty hours and paying them for twenty. The MEA challenged unions that if they have conclusive knowledge of such practices they should immediately report such incidences to the proper authorities. The Association added that it would also give its full backing to any investigations in this regard, since it has consistently condemned any abusive practices by both employers and employees. 'Any union which is privy to such information and does not act is condoning such practices', the Association added, 'but if the information obtained is based on hearsay, then unions should simply refrain from bringing such matters to public attention until they have the necessary evidence'.

Another incidence of misguided opinion concerns the number of persons employed on part time and definite period contracts, as well as the number of self employed persons in Malta. Unions, and even church authorities on occasion, fail to distinguish between atypical employment and precarious work. The truth is that Malta has one of the lowest incidences of part time and definite period employees in Europe. The percentage of self employed persons – at 11.8% - has remained stable for more than 10 years. If it was true, as is being alleged, that employers are abusing of self employed contracts, this number would surely have increased during this period. On the other hand, one would expect that if there is a national strategy to increase the labour participation rate for females and retired persons, the number of persons on part time employment is expected to increase to match that in many European countries. Such developments are completely detached from precarious work, which occurs mostly in the informal economy, or when employee are working part time or on definite period contracts against their wishes.

An increase in atypical employment means that the economy is being flexible in its work organization to accommodate the needs of a larger cross section of the potential labour force. This is desirable since both employees and companies benefit as a result. Research and experience shows that atypical employment is frequently a stepping stone from unemployment or inactivity to

Affiliated to the International Organisation of Employers (I.O.E.),

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full time, indefinite period work, whereas the general characteristics of precarious work are substandard conditions and may confine persons to a poverty trap.

MEA said that every effort should be made to move people out of precarious work, where it exists, but atypical work will and should increase if Malta is to achieve the 2020 labour participation targets. An objective approach to labour market issues is far more productive than deceptive statements that paint a radically different picture from reality.