



Update

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From right to left: Mr Clyde Caruana, ETC Chairperson and Mr Arthur Muscat, MEA President signing the Memorandum of Understanding

Memorandum of Understanding on the Employment of Persons with Disability

The Malta Employers' Association has been at the forefront in promoting employers' interests in the issue of employment of persons with disability. Following the announcement by the Minister of

Finance during the Budget speech in November 2014, the Association has incessantly lobbied for a fair and objective manner in which the regulations concerning the employers' contributions to the Lino

Spiteri Foundation were to be implemented.

Our main argument was that although it is true that the quota for employing persons with disability was established in 1969, the introduction of the contribution was made without any prior involvement with the stakeholders involved, and was never mentioned even in consultation meetings at MCESD and other social dialogue fora. There were also numerous issues about the quota computation and applicable definitions.

During 2015, after various attempts to organise an information session between ETC and employers to address many questions about the new measures, a meeting was held with MEA members on the 30th July, where it was evident that there were numerous aspects of the legislation which needed clarification before implementation. MEA issued a directive to its members not to pay the contribution until such issues were resolved.

In an attempt to seek a way out of the impasse, MEA drafted a memorandum of understanding and involved the Malta Chamber of Commerce, Enterprise and Industry in the drafting. MEA also held a meeting with the Prime Minister to voice employers' concerns about the matter, stressing that employers are certainly not against the employment of persons with disability. When the invoices were issued in December 2015, MEA issued directives, instructing employers to: 1) make every effort to employ persons with disability and 2) not to pay the fines which were imposed.

An information session for members was held on the 10th December and the Association filed for a court injunction which was heard on the 23rd December. A further meeting for employers was organised on the



MEA Information Session: Budget 2015—The Regulations for the Employment of Disabled Persons, 30 July 2015

7th January where they were updated on the latest efforts to reach consensus.

In the meantime discussions with ETC to agree on the Memorandum of Understanding continued and the document which has been signed today is the outcome of these efforts. It will be posted on our website soon.

The salient points of this memorandum are:

- Persons with disability will be considered for quota purposes even if they are not on the ETC register, but registered with the KNPD register.
- The memorandum establishes that an employer should be able to identify who of their employees are officially registered as Persons with Disabilities. It is intended that the new Jobsplus Act will empower the national employment service, ETC,

to provide employers with the personal details of individuals who are registered with either ETC, KNPD or the intended new unified national register of Persons with Disability.

- If a disabled person chooses – as is his/her right – to deregister themselves, it will not be to the detriment of the employer's quota.
- Persons with a certified disability but who are not registered will be acknowledged for the computation of the quota, but in such cases employers will not benefit from the incentive package.
- Since some disabilities may be of a temporary nature, accreditation of such cases will be granted for the duration of the period in which the employee is certified to be disabled.
- In-service or outsourced work agreements will be accredited for computation of quotas.



Meeting for MEA members held on 7th January 2016

- Once a person with disability is employed, employers will not be penalised quota-wise if eligible persons with disability resign within one year of employment.
- The quota for companies with a fluctuating work force will be computed based on averaging of temporary employees over the whole year.
- Students with disability following apprenticeship schemes will be credited for the quota calculation.
- Employers who become complaint with the quota during 2016 will be

exempted from the contribution for 2015 and 2016.

- ETC will make every effort to shortlist prospective employees with disability to save time for employers in recruitment exercises.
- Employers who operate a group of companies will be subject to an overall quota, thus one company can compensate for another within the group.

The Malta Employers' Association believes that this is a positive outcome which will certainly enable employers to live up to their social obligations within reasonable parameters.

