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## Media Release

### **Stakeholders call for fair and inclusive employment practices to address foreign worker challenges in Malta**

Foreign workers have become an essential element within Malta's logistics industry, with their input being crucial for its ongoing development and prosperity. By embracing the skills and abilities they offer, addressing hurdles while advocating for fair and inclusive employment practices, a thriving and enduring logistics sector in Malta can be guaranteed. This was the key message emerging from the SME National Forum 2023, hosted by the Malta Employers Association, which this year focused on the HR challenges of foreign workers in the logistics industry.

Introducing the event, MEA President Joanne Bondin noted how foreign workers have become indispensable in sustaining and accelerating economic growth. "EU and third country nationals have filled employment gaps in the logistics sector that might have otherwise hindered its development. They augment the labour force, enabling companies to meet the escalating demand for their services".

MEA Director General Joseph Farrugia highlighted how despite soaring numbers of foreign workers, many firms struggle as these tend to leave the island after less than a year. "We need to understand why this is happening, and often, this is unrelated to wages. Rather, it is related to other factors, including the cost of rent, the difficulty to bring their family over and other external costs they face. These are all issues that need to be considered to ensure better worker retention", he explained.

Mr Farrugia also called on the need for a better appreciation of what the logistics sector entailed. "Unfortunately, many associate logistics merely with delivery of goods through land transport, for example. Rather, it includes high-tech and specialised services and jobs with better than average conditions of employment", he argued.

MEA consultant Kirsten Cutajar Miller shared an in-depth presentation giving the context related to the presence of foreign workers in Malta in the logistics industry. She noted how in 2021, out of 8,185 people who were employed in the sector, the share of foreigners, whether full-time or part-time reached 18.7%, up from 2.9% in 2010. The share of third country nationals exceeds 49% in 2021, increasing sharply since 2018.

In the wider private sector, the share of foreign workers is at times higher, with one of the most recent MEA surveys finding that one in four firms reported that more than 50% of their employees are non-Maltese.

The conference brought together industry and institutional leaders from several organisations which relate with the recruitment of foreign workers. Various HR elements were addressed including the recruitment process, training, skills required, language barriers, cultural adaptability, digitalisation and worker retention.

The event, which formed part of the SME Week 2023, was supported by the Ministry of the Economy, European Funds and Lands, Identità and Foundation for Transport.