Right to work and access to the labour market

1. The key legal provision to safeguard the right to work and access to the labour market is the Employment and Industrial Relations Act and the key policy provision is the National Strategic Policy for Active Ageing: Malta 2013 - 2024.

2. The reasons why older persons leave the labour market before the formal retirement age can be divided into ‘push’ and ‘pull’ factors. The ‘push’ factors are related to redundancies, poor working conditions, business difficulties, poor health, and marital separations. The ‘pull’ factors include early retirement schemes, financial stability, filling in the void resulting from retirement, and the fact that relatives no longer depended on the person’s earnings.

3. There are no data / statistics / research on older persons engaged in informal work, especially women.

4. The National Strategic Policy for Active Ageing: Malta 2013 - 2024 recommends the State to (i) promote occupational health and safety principles that foster the employability of older and ageing workers up, and even subsequent, to statutory retirement age; (ii) encourage increasing job rotation and flexibility amongst co-workers in order to support older and ageing employees; and (iii), support employers to adopt practices that decrease potential health risks experienced by older and ageing workers.

5. The National Strategic Policy for Active Ageing: Malta 2013 - 2024 recommends the State to (i) promote relevant employment services which recognise both the diversity of older workers as well as the unique features which age brings to career trajectories; (ii) provide training opportunities to guidance workers on employment services for older workers, including preventive guidance that minimise premature labour exit, and (iii), establish employment services to address unemployment amongst citizens aged 50 years and over who are at greater risk of being either under-skilled or over-skilled in respect to available job opportunities.

6. One finds various efforts on behalf of the government to strengthen the presence of older workers and adults in the labour market. Publicity campaigns to promote active ageing have been carried out on various media such as radio and street billboards. These campaigns have promoted the qualities of older workers among employers, and tried to encourage older workers to improve their employability through lifelong learning. At the same time, State budgets included measures meant to attract older people to the labour market. The most significant measure was the change in the legislation so that workers of pensionable age would be able to continue working without losing their pension entitlements, irrespective of the amount they earn. Until 2008, the full pension was safeguarded only if these workers’ salary did not exceed the national minimum wage. Although collective agreements in Malta tend not to focus specifically on older workers, there exists a range of practices in industrial relations, often based on the Maltese employment legal framework, that assist older workers to remain employed. For instance, the last-in first-out practice is advantageous for older workers. The ‘Temporary Agency Workers Regulations’ helps older workers join or remain for a longer time in the labour market, albeit on temporary contracts. Although this policy may seem to be encouraging precarious employment, the fact that it succeeded in allowing a number of older workers to remain in employment, rather than experience redundancy, compensates for such a disconcerting possibility. Further measures included a system enabling the long-term unemployed to join the labour market, whereby persons who have
been registering as unemployed for more than two years will not have all their unemployment benefit terminated immediately after finding employment. Rather, these benefits will be decreased gradually over a period of three years. In the first year of employment, the beneficiary will retain 65 per cent of the unemployment benefit. In the second year the individual will retain 45 per cent, while in the third year he or she will retain 25 per cent. Incentives for the employment of older and ageing persons decree that employers who hire unemployed persons aged between 45 and 65 years will receive an income tax deduction of €5,800. Moreover, companies will benefit from a tax deduction of 50 per cent (up to a maximum of €400) of the cost of training of these workers. Another budget measure is ‘tax exemption for older women joining the labour market’, in that principal breadwinners whose wives are over 40 years old and who start working after having been out of employment for a period of 5 years or more, and whose pay does not exceed the minimum wage, will benefit from tax reductions.

7. The key legal and policy protections include the *Employment and Industrial Relations Act* and the key policy provision is the *National Strategic Policy for Active Ageing: Malta 2013 – 2024* respectively.

8. Yes, as premised in the *Employment and Industrial Relations Act*.

9. Two mechanisms. One, the State funded Industrial Tribunal. And secondly, the Office of the Commissioner for Older Persons.