

# GRTU NEWSTRING

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## Businesses need employees ... and they need them now!

During the last weeks GRTU has continued its work in order to push for changes to facilitate the employment of third country nationals (TCNs).

It is important to point out that the government has been successful in substantially reducing those registering for work and now those still not working are either unfit or unwilling to work. GRTU would also like to point out that the changes we have been proposing will not create a security threat but will make Malta safer, increase government's revenue and eliminate the frustration and waste of time experienced by employers and the third country nationals seeking employment.

It is also important to acknowledge the improvements registered with the efforts of all involved. However, issues still persist and GRTU will continue collaborating to bring change in a faster and more effective manner.

### **Customer Care**

GRTU has complained that visits to Identity Malta regularly results in inconsistent information depending on the official one speaks to. The checklists are also reported not to be comprehensive at times with additional information required on occasions, due to lack of information on new-policies and procedures. This results into multiple lengthy visits and length of time before being able to submit the

complete application from. GRTU has also emphasised the need to improve Identity Malta's openness and approachability as members report difficulties in getting in touch with Identity Malta in any way to seek clarifications and updates.

### **TCNs already in Malta**

The majority of those coming to work in Malta normally cannot afford accommodation, unless they work. These would end up working illegally before a permit is issued. Additionally, one cannot expect employers to spend an average minimum of three (3) or more months waiting for a permit to be issued. These factors normally lead to illegal employment of TCNs. The illegal employment normally lasts until the permit is subsequently issued. The recent measure to issue a temporarily authorisation to work issued while TCNs are still abroad has to be extended to those already in Malta. Granting a temporary permit will not pose any additional internal security threats, since the TCNs are in Malta and probably working illegally, while the Maltese government would increase its revenue through the taxes and social security paid. This would also accomplish the political promise of reducing procedural time to 15 days.

The process for a person to move from one job to another (already having a work permit) or renewing a permit takes the same amount of time and is sometimes even lengthier than a fresh application. This puts the TCNs in a very uncomfortable position making the transition lengthier creating friction with the previous employer and financial constraints whilst between jobs. In order for the case of renewals, to be legally correct the employer would need to make the employee redundant whilst awaiting the renewal. This process needs to be looked into so that any procedures and checks, additional to those required by law, are removed from the overall process.

### **Application & Evaluation Process**

There is a general feeling that the application process is

a vague process whereby there is no form of mechanism for employers / applicants to track their application. In their majority, employers also mentioned that there is a huge lack of coordination between the different departments one has to deal with mainly; ID Malta, Jobs Plus, NCFHE and the Health Department. In some instances employers noted that different forms (from different departments) required similar details. The recommendation put forward in this regard is to have one comprehensive form.

### **Unnecessary Documents**

Given the current economic situation in the country, unemployment levels are immaterial. The unemployed currently listed are those permanent unemployed who do not want to work. For this reason we are suggesting that the requisite ask for three (3) adverts is removed and instead only proof of one (1) advert is asked for.

New entrants to the labour market and those seeking to better their position will still have visibility of the vacancy. In addition, the requirement of adverts might not seem as a big thing however when applying for a TCN the employer would be very tight with time to fill in the vacancy. When employers do not have the required number of adverts they have to make/post them, wait a few weeks so that the minimum amount of time has passed and reapply. This is all waste of time for a procedure that might have made sense when Malta's human resource capacity was in a very different shape. The current list of jobs not requiring any experience still does not include all the job titles which in reality would not require any form of qualification or formal training. The list needs to be non-exhaustive which can easily be adapted. In this regard GRTU is currently compiling a list of jobs which based on their nature do not require such qualification or formal training.

**Members are invited to alert GRTU on any problems they encounter so that these are brought to the attention of the relevant officials.**

# Would you like to boost your knowledge on how to conduct business online, in your own time, at your own pace and from the comfort of your home?

The Malta Communications Authority (MCA) has just launched eBiznify, a training programme aimed at helping micros and SMEs become better at understanding eCommerce and their related services. It will be delivered online via a dedicated eLearning platform and accredited by the National Commission for Further and Higher Education (NCFHE) at level 4.

This project is being supported by Jobsplus, Malta Enterprise and the Directorate for Lifelong Learning, in collaboration with the Malta Chamber of Commerce, Malta Employers' Association, and GRTU – Malta Chamber of SMEs.

During this training programme, participants will:

- be introduced to the core concepts of budgeting, business strategy, marketing, logistics and more;
- familiarize themselves with the technical aspects associated with the design and development of a digital business;
- get practical advice on how to exploit new business models and marketplace structures enabled by eCommerce;
- get a better grasp of electronic payments, web analytics and other useful skills ancillary to eCommerce activity, such as photography, videography and more;
- be mentored by subject-matter experts on how to drive and maintain internet traffic to websites, increase conversion rates and produce engaging web content.

Should you be interested, registration can be accessed through this link:  
<https://mca.org.mt/content/ebiznify-online-application-form>



## **GRTU's new EU funded project SMEs: Tuning the art of representation (STAR)**

GRTU, as an SME representative, is undergoing a project set to boost its tools and capacity to make it a more effective social partner. This will be done through a variety of learning initiatives, as well as working on the concept of social dialogue within the context of the organization itself, addressing the current and imminent future skills gaps that are found within the organization to achieve consistency of the service GRTU is rendering.

The project is built on the principles of strengthening the capacity of GRTU as a stakeholder through investment in its human resources as well as the acquisition of necessary knowledge, through research and studies of key areas GRTU can improve in. A number of skills gaps have been identified that are holding the organisation back from working to its full capacity. The strength of an organisation like GRTU is measured in two ways:

- Human Resources: how skilled the individuals working to deliver the organisation's mission statement and enabling to organisation to be effective are.
- Representation: the differentiation present in our memberships.

In order for the training to reflect and focus on improving these two areas of expertise, GRTU vouches to embark on a series of activities. First and foremost, to increase the knowledge within the HR department in public relations; this will be a year-long intensive training focused on the personnel of GRTU to increase our knowledge in public relations. GRTU will also spend the year focusing on the basics of financial services, as many of our members need help on finance matters. The topics covered will range on risk management, laws of financial services, calculating risk, basics of banking, banking practices, finance management, etc...Learning about finances will open the doors for GRTU to reach out to other organizations abroad, to learn about their practices and adopt their experience; such as the British Business Bank.

On the self-reflection front, GRTU is determined to reform the way it is perceived to the public by taking part in a scientific analysis aimed at providing a detailed overview of how GRTU is perceived – in order to help its current and potential members. As a chain reaction to the study, GRTU will go through a revamp to create awareness about the organization. This will in-turn change the face of the organization to make it more relatable and to incite new stakeholders to join our cause.

As a proud member of MCESD, GRTU would like to invest in it to ensure its retention in its social dialogue exercises and to strengthen its influence. A study focusing on knowledge based discussions, interviews with outside and internal stakeholders and focus groups are vital to ensure the vitality of this project, in order to bring out great recommendations.

All of these activities are ultimately done to represent our members to the best of our capabilities and potential. Our main aim is you, our members.

This project would not be possible without the help of European Union funds; in particular, the European Structural and Investment Fund—focused on investing in human capital to create more opportunities and promote the well-being of society.



## Sustainability by Shifting From Linear to Circular Economy

A seminar for Educators, NGOs, Local Councils & Stakeholders interested in Environmental Issues

A seminar that will provide participants with access to a free e-Learning course and Circular Economy case-studies that they can freely use to effectively transfer knowledge to others on how to shift from a linear to a circular economy approach. Attendance to this seminar is free but limited to 30 participants on a first come first served basis. One lucky registered participant and who attends this seminar will win a VR headset for use with certain content available on the Circular Economy e-Learning course.

To book your place, please register online at <http://www.mecb.com.mt/seminar/register> by not later than **Wednesday 12th September 2018**.

**Tuesday 18th September**  
**10:00—12:00**  
**Institute of Applied Sciences, MCAST Main Campus, Corradino Hill, Paola**

## Insolvency Register

An electronic register has been developed in collaboration with the Justice Programme of the European Union, creating a portal whereby the public can be informed about entities and traders that are facing insolvency and provides information that is relevant to creditors. This includes information such as the case reference, date registered, court name, termination date, type of proceedings, article, insolvency practitioner, time limit for lodging a claim, court of appeal and time limit for appeal.

MITA was appointed by the courts to develop an Insolvency Register that stems from the EU Insolvency Regulation 2015/848. The regulation states that “Member States shall establish and maintain in their territory one or several registers in which information concerning insolvency proceedings is published (‘insolvency registers’). That information shall be published as soon as possible after the opening of such proceedings.”

The insolvency register is accessible to the public at the eCourts website:  
<https://ecourts.gov.mt/onlineservices/>

## Budget 2019 - This is what we proposed.



### ***Unfair competition***

A lot of uncontrolled products are finding their way into our market without paying VAT and SISA through the most obvious channels. Thus, GRTU seeks commitment to tackle first and foremost imports coming through the catamaran channel to ensure that we know what is coming into our island and that everything is above board. In addition, we believe GRTU can become an active force in fighting this unfair competition and should be included in the action.

### ***Reduction of income tax for business***

GRTU believes in the redistribution of the wealth that has accumulated in Malta in recent years. Therefore, requests have been made whereby: the income tax for businesses is reduced to 20% for profits under €60,000 and 25% for profits over €60,000. This will encourage more profits to be left in Company's reserves for innovation and renovation of the business.

### ***Widening Micro-Invest***

This could be vital in increasing investment to

small businesses. As a result, GRTU proposes to:

1. Aid Intensity: To go up to 65% across the board. Further incentives for female owned enterprises and Gozo based enterprises can go higher than this.
2. Maximum aid: The maximum aid over 3 years shall go up to €100,000 per undertaking. Additional aid can once again be given to specific target groups. This still falls well within the de minimis threshold.
3. Eligible costs: Yearly cost of enrolment with a constituted body should be included as an eligible cost.

### ***Elimination of SISA***

GRTU calls for excise to be removed from goods that do not carry the excise identifying marker to reduce unnecessary bureaucratic procedures.

### ***Business Death Tax***

GRTU requests that dues related to the transfer tax on businesses would be reduced as a percentage and payable on a long term.

### ***Single Work Permit***

Facilitating the employment of Third Country Nationals:

1. Proof of two vacancies instead of three – when one is missing employers have to publish it and wait weeks till they can apply again and if there is the smallest change in the title one has to redo everything. Three vacancies in the current employment scenario is unnecessary.
2. Requirements for experience and qualification is at par with those requested to employ Maltese – Enterprises can commit and declare to give them the relevant induction training following employment.
3. A Temporary Work Permit is issued when the application is submitted for TCNs already in Malta and those still abroad. – It is well known fact that TCNs are being employed without the work permit in hand because, neither the employer nor the candidate can support their economic existence without work and money for such a long time. Allowing for temporary work permits to all TCN's will also increase the revenue for the Government. Employer and Employee accept the official result following

the thorough check of the application and dismissal will follow if work permit is for some reason not issued.

4. A mature discussion needs to take place in order to assess the impact and mitigation measures that are needed as a result to the drastic increase in demographics we are experiencing.

### ***Retail School***

GRTU requests for the government to partner with GRTU for the setting up of a Retail School within where we would develop a set of short and full courses on part-time and full-time basis based on the findings of the analysis as well as following pilot initiatives. The scope is to build an education and training route for existing and potential human resources for the sector with the aim of having a clear training pathway for the retail sector and develop careers in retail.

### ***eCommerce***

Companies are finding it difficult to compete on the online market due to the expensive postage fees that are in place. Therefore, GRTU requests for the problem to be addressed and solutions such as tax credits or subsidies would be put in place so that Maltese enterprises would be able to deliver their goods free of charge.

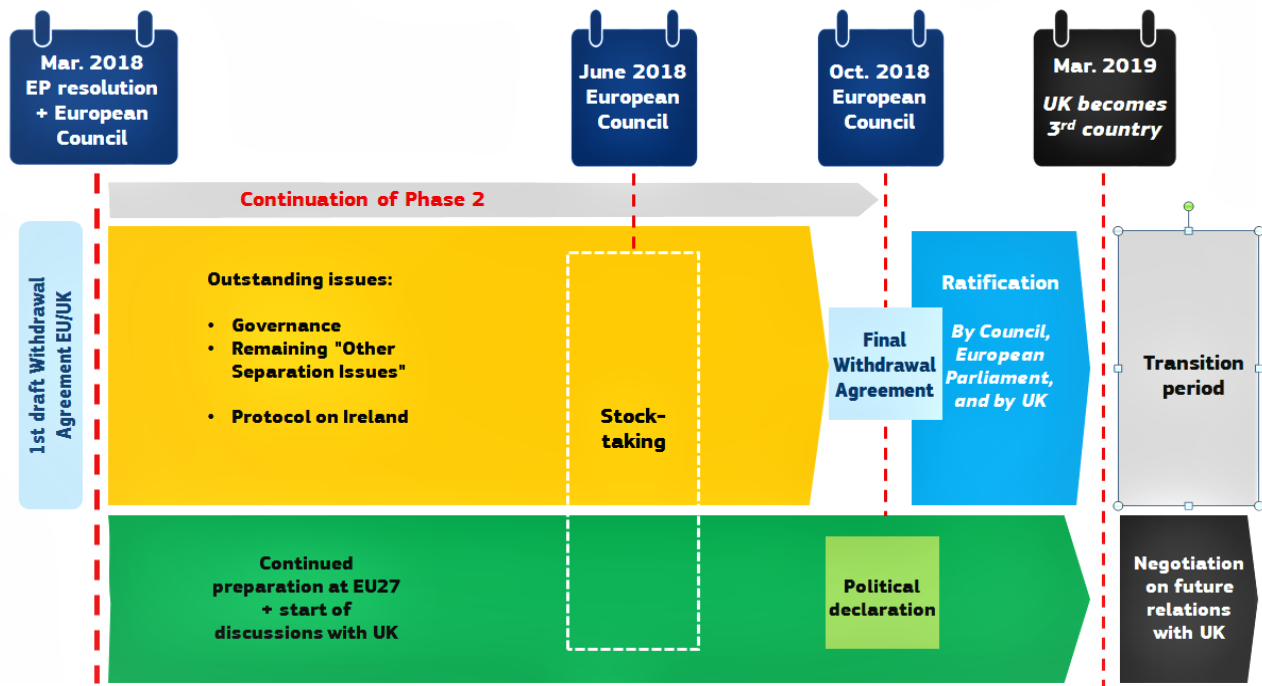
### ***Pensions***

GRTU proposes for government, through the Malta Financial Services Authority, to introduce an automatic enrolment scheme for self-employed persons and their staff. GRTU has already worked out a framework of how this can be implemented.



# BREXIT - What you need to know to ensure your business is safe.

## Brexit – Next steps



The withdrawal of the United Kingdom (UK) from the European Union (EU) has repercussions for citizens, businesses and administrations in both the UK and the EU. These repercussions range from new controls at the EU's (new) outer border, to the validity of UK-issued licences, certificates and authorisations all the way to new conditions for data transfers. The EU is working hard to reach an agreement on an orderly withdrawal, and looks forward to discussing a framework for the future relationship with the UK. However, there is no certainty that an agreement will be reached. And even if an agreement is reached, the UK's relationship with the EU will no longer be one of a Member State and thus, will be in a fundamentally different situation. Therefore, everybody concerned needs to be prepared for the withdrawal of the UK from the EU on 30<sup>th</sup> March 2019.

If a Withdrawal Agreement is settled, a transition period where EU rules apply, will reign in both the

EU and the UK. Therefore, both parties have 21 months to prepare for the day the UK is no longer a member of the EU. Nevertheless, stakeholders and governments must prepare for (2) two scenarios which have different consequences.

1. If the Withdrawal Agreement is ratified before 30 March 2019, so that it can enter into force on that date, EU law will cease to apply to and in the United Kingdom on 1 January 2021, i.e. after a transition period of 21 months, the terms of which are set out in the Withdrawal Agreement.
2. In the absence of an agreement on a withdrawal agreement, or if the Withdrawal Agreement is not ratified in time by both parties, there will be no transition period and EU law will cease to apply to and in the United Kingdom as of 30 March 2019 (also referred to as the 'no deal' or 'cliff-edge' scenario).

In scenario 1, the UK will automatically be considered a 3<sup>rd</sup> country (not a member of the EU) and



will not be allowed to participate in any decision making of the EU institutions during the transition period. However, during the transition period, the role of EU institutions in the supervision and enforcement of EU law in the UK would continue. The EU should also negotiate with the UK an agreement on the future relationship which should ideally be in place (agreed, signed and ratified) at the end of the transition period and apply as from 1 January 2021.

In Scenario 2, The UK will be a 3<sup>rd</sup> country and Union law ceases to apply to and in the UK. The European Union must apply its regulation and tariffs at borders with the UK as a third country, including checks and controls for customs, sanitary and phytosanitary standards and verification of compliance with EU norms. This will affect transport between the UK and the European Union would be severely impacted and as such: customs, sanitary and phytosanitary controls at borders could cause significant delays. The UK becomes a third country whose relations with the European Union would be governed by general international public law, including rules of the World Trade Organisation; resulting in heavily

regulated sectors, that would represent a significant drawback compared to the current level of market integration. Depending on the circumstances leading to the withdrawal without an agreement, the EU may wish to enter into negotiations with the UK as a 3<sup>rd</sup> country. Additionally, UK entities would cease to be eligible as Union entities for the purpose of receiving EU grants and participating in EU procurement procedures. Unless otherwise provided for by the legal provisions in force, candidates or tenderers from the UK could be rejected.

As a result of these possible events, private actors, business operators and professionals must be prepared and take responsibility for their individual situation assess the potential impacts of a cliff-edge scenario on their business model, make the necessary economic decisions and take and conclude all required administrative steps before 30<sup>th</sup> March 2019. The citizens who will be affected by the withdrawal of the UK, as well as the public administrations that serve them, should also prepare for 30<sup>th</sup> March 2019.

Għid tiegħek dwar  
**L-EWR EFTA PA**  
Konsultazzjonijiet maċ-ċittadini

Il-Futur tal-Biedja 5 ta' Settembru 2018

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## **Employer Bodies stop attending ERB meetings until impasse is solved - Still awaiting repeal of LNs**

The four employer organisations namely the GRTU, The Malta Chamber of Commerce, Enterprise and Industry, Malta Employers Association and Malta Hotels and Restaurants Association are dismayed by the recent introduction by stealth of four legal notices related to industrial and employment relations.

These legal notices were introduced without the knowledge of and any form of consultation with employer bodies on the eve of 'Santa Marija' - the 14th August, a period commonly associated with shutdowns. The four organisations will therefore stop attending any future Employment Relations Board (ERB) meetings until the situation is rectified.

More than this, the four organisations lament the fact that there has been a significant departure from the spirit of healthy social dialogue which existed so far at the ERB. In fact, these four legal notices were never discussed at ERB, a board which was established in the role to advise the Minister concerned on any matter related to conditions of employment, a practice that so far was always observed.

The recently introduced Legal Notices deal with amendments to the protection of employment in the case of business transfers, temporary agency workers and new regulations on itemised payslips and annual leave. The employer social partners feel that without the necessary consultation the four Legal Notices are going to give rise to severe disruptions in the labour market. For this reason, the four organisations are officially requesting the Government to put these four legal notices on hold until they are brought forward for discussion at ERB level subject to any amendments which will be proposed during this period. Only then would the four organisations return to the ERB discussion table.

This procedure should have been followed in the first place and the employer bodies are surprised that in spite of their numerous attempts to create a balanced environment for social dialogue in the country, the authorities have decided to do away with consulting the main stakeholders represented on this Board.

The four organisations are also questioning the purpose of having a body like ERB in the first place, if normal procedure is not being followed and the authorities are introducing legal notices without prior consultation.

Contact GRTU Malta Chamber of SMEs on **21232881 / 3** or e-mail **admin@grtu.eu**

