No. 1519

DEPARTMENT FOR INDUSTRIAL AND EMPLOYMENT RELATIONS

Explanatory Notes[1]

1. Introduction

Title of Act	Employment and Industrial Relations (Amendment No. 2) Act, 2025
Activity to be regulated	The method of payment of wages earned by or payable to third-country nationals.
Responsible entities	Department for Industrial and Employment Relations

2. Summary and Background

The aim of this Bill is to amend the Employment and Industrial Relations Act, specifically the section dedicated to the protection of wages, to restrict the payment of wages earned by or payable to a third-country national employed in Malta, exclusively by means of a bank transfer to an account held in the name of the employee or through a transfer facilitated by an accredited financial institution licensed to operate in Malta.

This amendment implements one of the measures introduced by the Malta Labour Migration Policy.

3. General overview of the structure of the instrument

This Act is made up of three (3) articles and consist of the following:

1. Short title and commencement.
2. New definition under article 2 of the prinċipal Act.
3. Amendment of article 11 of the principal Act.

4. Commentary

Article 2 adds a new definition under article 2 of the principal Act by adding a definition of "third country national" to reflect the article 2 of the Immigration Act. Article 3 amends article 11of the principal Act by adding new provisos to sub-article (1) thereof whereby with effect from 1st October 2025, any wages earned by or payable to a third country national shall be paid exclusively by means of a bank transfer to an account held in the name of the employee or through a transfer facilitated by an accredited financial institution licensed to operate in Malta. This requirement shall apply to all third-country nationals whose employment commences on or after the aforementioned date.

5. Concluding sections

These amendments shall come into force on 1st October 2025.

In case of queries kindly contact the Department for Industrial and Employment Relations on info.dier@gov.mt or on tel. no. 1575 for employees and 1576 for employers.

N.B. These Explanatory Notes are not intended to be an exhaustive description of the instrument nor a substitute thereof or a legislative supplement thereto. These Explanatory Notes do not purport to be an authoritative ruling on the interpretation of the legislation.

26th September, 2025

[1]These Explanatory Notes are in accordance with and for the purpose of article 3(2)(c) of the Small Business Act (Chapter 512 of the Laws of Malta).