

EMN FOCUSED STUDY

Attracting Highly Qualified and Qualified Third-Country Nationals

EUROPEAN MIGRATION NETWORK NATIONAL CONTACT POINT

MALTA

2013

Desk study completed by Maltese National Contact Point of the European Migration Network, which is co-financed by the European Union and the Maltese Ministry for Home Affairs and National Security.

This report is provided solely for the purpose of completing an EMN synthesis report on attracting highly-qualified and qualified third-country nationals. The views expressed in this report do not necessarily reflect those of the Maltese National Contact Point or that of the Maltese Government.

The European Migration Network (EMN) is co-ordinated by the European Commission with National Contact Points established in each EU Member State plus Norway.



Co-funded by the European Union

Top-line “Factsheet” (National Contribution)

National contribution (one page only)

Overview of the National Contribution – introducing the study and drawing out key facts and figures from across all sections of the Focussed Study, with a particular emphasis on elements that will be of relevance to (national) policymakers.

The facilitation of employment of third-country nationals in Malta is driven by the needs of the labour market, rather than policy based. There are no national policies in this regard with Malta’s approach to the admittance of highly qualified workers to its labour market is the assessment of labour demand in this regard. Favourable taxation rules aimed at attracting highly qualified persons employed in particular positions in specific sectors have been introduced since 2011 with the aim to foster particular economic sectors in Malta.

Certain niches, (such as i-gaming, audit firms, health sector), in Malta’s composition of the labour market are given special consideration in recruiting Third Country Nationals for the purpose of work in such sectors. The Public entities’ approach in this regard is acknowledged by the private entities concerned.

From informal discussions with enterprises who have tried to recruit foreign experts the main problem would seem to relate to the wage cost expectations. Yet this would apply not only to 3rd Country Nationals (that cover the skills/experience being sought) but also to EU nationals (with the same skills/experience).

Also, some third country nationals, when seeking employment in Malta find a problem related to the recognition of their qualifications. The process to obtain the necessary recognition tends to take considerable time. For particular professions, third country nationals might also be requested to carry out additional exams. This applies for instance in the medical field. A doctor that has graduated from the USA and is seeking employment in Malta would need to attend a specific examination prior to being granted the necessary warrant.

Section 1 National Policies and Measures

This section reviews the national policies and measures that Member States employ in order to attract highly qualified and qualified third-country nationals. Reference is made to the International Standard Qualifications as regards education (ISCED) and occupation (ISCO-08) and/or the respective salary threshold when outlining the target group of these policies and measures (see examples above).

1.1 Policies

Q.1. Are there national policies in place for the attraction of highly qualified and qualified third-country nationals?

There are no national policies in this regard with Malta's approach to the admittance of highly qualified workers to its labour market is the assessment of labour demand in this regard.

Favourable taxation rules aimed at attracting highly qualified persons employed in particular positions in specific sectors have however been introduced since 2011 with the aim to foster particular economic sectors in Malta.

Q1.a. If Yes, please indicate the following:

- ***National definition of highly qualified third-country nationals, including references to relevant international standards such as ISCED/ISCO and/or salary thresholds;***

Not applicable

Q1.b. If Yes, do the policies distinguish between highly qualified and qualified third-country nationals?

Not applicable

Q1.c. If Yes, please indicate the rationale for their distinction.

Not applicable

Q1.d. If Yes, what is the main rationale for these policies? What is the objective? Please consider whether this rationale is linked to circular, temporary or permanent migration.

Not applicable

Q1.e. If Yes, briefly outline the main features of the policies. Please consider whether the following exists:

Not applicable

Q.2. Are other groups of third-country nationals included in the national policies on attracting (highly) qualified third-country nationals?

No, not applicable.

Q2.a. If Yes, please indicate what other groups are included (i.e. investors, entrepreneurs, international graduates, transferred workers etc.)?

Refer whenever possible to existing EMN studies covering relevant information on these groups.

As indicated earlier favourable packages exist with regard to taxation of highly qualified individuals in particular positions. Sectors include the financial, gaming and aviation services as well as individuals employed in certain positions in the innovation and creativity sector.

Business First (<http://www.businessfirst.com.mt/en>), a one-stop business centre offering a number of services within the Malta Enterprise, assists investors and

entrepreneurs with establishing business in Malta.

Q.3. Do the policies in your Member State focus on specific areas of occupations?

No, in view of the size of the labour market there are no set policies that focus on specific areas of occupations.

If Yes, please briefly indicate the specific areas of occupations and their link with the policies.

Not applicable

Q.4. Has the transposition of EU Directives led to more favourable legislation/measures/conditions for specific groups of (highly) qualified third-country nationals?

In view that there was no legislation and no policy regarding highly qualified employment, such comparison cannot be made.

Q4.a. If Yes, please indicate the relevant Directives and the more favourable legislation/measures/conditions which were created for these specific groups (i.e. EU Blue Card Directive and Researchers Directive).

Not applicable

Q.5. Are the national policies addressing the aspect of brain drain in the countries of origin?

Please refer to the previous answers. There are no policies regarding such category of workers. It must be reiterated that all applications for highly qualified workers are examined on the basis of labour market considerations. If such applications satisfy the criteria established by the relevant directive these will be given the relative status.

Q.6. Are the national policies addressing the aspect of brain circulation with the countries of origin?

Please refer to the previous answers.

Q6.a. If Yes (to either of these questions), please briefly indicate how the national policies address these aspects, supporting your answers with reference to research or any other sources of information.

Not applicable

Q.7. Have your national policies been the subject of public debate?

No.

Q7.a. If Yes, please briefly indicate the main features of the policies which were debated as well as the reasons for such debate and the level at which these occurred (e.g. Parliament, society, media). Please support your answer with reference to research or any other sources of information.

Not applicable

Q7.b. If Yes, please briefly indicate possible impacts of the debate on the national policies.

Not applicable

1.2 Measures

Refer to the legal framework in case relevant changes to labour migration legislation have occurred as compared to the information contained in the EMN Study on Satisfying Labour Demand through Migration.

Q.8. Does your Member State employ concrete measures in order to satisfy the policy goals?

As already explained, such measures are only placed in reaction to labour market demands.

Q8.a. If Yes, please indicate the measures that contribute to the implementation of the national policies and indicate their specific goals.

Not applicable

Q8.b. If Yes, are there any measures aimed at facilitating the integration of (highly) qualified third-country nationals?

Not applicable

Q.9. Do public policies exist in your Member State that specifically aim at positively influencing the immigration decision of (highly) qualified third-country nationals?

Yes.

Q9.a. If Yes, please also indicate such incentives.

Yes, tax incentives. Please refer to question 20.

1.3 Relations with third countries and labour migration agreements

Q.10. Do the policies in your Member State focus on specific third countries?

No

Q.11. Has your Member State entered into labour migration agreements relating to attracting qualified and/or highly qualified third-country nationals to the national territory?

No

Q.12. Has your Member State adopted legislations facilitating labour migration from specific third countries ('country-specific legislation')?

No

Q.13. Has your Member State entered into other more favourable arrangements with non-EU/EEA countries and/or regions relating to attracting qualified and/or highly qualified third-country nationals to the national territory?

No

Section 2
Evaluation and Effectiveness of Measures

This section reflects on the effectiveness of national measures as described in Section 1 and the methods used for evaluation. This analysis shall help to identify good practices and lessons learnt in Section 4.

2.1 Evidence of effectiveness based on statistics

The number of first residence permits granted to third-country nationals for the purposes of remunerated activities in recent years has been as follows:

Year	2008	2009	2010	2011
No. of first residence permits for remunerated activities purposes (Source: Eurostat [migr_resfirst])	797	534	463	760

The two top-most nationalities in the years 2009-2011 were nationals of the Philippines and China, with the number of Serbian nationals also featuring highly in 2011.

Eurostat figures on the number of third-country nationals employed and self-employed in Malta by the relevant ISCO groups or by relevant ISCED level of education are however not available. No EU Blue Card has yet been issued by the Maltese authorities.

Q.14. Is there any evidence (quantitative and/or qualitative) of a link existing between the measures outlined in Section 1 and the immigration of highly qualified and qualified third-country nationals?

No

Q.15. Is there a quota for highly qualified and qualified third-country nationals?

No

Q.16. Is there any evidence (quantitative and/or qualitative) of a link existing between the labour migration agreements (also in the framework of Mobility Partnerships) outlined in Section 1 and the immigration of highly qualified and qualified third-country nationals?

No

If (statistical) evidence as requested above regarding concrete measures and labour migration agreements is not available, please outline and analyse any other statistics which may provide indications of the effectiveness of the national policies and measures.

The facilitation of employment of third-country nationals is driven by the needs of the labour market, rather than policy based. Statistical evidence with respect to the

attraction of highly qualified workers is in this respect not available.

2.2 National methods of evaluation

Q.17. Does primary research (using any methods) exist in your Member State evaluating the national policies, related practical measures and labour migration agreements (also in the framework of Mobility Partnerships) implemented to attract highly qualified and qualified third-country nationals?

No

2.3 Policy makers' or other stakeholders' (i.e. academics, non-governmental or private sector representatives) experience

Q.18. If evidence (see 2.1 and 2.2) is not available, what is then the national policies makers' or other stakeholders' experience and assessment regarding the (perceived) effectiveness of measures (see also questions under 2.2)?

As already explained, Malta's approach to the admittance of highly qualified workers to its labour market is the assessment of labour demand in this regard. Certain niches, (such as i-gaming, audit firms, health sector), in Malta's composition of the labour market are given special consideration in recruiting Third Country Nationals for the purpose of work in such sectors. The Public entities' approach in this regard is acknowledged by the private entities concerned.

Section 3 Challenges and Barriers

This section reflects on possible challenges and barriers that may affect the attractiveness of a Member State for highly qualified and qualified third-country nationals' immigration.

3.1 Possible challenges and barriers

Q.19. Have challenges and barriers in your country been identified based on previous research which affect the attractiveness of your Member State for (highly) qualified third-country nationals?

No.

19a

not applicable

Q.20. If such evidence is not available, what is then the national policies makers' or other stakeholders' experience and assessment regarding the challenges and barriers which affect the attractiveness of your Member State for (highly) qualified third-country nationals?

Malta Enterprise administers a recently launched measure which has the purpose of attracting highly skilled persons to Malta. The measure is also applicable to EU nationals. (Legal Notice 106 of 2013 is the enabling legislation <http://justiceservices.gov.mt/DownloadDocument.aspx?app=lp&itemid=24736&l=1>). The measure provides a 15% tax rate for employees working in the development of innovative and creative products, for such employee, he/she must hold an eligible

office. And a qualifying contract of employment with a minimum income of Eur45,000 per annum exclusive of any fringe benefits

From informal discussions with enterprises who have tried to recruit foreign experts the main problem would seem to relate to the wage cost expectations. Yet this would apply not only to 3rd Country Nationals (that cover the skills/experience being sought) but also to EU nationals (with the same skills/experience).

Also, some third country nationals, when seeking employment in Malta find a problem related to the recognition of their qualifications. The process to obtain the necessary recognition tends to take considerable time. For particular professions, third country nationals might also be requested to carry out additional exams. This applies for instance in the medical field. A doctor that has graduated from the USA and is seeking employment in Malta would need to attend a specific examination prior to being granted the necessary warrant.

Section 4 Conclusions

The Synthesis Report will outline the main findings of the Study and present conclusions relevant for policymakers at national and EU level.

Q.21. What conclusions would you draw from your findings that are relevant to the aims of this Focussed Study? Can you identify good practices and lessons learnt with regard to attracting highly qualified and qualified third-country nationals? What is the relevance of your findings to (national and/or EU level) policymakers?

At this stage it is not possible to identify good practices in the field of this focused study, mainly in view of limited experience in the relevant sector. Notwithstanding this efforts have been made to attract highly qualified workers to Malta. At the same time although no studies have been carried out barriers for highly qualified workers are not much more pronounced than they would be for most other Member States. Malta is in compliance with the EU Acquis in this and related areas.