

## Outline Policy for the Maternity Leave Contribution

The Maternity Leave contribution that came into effect as of 1st July 2015 through Legal Notice 257 of 2015 (Trusts and Trustees Act Cap 331) is to be paid by Employers for all their employees in the private sector. The general government sector, authorities, agencies and public corporations are exempt from this measure.

The rate of the contribution is 0.3% of the basic weekly wage as published in Legal Notice 258 of 2015, which is an addition to the Tenth Schedule of the Social Security Act (Cap 318).

The contribution shall be paid for all employees for whom the Class 1 Social Security contribution is paid and for all employees (including Part Timers) who are not eligible to pay social security contributions but who are eligible for Maternity Leave according to the Employment and Industrial Relations Act (Cap 452).

This rationale means that the following employees are exempt from having the Maternity Leave contribution paid in their respect:

1. Employees over 65 years of age who are exempt from the SSC but still considered to be in an employment relationship,
2. Directors who are liable to pay SSC Class 2
3. Employees on unpaid leave for whom no SSC is being paid
4. Casual employees for whom no SSC is being paid
5. Expatriate employees for whom no SSC is being paid in Malta
6. All self-employed persons who are not entitled to Maternity Leave but to Maternity Benefit

The same rationale means that the following employees are **not exempt** from having the Maternity Leave contribution paid in their respect:

1. Part Time employees who are not due to pay a social security contribution on such employment given that they are already paying from another full time employment
2. Persons with disability.
3. Persons (mostly interns) engaged on definite 6 month contracts

Other Scenarios:

1. The Maternity Leave contribution should still be paid according to the basic weekly wage for employees on half pay.

## Other Matters

### 1. Obligation for employee to stay in same employment for 6 months:

Presently EIRA contains a provision (Art 36(20)), that requires employees to return to work for a six month period after benefitting from maternity leave, failing which the employer will be due a reimbursement from the employee.

This provision remains valid and the employee is obliged to adhere to such regulation.

### 2. Church Schools

A question has been raised regarding teachers in Church schools. Such teachers are not considered to be public officers therefore Maternity Leave contribution should be paid in their respect.