

MEMORANDUM FOR THE CABINET BY THE PRIME MINISTERTHE MINIMUM WAGE

After the publication of the report of the Salaries (Anomalies) Commission, in which it was recommended that the minimum wage should be increased from 130/3 per week to 136/- per week, (exclusive of the 4% and 6% increases), the minimum wage was further adjusted to 136/- x 7/9 - 149/9, exclusive of percentage increases, i.e. 150/- x 8/6 - 165/- all inclusive.

The General Workers Union have now claimed that this should be further revised to 165/- x 7/9 - 200/-, exclusive of percentage increases, i.e. 181/9 x 8/6 - 220/6 all inclusive. The claim is based on the following grounds:-

- (a) Restoration of the relativity existing before the 1st April, 1966, between the minimum wage and the maximum salary, and
- (b) Comparison with the minimum wage at present paid in private industry.

The argument at (a) can hardly be accepted as a valid one. The General Workers Union had agreed to abide by the findings of the Commission whose task was that of removing anomalies, which in the view of the Commission included also the adjustment of vertical relativities.

In support of the argument at (b) the General Workers Union produced a list of wages said to be paid to minimum wage earners in private industry. This list is reproduced at Appendix "A". The General Workers Union feel that the Government being the best employer, should increase the minimum wage as claimed by them.

Some inaccuracies have been found in the list supplied by the General Workers Union. For instance, in the case of Rashleigh Phipps the wage quoted is payable to Mates. In the case of Mamo Brothers, the wage quoted is payable to ~~Labourer~~/Driver as well as Drivers. In the case of the "Burdnara" the wage quoted is based on a 54 hour week. In the case of Grech and Zammit Joinery Works the wage quoted is payable to Carpenter II. In the case of the Shell Company, the figures quoted are payable to skilled workers: The wage payable to Labourers are as follows:- 1970:- 173/- per week,

1971:- 186/- per week,

1972:- 199/- per week.

The Malta Employers Association have supplied a list of wages being paid to Labourers at present in private industry. This list is reproduced at Appendix B. It will be seen that, on average, on this basis there is no justification for any increase in the minimum wage payable in Government service.

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On the other hand the General Workers Union had interpreted the Press Release issued on the 10th January, 1970, as containing an implied promise for an increase in the minimum wage. In the circumstances Ministers may wish to consider whether the General Workers Union should be offered an increase of 5/- a week at the minimum and 10/- a week at the maximum of the wages of Group I of the Standardisation of Wages Scheme.

i.e. from:- 150/- x 8/6 -- 165/- }  
to:- 155/- x 8/6 -- 175/- } (Both scales are all inclusive)

Ministers may also wish to consider whether, in view of the fact that wages of Group II now stand at 150/- x 8/6 to 169/9, the two groups should not be amalgamated in one Group at a wage of 155/- x 8/6 -- 175/-.

10 MAR 1970  
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Appendix A.

Minimum Wage Earners in the Private Sector

(List submitted by the General Workers Union)

	<u>Min.</u>	<u>Max.</u>
Malta Drydocks Corporation	154/-	178/-
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Rashleigh Phipps & Co. Malta Limited	155/-	185/-
Mamo Brothers	160/-	185/-
Burdnara Wages Council	190/9	
Chatillon Malta Limited	155/-	195/-
Cable and Wireless	150/-	196/-
Grech & Zammit Dryery Works	155/-	205/-
Shell	173/-	
	208/-	(1970)
	221/-	(1971)
	234/-	(1972)

\*\* Plus 30/- shift allowance.

Maximum reached in 3 to 4 years.

Appendix B.

Wages of Labourers in Private Industry

(List provided by the Federation of Employers)  
(Figures quoted are all inclusive)

Carreras	£7. 5s. 0d.
Car Assembly	£7. 2s. 6d/£8. 6s. 6d.
Chatillon	£7.15s. 0d/£9.15s. 6d.
Federici & Iglioni	£7. 5s. 0d.
Industrial Motor Co.	£7. 2s. 6d/£8. 6s. 6d.
Malta Aviation Services	£7.13s. 0d/£8.13s. 0d.
Malta Drydocks	£7.14s. 6d/£8.18s. 0d (£1.9s.2d shift allowance)
Malta Tobacco Co.	£7. 0s. 0d/£8. 5s. 0d
Shell	£8.13s. 0d
Malta Millers Association	£7. 3s. 9d
Gasan Enterprises	£7.15s. 0d/£8.15s. 0d
Crown Cold Stores	£8. 5s. 0d
Bezzina Ship Repair Yard	£7. 5s. 0d/£8. 12s. 6d
Beverages Industries	£7. 0s. 0d ) 14. 7.69 £7. 5s. 0d ) 14. 7.70 £7.10s. 0d ) 14. 7.71

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