

Memorandum for Cabinet by the Hon. Minister of Labour,
Employment and Welfare on re-training allowances to
redundant service employees.

In February, 1968 Cabinet approved schemes submitted by the Chairman of the Advisory Committee on Training and Placement for the payment of subsidies to employers who take on and train redundant service employees and for the payment of allowances to redundant service employees undergoing training in Government Training Centres.

2. In the case of the first category of trainees, employers were to be paid a percentage of the basic earnings of trainees over a maximum period of one year.

3. The second category of trainees were to be paid a subsidy of £5 per week for the period of training in a Government Training Establishment, normally six months but in some cases longer, plus unemployment benefit from National Insurance, namely £1. 16s. a week for a single man and £2. 14s. a week for a married man.

4. Discussions have taken place with the Union and the Services' representative with a view to reaching some sort of agreement whereby the Union would co-operate fully with Government on retraining even to the extent of taking their place on T.P.A.C. and maybe on the Steering Committee.

5. At last night's meeting it was suggested that Government should agree to the following formula as regards the second category of trainees namely "that at the end of the normal training period of six months extendible to twelve months, T.P.A.C. would have the authority to extend the training *further up to a* ~~further~~ and the payment of the training allowance".

6. It is expected that at the end of the training period the trainees would be placed in employment, but there may be difficult cases who would not find a job immediately. The Union feels that such men should not be left on their own but they should be retained for further training until they are placed.

7. It was also suggested that the £5 per week allowance should be raised to £6. 16s. per week for the single man and £7. 14s. per week for the married man, on the understanding that these rates would be abated by any National Insurance benefits in payment.

8. This means in effect that there would be no extra financial burden for the first six months when trainees would normally be entitled to National Insurance Unemployment Benefit, but after six months those who are retained by T.P.A.C. for further training would receive the higher rates.

Hon. Ministers are invited to agree to the suggestions in paragraphs 5 and 7 above.

6th March, 1969.

L-ARKIVJI NAZZJONALI TA' MALTA

*may be
person of
three months*