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I assent.

(L.S.)

GEORGE VELLA
President

11th December, 2020

ACT No. LVIII of 2020

AN ACT to amend the Employment and Industrial Relations Act, Cap. 452.

BE IT ENACTED by the President, by and with the advice and consent of the House of Representatives, in this present Parliament assembled, and by the authority of the same as follows:-

Short title. **1.** The short title of this Act is the Employment and Industrial Relations (Amendment) Act, 2020 and this Act shall be read and construed as one with the Employment and Industrial Relations Act, hereinafter referred to as "the principal Act".

Amendment of article 2 of the principal Act. **2.** In article 2 of the principal Act, in paragraph (c) of the definition "unfair dismissal", the words "as provided in article 36 (3);" shall be substituted by the words "as provided in article 36(3), or" and immediately thereafter there shall be added the following new paragraph:

"(d) the termination by the employer in respect of that worker of a contract of employment for a fixed term:

Provided that the expiration of a fixed term contract of employment shall not be deemed to be a termination of the fixed term contract of employment;"

3. Article 36 of the principal Act shall be amended as follows:

Amendment of
article 36 of the
principal Act.

(a) sub-article (11) thereof shall be substituted by the following new sub-article:

"(11) An employer who terminates the contract of service of an employee before the expiration of the time definitely specified by a contract of service, shall pay to the employee a sum equal to one-half of the full wages that would have accrued to the employee in respect of the remainder of the time specifically agreed upon.";

(b) sub-article (14) thereof shall be substituted by the following new sub-article:

"(14) Notwithstanding the foregoing provisions of this article, an employer may dismiss the employee on a contract of service for an indefinite time and the employee on a contract of service for an indefinite time may abandon the service of the employer, without giving notice and without any liability to make payment as provided in sub-article (10) if there is good and sufficient cause for such dismissal or abandonment of service:" and immediately thereafter there shall be added the following new proviso:

"Provided that notwithstanding the foregoing provisions of this article, an employee may abandon a fixed term contract of service prior to its expiry and an employer may terminate a fixed term contract prior to its expiry without any liability to make payment as provided in sub-articles (11) and (12) if there is good and sufficient cause for such dismissal or abandonment."; and

(c) in sub-article (14) thereof, the words "Provided that an employer may not set up" shall be substituted by the words "Provided further that an employer may not set up".

4. Sub-article (1) of article 75 of the principal Act shall be amended as follows:

Amendment of
article 75 of the
principal Act.

(a) paragraph (b) thereof shall be renumbered as paragraph (c);

(b) in paragraph (a) thereof, the word "and" shall be deleted and immediately thereafter there shall be added the following new paragraph:

"(b) all claims made in accordance with sub-articles

A 1100

(11) and (12) of article 36 of this Act, for sums which may become due to a worker or to an employer following the termination of a contract of service for a fixed term before the expiration of the term definitely specified in the contract; and".

Savings.
Act No. LVIII of
2020.

5. (1) The provisions of the Employment and Industrial Relations (Amendment) Act, 2020 shall apply to any proceedings relating to unfair termination of definite contracts of employment pending before the First Hall of the Civil Court, the Court of Magistrates (Gozo) (Superior Jurisdiction) and the Industrial Tribunal and which on the date of entry into force of this Act are still pending and have not become *res judicata*.

(2) The First Hall of the Civil Court and the Court of Magistrates (Gozo) (Superior Jurisdiction) shall, notwithstanding the provisions of this Act, remain competent to deal with those cases relating to unfair termination of definite contracts of employment of which it was seized before the coming into force of this Act including those which were transferred to the First Hall of the Civil Court and the Court of Magistrates (Gozo) (Superior Jurisdiction) by the Industrial Tribunal before the entry into force of this Act. The First Hall of the Civil Court and the Court of Magistrates (Gozo) (Superior Jurisdiction) shall continue to take cognizance of such cases until they are definitely decided by that court.

(3) The Industrial Tribunal shall, notwithstanding any pleas relating to lack of jurisdiction given before the coming into force of this Act, be competent to deal with those cases relating to unfair termination of definite contracts of employment after the coming into force of this Act.

Passed by the House of Representatives at Sitting No. 408 of the 7th December, 2020.

ANĠLU FARRUGIA
Speaker

RAYMOND SCICLUNA
Clerk of the House of Representatives