



Supporting Social Dialogue in the Age of Platform Work and Flexible Employment

Malta Country Report

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This report, forming part of the EU-funded project *Supporting Social Dialogue in the Age of Platform Work and Flexible Employment* implemented by the General Workers Union (GWU), examines the nature of platform work in Malta. Building upon the findings of the previous EU-funded *Mobile* project, which sought to strengthen social dialogue and improve conditions for intra-EU labor mobility in recognition of the vital role played by Third-Country Nationals (TCNs) in the EU Single Market, this analysis details the working conditions and multi-dimensional precarity defining Malta's platform economy. The analysis evaluates existing national legislation and sectoral collective bargaining to present actionable recommendations for policy and praxis. Its insights are grounded in the proceedings of a two-day seminar organised on the 30th June and 1st July 2026 by the GWU, featuring active contributions from platform courier workers, trade union representatives, social partners, and relevant governmental entities.

Market Dynamics and The Lived Realities of Platform Workers

Over the past decade, Malta's labour landscape has been heavily reshaped by app-based labour, primarily dominated by the food courier and passenger transport (Y-Plate) sectors. What began as a consumer convenience has scaled into a major structural pillar of the local economy. In a national labour market with over 135,400 foreign workers, Third-Country Nationals (TCNs) make up 70% of the registry. Platform work is heavily populated by these migrant workers, with 21% of this group concentrated in transport, storage, and retail distribution. Active TCN food couriers and passenger transport drivers peaked at 9,281 in June 2024. Following a government-mandated freeze on new work permits due to market saturation, the registered pool stabilised at 4,227 by November 2024. While many are officially registered under part-time or flexible statuses, over 80% of active platform workers rely on this digital labour as their primary, full-time livelihood.

While other flexible arrangements exist in Malta, such as zero-hour or on-call contracts, the platform economy has become the absolute archetype of modern precarity, which manifests in various distinct ways. Couriers operate in a hostile physical environment where they face long hours, extreme seasonal weather, and road hazards without basic physical infrastructure. Crucially, they lack designated waiting areas and access to restrooms, as many commercial establishments actively forbid couriers from using their facilities. Workers experience high rates of anxiety and emotional distress stemming from dehumanizing public interactions, including incidents where customers throw objects at couriers, refuse to pay, or physically assault them. These transient, abusive interactions leave workers feeling frightened and helpless. Moreover, because most platform workers are TCNs, they are subjected to intense migration-related bureaucracy. Processing delays for ID cards and work permit renewals routinely stretch over several months, forcing workers to live in constant fear of deportation, experience severe financial hardship, and frequently suffer rejection due to administrative errors made by their employers or agencies and also by their legal representatives during the appeal process.

Legislative Landscapes and Collective Bargaining

Under national framework developments, Subsidiary Legislation 452.127, the 'Digital Platform Delivery Wages Council Wage Regulation Order', stands as Malta's landmark legal mechanism designed to dismantle systemic precarity among food and consumer delivery couriers. The law formally defines platform work to encompass any labour organised via a digital platform or

intermediary work agency, irrespective of whether a direct contract exists between the worker and the end customer.

The primary breakthrough of this subsidiary legislation is its introduction of a legal presumption of employment, which automatically classifies couriers as standard employees rather than independent contractors. This classification shifts the legal burden of proof onto platforms or agencies, granting couriers statutory social protections and labour rights such as basic minimum wages, a regularised 40-hour workweek, mandatory overtime rates, and paid sick and vacation leave. Furthermore, the legislation establishes strict financial accountability by requiring employers to fully absorb operational expenses, such as fuel, delivery vehicles, insurance, and mandatory safety gear, while strictly forbidding the deduction of recruitment fees from workers' earnings. Beyond basic wage protections, the framework legally mandates absolute transparency regarding automated workplace management. Employers must disclose how automated monitoring and decision-making systems track, evaluate, or affect couriers' daily working conditions. To address the isolation of the gig economy, the order also mandates representation and digital communication rights, forcing platforms to build private, secure channels within their applications where workers can communicate with trade union representatives without employer surveillance or interference.

Despite these legislative baselines, wider collective bargaining coverage in Malta's private sector remains heavily subdued, sitting below the 50% threshold. In the platform economy, trade unions face major structural barriers to organising. Because the algorithmic interface of the platform economy is designed to isolate workers, food delivery couriers accept tasks on mobile applications without needing to communicate with employers or colleagues, ensuring a collective identity is non-existent and leaving workers individualised and isolated. This deep fragmentation makes it nearly impossible for unions to identify, contact, or legally engage platform workers at their actual place of work to verify the statutory threshold of 50% plus one required for official union recognition. Despite these hurdles, Malta achieved a major milestone when the General Workers Union (GWU) signed a historic collective agreement in June 2026 with the Malta Delivery Fleet Operators Association (MDFOA). Spanning two digital platforms and 11 fleets, this agreement directly covers approximately 1,000 couriers, regulating base pay, setting working hours, guaranteeing algorithmic transparency, prioritizing health and safety, and completely abolishing zero-hour contracts across member fleets.

Strategic Policy Recommendations

While Malta's S.L. 452.127 positioned the country at the forefront of EU platform work policy, the broader gig economy remains fractured. While couriers are now protected, other sectors like ride-hailing (Y-plate operators) still operate in a regulatory vacuum. To address these gaps, the following measures are proposed:

Addressing Infrastructure and Administrative Precarity

- **Remuneration Reform:** Platform operators must urgently reform the predatory "60/40" repayment splits and phase out exploitative pay structures in favour of stable, guaranteed base salaries.

- **Administrative Streamlining:** National authorities must reform the migration system for TCNs by introducing fast-tracked visa renewals, direct work permit portability (decoupling a worker's legal status from a single employer), and transparent online status-tracking.
- **Digital Labour Hubs:** Authorities and platforms should co-fund and construct dedicated, climate-controlled 'digital labour hubs' in strategic locations to provide seating, charging stations, and sanitary restroom facilities.

Transposition of EU Directive (EU) 2024/2831

- **Horizontal Expansion:** The upcoming transposition must expand horizontally to cover all digital platform sectors, including passenger transport and ride-hailing, rather than remaining limited to delivery couriers.
- **Preserving Stronger Local Protections:** The domestic transposition must achieve a non-regressive synthesis, meaning Malta's stronger, automatic, and immediate presumption of employment must be preserved over the EU's weaker conditional trigger criteria.

Capacity Building and Sectoral Bargaining

- **Leveraging the National Action Plan (2026):** The government should utilise the National Action Plan for Collective Bargaining to establish High-Level General Agreements and introduce a lower 30% density threshold for union recognition in highly fragmented sectors.
- **Targeting the Ride-Hailing Sector:** Sectoral dialogue must be established for Y-plate operators to address and eliminate their ongoing operational and financial precarity.
- **Resource Allocation:** Financial support and capacity-building funds proposed in the National Action Plan must be strategically directed toward building specialised organising infrastructure in platform and flexible employment sectors.

Robust Monitoring and Proactive Enforcement

- **Combating Intimidation and Non-Cooperation:** The Department for Industrial and Employment Relations (DIER) must be equipped with resources to actively combat employer non-cooperation, assist workers facing language barriers, and eliminate the climate of intimidation that prevents exploited couriers from testifying in court.
- **Mandatory Inspections:** Proactive, unannounced inspections must be primarily addressed to non-signatory fleet operators and unregularised entities to turn legal rights into real-world protections across the entire industry.

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