

Department of Contracts  
Notre Dame Ravelin  
FLORIANA

To Permanent Secretaries  
Directors General  
Directors  
Heads of Public Sector Organisations

17 December 2024

**FURTHER TO: AWARD OF SERVICE CONTRACTS AND PEGGED RATES (2024):  
SALARY SCALES 18 AND 20**

Reference is being made to the Cost-of-Living Adjustment (COLA) increase of €12.81 weekly and €0.32 hourly, as announced in the 2023 Budget Speech, covering year 2024.

To ensure that the principle of *‘Equal Pay for Equal Work or Work of Equal Value’*, as depicted in the Employment & Industrial Relations Act of 2002 (Chapter 452, Part IV) is adhered to, additional information to Contracts Circular N° 01/2024 (dated 10 January 2024) and Contracts Circular N° 12/2024 (dated 04 October 2024) in relation to the Pegged Rates for Salary Scales 18 and 20, is being brought to the attention of all Stakeholders, namely the Contracting Authorities / Entities and Economic Operators.

Accordingly, as specified in Contracts Circular N° 12/2024, *‘further to Contracts Circular N° 01/2024, it shall be noted that all Service Contracts classified under Salary Scales 18, 19 and 20 (irrespective of the nomenclature utilised) shall be eligible for an Additional [one-time] COLA Payment’*.

To ascertain clearer administrative management, the aforementioned additional one-time COLA Payment entitlement is now being reflected into Minimum Hourly Rates, thus, allowing both the Contracting Authorities and Economic Operators to calculate the monies due in a more convenient and proportionate manner.

To this end, the Minimum Hourly ‘Total Rate Payable to Contractor’ and the Contractor’s employees ‘Basic Rate’ for Year 2024 shall be amended as necessary and applicable. The above COLA entitlement requirement is applicable to all the Public Administration, thus, Public Contracts for Services awarded by

Contracting Authorities / Entities in the Public Service and in the Public Sector, which cover the above-mentioned Salary Scales.

Contracting Authorities / Entities are being advised that the ‘Minimum Hourly Rates’ depicted in the table below supersede the rates forming part of Contracts Circular N° 01/2024.

2024 Minimum Hourly Rates (excl VAT)				
Government Salary Scale	Monday - Saturday Basic Rate *	Sunday Basic Rate *	Monday - Saturday Total Rate Payable to Contractor	Sunday Total Rate Payable to Contractor
Service Salary Scale 20	€ 5.74	€ 11.48	€ 8.16	€ 13.90
Service Salary Scale 18	€ 6.66	€ 13.32	€ 9.42	€ 16.08

*\* The ‘Basic Rate’ refers to the ‘Rate Payable to the Contractor’s Employees*

In this regard, Contracting Authorities / Entities and Contractors are expected to liaise together and conduct adequate analysis to determine if such Salary Scales are within their specific Contract for Service. Thereafter, Contracting Authorities / Entities shall coordinate the relevant changes and implement all necessary actions in full adherence to the COLA entitlement measure. Thus, signed Public Contract Agreements shall be reflective of the revised Minimum Hourly Rates.

Furthermore, with regard to Procurement Calls which are not yet signed (including those at the Pre-Publication / Vetting, Publication and Evaluation Stages) Contracting Authorities / Entities shall also take into consideration this additional COLA entitlement for Salary Scales 18 and 20.

Contractors are reminded that they are under the obligation to pay their Employees for the hours such employees were engaged on each relevant Public Contract, ensuring that the monies paid comply also with any applicable regulations and legislation.

**All the other content of the original Contracts Circular N° 01/2024 as well as Contracts Circular N° 12/2024 remain applicable.**

## **Contact**

Contracting Authorities / Entities may submit any queries in relation to the generic content of this Circular to the Department of Contracts' Customer Care service on [info.contracts@gov.mt](mailto:info.contracts@gov.mt) or by calling on +356 2378 1001.

However, regarding specific queries vis-a-vis the relevant 'Basic Rates' (or any other applicable monies) payable to the Contractor's Employees, interested parties (including Contracting Authorities / Entities and Contractors) are to contact the Department for Industrial and Employment Relations on [contract.dier@gov.mt](mailto:contract.dier@gov.mt) or on Freephone 1576.

Adrian Dalli

Director General (Contracts)