One of the legacies of the 164 years of British rule in Malta has been an Anglo-Saxon system of industrial and employment relations based on voluntary bipartisan collective bargaining at enterprise level. Like their counterparts in Britain, the main point of reference for Maltese trade unions at the workplace is the shop steward, who acts as the representative of the trade union at the enterprise. Statutory institutions at workplace level representing the interest of the workers, which are visible features in the European model on industrial relations, have been notably absent. Thus the consensual ethic, which tends to be well ingrained in the European model as a result of the existence of this institutional framework of workers participation, has been lacking in Maltese industrial relations. The Anglo-Saxon model tends to be more based on an oppositional stance. Another notable feature of Maltese industrial relations is the lack of collective bargaining at sectoral level. Collective negotiations take place at enterprise level on a single employer basis.

This attachment to the British model can be traced to the origins of Maltese trade unions back in the 19th century. The birth of the General Workers Union (GWU), still Malta’s largest trade union which has been one of the dominant actors in the local field of Industrial Relations since its registration in 1943, owes its origin to expatriates and other workers at the naval dockyard who were imbued with the militancy of their counterparts in Britain. In May 1946, its members, numbering 29,660 out of a national figure of 33,309, were organised in three sections namely: Army, Air Force, Admiralty (Baldacchino, 2009:12). The GWU, set up on the model of its British counterpart, developed an affinity with the British unions, especially with the affiliates of the Trade Union Council (TUC). The larger trade unions in Malta, have by and large been set up, inspired and run along similar lines.

A Shift to the European Model

Yet, in spite of the legacy of this British model and its persistent features, attempts have been made to shift the Maltese industrial relations system to the European model. Tripartite social dialogue at national level was institutionalized in 1990 through the setting up of the Malta Council for Economic Development (MCED). In 2001, this institution was given a legal status by the enactment of the Malta Council for Economic and Social Development (MCESD) Act (Chapter 431 of the Laws of Malta). The institutionalization of this social partnership mechanism and its subsequent codification at law contributed to relatively more harmonious industrial relations (Zammit, 2003:116). Although the integrative and collaborative spirit upon which this social partnership was designed may not have always prevailed, there has never been any subversive plot to abort this partnership. Subsequent Maltese Governments have sought to incorporate trade unions into the formulation of national labour, economic and social policy, rather than trying to marginalize them (Rizzo, 2003: 63).

This tripartite social dialogue was very conducive to the enactment of the Employment and Industrial Relations Act (EIRA) which came into force in December 2002. The enactment of this Act, which became possible following protracted discussions among the social partners at national level, brought in its wake a modicum of consensual ethic rarely seen in the field of Maltese Industrial Relations. Whether this development, becoming so visible 16 months prior to Malta’s EU accession in May 2004, was by default or design is a moot point. This Act, which came into force following prolonged discussions among the social partners, overhauled the practices of local industrial and employment relations. Indeed a review of developments in the Maltese industrial and employment relations during the five years of Malta’s EU membership (2004-2009) has to be viewed within the context of the provisions of the Employment and Industrial Relations Act (EIRA) and the amendments which followed suit.

This Act amalgamated the two previous legislative pillars of labour law namely: the Conditions of Employment and Regulation Act (CERA 1952) and the Industrial Relations Act (IRA 1976). The innovations introduced in this Act were made to overhaul the features which had become defunct in the two
previous laws (cited above), to recognise new ways of organising work and at the same time conform to the provisions of the European Union’s Acquis Communautaire (Baldacchino, 2003:213).

In 2002, in preparation for EU Accession, prior to the enactment of EIRA, Legal Notices were drafted and approved by Parliament. These Legal Notices sought to harmonise national legislation with the policy of the European Union’s Acquis Communautaire as well as to adopt the basic features of the EU’s revised Social Chapter. They included regulations related to Parental Leave Entitlement, Guarantee Fund, Part-Time Employees, Posting of Workers in Malta, Contracts of Service for a Fixed Term, Information to Employees, Collective Redundancies and Transfer of Business (Protection of Employment). After the coming into force of EIRA, additional regulations were drafted to transpose EU Labour Directives. From 2004 to 2008, 37 Legal Notices related to EIRA were drafted and approved by parliament (Web Site: Ministry for Social Policy). Practically all the EU Labour Directives were transposed within the time frame set by the EU Commission.

And yet, while these Directives were often transposed verbatim into regulations, little notice may have been paid to their substantive features. In the Maltese Regulations transposing the Directive establishing a general framework on Information and Consultation, the method of calculation for the 50 employees (Article 3 (1) of the Directive) is not specified. These Regulations also fail to make specifications about the timing of consultation, except what is mentioned in Article 4.3 and 4.4 of the Directive. Even in the transposition of the Directive of European Work Councils (EWCs) there are no additional information and consultation requirements other than those found in the Directive.

Due to this apparent lack of effort by the Maltese legislators to go beyond the minimum requirements of most of these Directives, there are a number of shortcomings in the Maltese Regulations. A case in point concerns the Maltese Regulations transposing the Directive relating to collective redundancies. The exclusion of workers on a fixed term contract is not clear. There are no provisions for those circumstances when negotiations and consultations lead to a stalemate. The participation of experts in the negotiations is not defined. As regards collective redundancies, Maltese legislators opted to transpose Article 4.4 of the Directive which states that in those cases where collective redundancy is the result of a judicial decision the regulations shall not apply. The Regulations stop there, without any detailed provisions for due process accompanying the liquidation of firms.

There has not been any case law relating to the implementation of the Regulations that transposed EU Labour Directives such as would provide evidence about their proper implementation or lack thereof. Anecdotal evidence, gleaned by interviewing a few trade union officials, suggests that the impact of these Directives on Maltese labour and employment relations was neither substantial nor negligible. The introduction of information and consultation rights in Maltese law via the Directives may not have had a strong appeal to the trade unions, which, having secured a bargaining power base at enterprise level, had already established such practices. It is on the issues of relocation and closures that they seem to be very sensitive to the timing of information and manner of consultation.

The implementation of the regulations relating to information and consultation would be more effective among the non-unionised work force (comprising around half the labour force) and even more so the workforce not covered by any collective agreement (comprising around one third of the workforce). Union officials maintain that enforcement agencies should focus their attention on those undertakings with a non-unionised workforce since in those undertakings where trade unions are recognised these can deal adequately with the issues addressed in the Directive. There seems to be no evidence of a monitoring exercise on the implementation of these regulations in such more vulnerable sectors. According to the transitory clause of the Maltese Regulations, in March 2008 these Regulations were to apply to undertakings with 50 or more employees. Assuming that most of the small firms tend to be non-unionised and not covered by collective agreements, such a monitoring exercise should ensure a higher degree of enforcement.

The Directive most exposed to the test of implementation during these five years has been that relating to Collective Redundancies. There was one instance where the trade union representing the workers protested about the non-compliance with the relevant Directive of the transposing Regulations. This case was the closure of Interprint; a state-owned enterprise whose core operations consisted of printing and binding books for both the international and local market. The Secretary of the GWU section representing the employees in
this firm complained that he was not informed in writing about this closure as stipulated in the law, claiming that the announcement was instead made in the media through a press release by the Department of Information (The Malta Independent 3/06/05 p.3 and Orizzont 3/06/05 p.2). The government immediately retorted that it was going to abide by the law. Eventually discussions were held between the union and government officials.

In other cases of collective redundancies, most of them occurring in the manufacturing sector, there have not been any reports of non-compliance. The secretary of the Manufacturing Section of the GWU was quoted as saying in an interview (6th July 2006) that he had been informed in good time about the planned redundancies. In contrast in January 2002, Portanier Brothers Ltd closed down and transferred its franchise to Farsons. All the 120 employees who found the doors of the factory closed on reporting for work were summarily dismissed. The company did not give any prior notice to the trade union which was representing these employees. Since at that time the Directive had as yet not been transposed the union could not take legal action.

Thus, the awareness of the provisions of the Legal Notice relating to Collective Redundancies must have brought about an improvement to the workers’ plight as regards their rights in the process of the termination of their employment. In a number of cases consultations resulted in a reduction of dismissed workers and in mitigating the consequences of such dismissals. Also for cases of take-over bids, it was the EU Directive (2004/25/EC) that introduced a statutory framework in Malta dealing with this eventuality. Take-over legislation in Malta had been practically non-existent before the transposition of this Directive which binds the board of directors of the offeree company to communicate with the representatives of its employees or, where there are no such representatives, the employees themselves (MFSA Listing Rules Chapter18 Clause 30).

What however is striking about the transposition of these EU Directives is the fact that they failed to generate any national debate. In the context of the protracted discussions among the social partners that preceded the enactment of EIRA, this lack of debate sounds rather paradoxical. The only Directive that generated a national debate was the Working Time Directive. Malta is one of the few member states that have taken the option of not applying Article 6 of the Working Time Directive concerning aspects of working time which specify a maximum average working week (including overtime) of 48 hours. The Maltese social partners vehemently expressed their disagreement with the initiative taken by the European Parliament in May 2005 to repeal the “opt-out” clause. On this issue the social partners presented a common front.

The discussion that the transposition of this Directive generated may be due to the fact that it is deals with a substantive rather than a procedural issue. Maltese trade unions do not tend to show the same level of concern about the procedural issues of industrial relations as they do about the substantive ones. Being work-based in structure and traditionally more dedicated to collective bargaining, they are wary of the procedural practices invoked by the EU Directives especially those prescribing institutional forms of workplace representation, fearing that these may be used to bypass the trade union. They are still attached to the practice of appointing a shop steward to act as their representative at the workplace. This is a typical case of the persistence of the British model of industrial relations where the unions tend to exert their power at enterprise rather than at sectoral level. They tend to be suspicious of any move that may tinker with this practice.

**Form and Substance**

In the institutionalization of workplace representation through EU Directives, the larger Maltese trade unions see the threat that they may pose to their cherished autonomy and interference in their bargaining role. Indeed during the span of these five years, 2003-2008, they have witnessed the abolition of the post of worker director in all the state-owned or state-run enterprises. In these issues with one exception, their voice was conspicuous by its absence. The exception was in the abolition of the post of worker director at the Bank of Valletta in December 2008. In this case the General Workers Union (GWU) made a token of resistance to government. Through articles in its newspapers and the protest of the Secretary of its Professional, Finance and Services Section, it expressed its disapproval and urged government to revise its decision. In contrast, the other trade union involved in the industrial relations of the bank, the Malta Union of
Bank Employees (MUBE), gave its tacit approval. The GWU also gave its same tacit approval to directors of Maltacom to abolish the post of the worker director in January 2007. The post of the worker director, established in the 1970s as part of the policy to make Maltese industrial relations more European in outlook, has hardly ever enthused the Maltese trade unions. EU membership does not seem to have caused any change in attitude. It may well be argued that the process of harmonisation with and toward Europe seems to have been more a matter of form than of substance.

Thus the complete shift towards the European model of industrial and employment relations, started in 1990, has still not occurred. The EU Directives may have introduced forms of European labour policy into Maltese law, but not necessarily its substance, or its underlying principles. Even the social dialogue, in spite of being institutionalized in Malta for almost two decades, has still not been complemented by a spirit of the social compromise evident in other European countries. High trust relationships between the social partners are exceptionally rare. This lack of trust is very visible in the debate, often initiated by employers, about rigidities of the labour market. In this ongoing debate, ‘flexicurity’ has become a key word. Employers argue that in order to put into practice the principles of flexicurity, some relaxation of the employment contract, as promulgated in labour legislation, is necessary. This type of discourse makes trade unions wary of this concept as they fear that its implementation may make it easier for employers to sack workers or eliminate benefits. By the same token, employers fear that flexicurity may be equated with more rights for workers and increasing burdens and costs to employers. Rather than providing an opportunity for the social partners to find common ground, the issue of flexicurity seems to have reinforced the ‘us’ and ‘them’ dichotomy between representatives of capital and labour (Centre for Labour Studies, 2008). There seems to be serious fault lines in the bridges that have been built to bring about a higher level of consensus.

Perhaps Malta’s integration with the European Union in its labour regime in both form and substance was better achieved through the monetary policy. The changes induced by Malta’s entry into the Euro Zone and adoption of the common currency in January 2008 could not avoid having an impact on industrial relations. European Monetary Union (EMU) entails a strict commitment to maintain a non-inflationary economy. This tightened monetary policy drastically reduced the room for manoeuvre for adjustments mechanisms by the state, thus curtailing discretion over wages policy. As workers could no longer be assured of ever increasing their economic gains in collective bargaining, the maintenance of the purchasing power of the workers’ pay packet became the main preoccupation of the trade unions. In its wages policy the state also attempted to introduce some austerity measures by calling for a moderation of wage increases.

Wage policy is always related to productivity trends because the difference in unit wage trends - even when offset by exchange rate adjustment - have an impact on profit levels and medium-term prospects of development (Busch, 1993:133). Still the trade unions feel that in an economy where government has little leverage and is being forced to adopt deflationary policy and reduce domestic money supply, the parameters affecting wage policy are being determined by forces alien to labour (ibid:138). In other words, the state’s regulatory power to reconcile the conflict between labour and capital may be heavily curtailed and it is therefore no longer able to steer a public policy amenable to the demands of the trade unions.

A Change of the Economic and Social Landscape

As a result of this change in the socio-economic landscape of the post-EU membership scenario the social compromise assumed different dimensions. In collective bargaining, trade unions were constrained to be more concessionary and flexible so as not to be accused of hindering the promotion of the competitiveness of a micro state in a stage of transition. As representatives of the workers, they had to be part of the solution in fending off the ominous threats to the competitiveness of Maltese industry. Though the perception may prevail that these pressures were particularly felt in the manufacturing sector, the public sector was not immune from the vagaries of this new monetary policy.

The changes in the occupational structure, induced by a stricter monetary policy, may not have been palatable to the trade union movement. Like their counterparts in Europe, Maltese trade unions tend to be very strong in the public and the manufacturing sectors. Both of these registered a sharp decline in employment in recent years. While the reduction in the manufacturing sector was mainly the result of decisions by multi-national firms to relocate their operations to countries with lower labour costs, the decrease in the public sector was induced rather by government’s policy of conforming to the Maastricht
criteria. Reduction in public sector employment occurred through privatisation of public utilities, voluntary retirement schemes and restrictions on non-essential recruitment in government departments. As the table below shows, taking 2003 as the base year (the year prior to EU accession), there has been a spiralling decline in employment in the public sector, with an annual average decrease of 1,244 employees between 2004 to 2007.

Table 1: Employment in the Maltese Public Sector 2003-2007

<table>
<thead>
<tr>
<th>Year</th>
<th>Employment in Public Sector</th>
<th>Percentage of the gainfully occupied</th>
<th>Decrease in numbers.</th>
<th>Decrease in percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>47,446</td>
<td>32.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>46,748</td>
<td>32.1</td>
<td>698</td>
<td>1.4</td>
</tr>
<tr>
<td>2005</td>
<td>45,686</td>
<td>31.3</td>
<td>1062</td>
<td>2.3</td>
</tr>
<tr>
<td>2006</td>
<td>43,806</td>
<td>31.5</td>
<td>1880</td>
<td>4.1</td>
</tr>
<tr>
<td>2007</td>
<td>42,470</td>
<td>30.2</td>
<td>1336</td>
<td>3.0</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>4,976</td>
<td>10.8</td>
</tr>
</tbody>
</table>


The closure of Malta Shipyards Ltd at the end of 2008 must have exacerbated this decline. In November 2003, after a restructuring exercise had merged the two state-owned enterprises - Malta Shipbuilding Company and Malta Drydocks - into Malta Shipyards Limited, 900 employees in these two industries were declared redundant. This was part of the fitness exercise needed to make this subsidy-addicted company economically viable by 2008 when according to the agreement between the Maltese Government and the EU Commission, the company could no longer be subsidized. As by the end of year 2008 Malta Shipyards Ltd did not manage to become economically viable, the company was wound up and its assets offered for sale. Most of the 1,700 employees, still on its books, either took a severance pay or an early retirement scheme.

Trade Union Membership

In spite of these reductions in sectors which tend to be heavily unionized, up to the year 2007 the statistics for trade union membership compiled by the Registrar of Trade Unions do not record overall decreases in national trade union membership. However, the 2008 figures reveal a decline of 3,845 over those of the previous year (see table 2), with the GWU registering a decrease of 4,650 members (Registrar of Trade Unions, 2009:510). The Union Haddiema Magħqudin (UĦM), the countervailing force of the GWU, did not register an overall decrease. Yet if one were to eliminate the increase in pensioner members a slight decrease in membership is also visible in this union. These declines are a reflection of the loss of employment in those sub sectors of the economy that have traditionally been heavily unionized, such as the garment and textile sector, the public sector and Malta Shipyards.

Table 2: Trade Union Membership 2004-2008

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership</th>
<th>Density*</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003/2004</td>
<td>86,248</td>
<td>62.8</td>
</tr>
<tr>
<td>2004/2005</td>
<td>86,540</td>
<td>62.5</td>
</tr>
<tr>
<td>2005/2006</td>
<td>87,468</td>
<td>62.9</td>
</tr>
<tr>
<td>2006/2007</td>
<td>88,786</td>
<td>63.2</td>
</tr>
<tr>
<td>2007/2008</td>
<td>84,172**</td>
<td>57.6</td>
</tr>
</tbody>
</table>

Source: Registrar of Trade Unions
*Calculated from the statistics for Gainful Employment provided by the Employment and Training Corporation (ETC) for Gainful Employment.
** Provisional- is likely to be revised upwards slightly.

Whether the employees who had ceased to be employed in the public sector together with those shed from Malta Shipyards and the manufacturing sector retained their trade union membership is not known. What may preoccupy these two general unions is that the redundant workers, even if they retain their membership, may be finding employment in sectors, such as in the services sector, where traditionally trade unions do not
wield much power or influence. Thus the loss of a number of core members, compounded by the shrinkage or the total disappearance (as in the case of Malta Shipyards) of a base from where they used to exert strong leverage has lowered the bargaining power of trade unions. 

Sensing that the wind is not blowing in their sails, the larger Maltese trade unions have been trying to cast themselves more in the mould of social movements. In other words, while still playing their role of defending the vested interest of their members, they are making greater efforts to portray the image of being a sword of justice, by becoming more vocal on issues which go beyond the confines of the workplace. They have kept a high profile in the debate about pensions, social security benefits, unemployment and the revised water and electricity tariffs announced by Government. In order to be equipped with more tangible data about the purchasing power of the workers, the UĦM has been conducting a monitoring exercise on inflation.

Transnational Inter-Relationships

Even the issue of undocumented immigration, about which Maltese trade unions have been rather mute, has lately attracted their attention. The GWU issued a policy document in which it affirmed its principles about the plight of these immigrants. In its drive to improve the conditions of work of the immigrants who are active in the Maltese labour market and at the same time help them integrate into Maltese society, the GWU has engaged amongst its staff a former director of an open centre which hosts the irregular immigrants. His work mainly consists of acting as a mediator for these immigrant workers with their employers and with the trade union. This initiative proved to be a very effective recruitment exercise because a number of these immigrant workers became GWU members (Darmanin, 2009:12-13). In the meantime, the UĦM, in order to manifest its sensitivity to the issue, has opened a web site inviting the Maltese to express their views about this issue.

These initiatives are sending the message that Maltese trade unions have lately become less simplistic and nationalist and instead more Europeanised. Maltese trade unions officials in their fervour to look after the interest of their constituents have in the past made statements, sometimes in xenophobic tones, advocating protectionism in employment policies. In their latest effort to raise their voice about the plight of the immigrant workers they are distancing themselves from this side of protectionism in employment policies and toeing the line of the European Trade Union Confederation (ETUC) of which they are affiliates. The wild cat strikes in Britain against immigrant workers were condemned by the ETUC secretary-general who is a former secretary-general of the Trade Union Council (TUC) in Britain.

The affiliations of the larger Maltese trade unions with the European umbrella organisations or bodies, which have increased with EU membership, have enhanced their image as a social movement. The two main local trade union organisations - GWU and UĦM - had been members of the European Trade Union Confederation (ETUC) before Malta’s EU accession. However with EU membership they have reinforced their European and international credentials through their membership and active participation in EU-funded institutions. Representatives of the Maltese social partners are members of the European Economic and Social Committee (EESC) which acts as a bridge between EU Commission and civil society. They also take an active part in the various sub committees within this institution. Another EU-funded institution where the Maltese social partners are involved with their European counterparts is the European Foundation for the Improvement of Living and Working Conditions located in Dublin. This foundation, established to work in specialized areas of EU policy, was set up in 1975 by the European Council to contribute to the planning and design of better working and living conditions in Europe.

Moreover through the European Works Councils (EWCs) the workers’ representatives in Malta were given the opportunity to attend meetings where they could take part in the discussion on a transnational basis about issues directly related to their workplace. In a culture where statutory institutional forms of workers’ representation at the workplace are absent and where enterprises operate on a one-tier Board structure - another relic of British practice - the EWCs have made management and employees and their representatives aware that consultation and information are not limited to collective bargaining at a purely national level.

Top trade union officials and top management personnel may have already been conscious of the macro level of industrial relations and business operations before the transposition of this Directive related to EWCs.
However, to the actors involved in industrial relations, the transnational element of EWCs provided them with a different dimension of business operations and the relation between capital and labour. The affiliations to international supra government bodies and attendance at transnational meetings must have given the trade union officials a wider exposure and deeper insight of international issues and how these can impinge on national policies. What this implies is that like their counterparts in Europe, the larger Maltese trade unions are trying to be more visionary and forward-looking in their policies, rather than resisting change. Their voice has however not been so vocal about corporate social responsibility and its underlying principles of urging companies to integrate social and environmental concerns into their core business operations.

**Work-Life Balance**

Of course, bread and butter issues remain the top priority of Maltese trade unions. These cannot afford to distance themselves from the grassroots level in order to assign more priority to international issues. Perhaps the policy of the larger Maltese trade unions to keep close to the grassroots level has been key to their ongoing resilience. The growing heterogeneity of members with the wide divergence of opinions this brings in its wake has put added pressure on trade unions to focus on new substantive issues in their collective bargaining.

One of these substantive issues is work-life balance; often associated with family friendly measures. The growing number of women in the labour market and the increase in the dual worker family has brought to the fore the issue of work-life balance. Child care has become a major problem for the two-earner family while the demographic trends have moved the issue about the responsibility of the elderly and dependants up the social agenda. EU social policy, which addresses this issue, was inspirational for the adoption of the Directives dealing with family friendly measures.

EIRA makes provision for family friendly measures in the spirit of the EU Social Agenda and in conformity with the Directives. It grants unpaid leave to parents to take care of their child (born, adopted or in legal custody) for a period of three months to be availed of up to the time the child attains the age of eight years. Workers are also entitled to up to fifteen hours with pay every year as time off from work for urgent family reasons. Moreover the law also makes provisions for employees who opt to work reduced hours to be paid pro rata wage applicable to a whole time employees in similar employment and to the entitlement of all other benefits on a pro rata basis.

These are considered to be minimum standards and in their bargaining trade unions have tried to go beyond these measures. In this regard, they have been very successful in the public sector. The government, acting as a model employer, agreed to grant its employees more favourable family friendly measures than those provided by the law. In fact following the latest collective agreement between government representatives and the trade unions (January 2005), civil service employees can avail themselves of a 12 month period of parental leave as well as the possibility of teleworking. Moreover employees entitled to parental leave can opt to work on a reduced time-table until the child reaches the age of twelve years.

In the budget speech for 2007, the Prime Minister announced his government’s intention to extend these favourable family friendly working conditions of work to all employees in the public sector. This announcement gave rise to contestations. What constitutes the public sector is not very clear. Employees of the Central Bank of Malta can only work on reduced hours until the child is four years old. The recognised house union, Union Ħaddiema Bank Ċentrali (UĦBC), protested against the policy adopted by the Bank’s administration. It sent a petition, signed by a large of number of employees, to the Minister for Family and Social Solidarity asking her to intervene to enable the employees at the Central Bank of Malta to benefit from the same favourable family friendly conditions of work granted to employees in the civil service. No action was forthcoming from the Ministry.

This government’s decision to extend the favourable family friendly conditions enjoyed by employees in the civil service to all public sector workers elicited different reactions from trade union and employers. The Secretary-General of the Union Ħaddiema Magħqudin (UHM), stressed the win-win situation derived from achieving organisational effectiveness and workers’ well-being, and invited the Employers’ Association to a
meeting to discuss this issue. This invitation was, however, not accepted by the employers (Stagno-Navarra, 2007:14).

The private-sector employers expressed their concern that such a policy might lead to the extension of such measures to the private sector. They were very critical of this decision taken by government to extend the family friendly conditions of work which apply to civil service to the entire public sector. The President of the Malta Employers’ Association (MEA), stated that this is “another instance where provisions in the collective agreement have been bypassed; and any plans to extend such measures to the private sectors will be a mistake” (Fava, 2007:7).

The implications of these attitudes are clear. To many workers, especially those in the private sector, the reconciliation of work and family obligations will remain problematic. To the married women who have to conform to the culturally mandated role of motherhood, this scenario is not conducive to make them join the labour market. The female participation rate in the Maltese labour market, although registering an increase during the last five years, is still one of the lowest in the EU countries. At 38.5% in 2008, it is still wide of the target of 60% set by the Lisbon Agenda for the year 2010. In this case Malta is conforming to the culture of the Mediterranean countries rather than the other countries on the European mainland where family-friendly measures are more favourable and women’s participation rate in the labour market tends to be relatively high (Borg, 2009: 27).

As regards maternity leave, Malta, with 14 weeks, lags behind even other Mediterranean countries. The length of statutory maternity leave in Cyprus and Spain is 16 weeks while in Italy it is 5 months. The only countries with 14 weeks of maternity leave are Germany and Sweden. But in Sweden a full year of parental leave is available on full pay (Maternity Leave around the World website). The reaction of the Minister for Social Policy in Malta to the proposal of the European Commission to extend statutory maternity leave to 18 weeks does not indicate any predisposition of the Maltese government towards more favourable family-friendly measures. Questioning the timing of this proposal, the Minister for Social Policy was quoted as saying that:

“We do not feel it is opportune to take certain measures, including the extension of maternity leave with immediate effect” (Camilleri, 2009:112).

This statement, together with the one that “it is impossible to adopt a one-size-fits-all policy” have become rather stereotyped. The debate on this issue has highlighted the gap that exists between the ideal and reality, as the view prevails that measures aimed at helping workers achieve a better work-life balance can only be applied to a section of the public sector.

Conclusion

The objectives of the EU - as spelled out in white papers, documents and publications - have always stressed the importance of giving people a unique blend of economic well being, social cohesion and a high overall quality of life. The social model that emerged from this set of objectives fashioned a European culture, a way of thinking and a pattern of behaviour that tried to translate the abstract concepts of citizenship, equity and affluence into practical realities. This rhetoric very often does not match with reality as these espoused ideals cannot all be easily put into practice in the same way, and with the same enthusiasm, in all EU Member States.

By and large, Maltese policymakers have sought convergence with these social dimensions. Nevertheless, the adoption of the Acquis Communautaire in Malta did not oblige them to shock therapy. Most of the rights enshrined in the Social Charter upon which EU social policy has been designed had already been provided for in Maltese legislation anyway. Nevertheless, the principle of subsidiarity, inherent in the EU directives, was used by the Maltese legislators to adopt options that tended to maintain the status quo, such as in the case of the Working Time Directive.

It has to be stressed that this social model had to be pursued within a strict framework of a deflationary policy. One of the consequences of this inflation paranoia was the reduction of the so-called “bloated” public sector. This reduction of employment in the public sector was offset by an increase in the private sector so
that it did not cause a decline in the employment rate. The employment rate, which represents the number of employed persons as a share of the population aged between 15 and 64, had risen 2.1% - from 54% in 2004 (CBM Annual Report 2004 p.33) to 56.1% in 2008 (CBM Quarterly Review 2008:4 p.24).

What, however, is being questioned is the quality of the jobs that are being created. A situation that has emerged is the increasing number of workers engaged in atypical work. Malta has not been immune from this surge in atypical work (Zammit, 2009:30). It looks as if in the years that lie ahead the social partners will have to face the challenges that are as daunting as those they had to cope with during these last five years.

What emerges from the debate engaged in this essay is that the Maltese industrial and employment relations did not remain untouched during these five years of EU membership. The shift to a European model of industrial and employment relations, started in the 1990s, continued to gather momentum. EU Membership contributed to improved statutory provisions for workers’ rights regulating health and safety, discrimination, and employee representation in non-unionised workplaces. And yet, more could have been done by Maltese legislators and other players to bring Maltese social policy closer to the ideals and practices of the European social model.

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