

## **THIRTEEN YEARS LATER: TRADE UNIONS IN THE MALTESE PRIVATE SECTOR REVISITED**

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*Abstract.* This paper explores the latent power of Maltese trade unions in the private sector by reviewing the presence of collective agreements in force in 2008. The study adopts a similar methodology to one published in *Bank of Valletta Review* in 1996, based on 1995 data. Over this 13-year period, the number of private sector collective agreements in force has dropped from 212 to 168; the number of full-time, private sector employees covered by collective agreements is slightly higher (22,879 as against 22,128); but the proportion of the same employees covered by collective agreements is lower by 6.2 percentage points (from 32.9% to 26.7%). The data invites a sober reflection on the power of trade unions in contemporary society.

### **Introduction**

Sociologist Robert Merton formally introduced the distinction between manifest and latent functions; distinguishing, as he put it, between observable objective consequences and subjective dispositions (Merton, 1952: 24, 63). After all, one could argue that, if social actors define false or imaginary situations as real, these situations would nevertheless still be real in their consequences (Thomas and Thomas, 1928: 527). The conceptual distinction carries relevance in attempting an analysis of the power of social institutions in contemporary society.

Michael Poole perfected this conceptual duality to the study of trade unions. The key measure of a trade union's strength is its 'manifest power': essentially, its ability to exercise control over the employment relationship (at the enterprise level) and over labour policy (at a national or regional level). This

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manifest power, however, is largely dependent on the union's 'latent power', especially as seen, calculated and defined by the other social partners (employers, managers, consumers, government, the general public and political parties). Such latent power would of course include trade-union membership size, but also the positional (or strategic) power of such membership, the membership's willingness to follow union directives, and the general public's willingness to accept trade union actions as legitimate and do the same (Poole, 1986). Latent power is, by definition, not explicit and a trade union – as would individuals and other social organisations – would typically seek to expand, project and flex its latent power beyond its actual manifest parameters, since that would enable it to secure goals and objectives beyond its actual resource capability.

At the root of the power game, however, membership levels remain very significant. Trade unions, above all, know very well that membership levels represent a clear and tangible expression of their latent power. Which is why trade unions the world over undertake considerable efforts and expense to maintain – or, better, expand – their membership base, and perhaps even to tone down or under-report the extent of membership losses, when these occur.

In the Maltese context, ever since 1946, trade unions have been obliged to report their membership levels to the Director responsible for Labour, who would then see to their official publication. Annually, these annual reports – now published in the Government Gazette – arouse considerable debate, but also suspicion. Various commentaries have appeared in the press over the years, as they no doubt will continue to do, about the perceived rise and fall of the membership of a particular union, or of trade unions overall, based on these published statistics.<sup>1</sup> Such debates also include controversies as to how realistic and 'true' such declared membership figures are.

In this paper, we propose a different way of appraising the 'latent power' of trade unions in Malta by arriving at a different measure of their 'manifest power'. We will not comment on the number of individuals who are members of trade unions in Malta. One of us (GB) has been doing so on a regular basis for the past 15 years, and has recently questioned the veracity of some of the reported figures (Baldacchino, 2007). Moreover, we must take

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<sup>1</sup> The latest such report appeared in the Malta Government Gazette of January 20, 2009: <http://www.doi.gov.mt/en/gazetteonline/2009/01/gazts/GG%2020.1.pdf>.

cognisance of the fact that trade union membership figures in Malta do not only include workers as members. The definition of a trade union at Maltese law is generous and flexible enough to permit anyone – except the police and military personnel – to become a member of any trade union: students, non working housewives or husbands, pensioners, the unemployed – anyone, that is, as long as the majority of the members of that union are workers.<sup>2</sup> Of these non-working categories, the two largest trade unions in Malta – the General Workers' Union (GWU) and the *Unjon Haddiema Maghqudin* (UHM) – now have explicit sections for pensioners. These pensioner members represent over 11% of the currently registered trade union membership in the country.<sup>3</sup> It is therefore not necessarily pertinent to appraise a trade union's power and influence from declared and published membership figures.

There is, however, another way of assessing trade union power. After all, trade union membership figures *per se* are not intended to represent nationwide membership strength: only two trade unions in Malta today – the GWU and the UHM – are general unions who can be expected to command a large membership. Instead, trade union membership figures are a much better reflection of their crucial contribution as providing a trade union with the legitimacy to undertake collective bargaining, typically at enterprise level. Thus, a measure of a trade union's 'latent power' can be gleaned from the number of employees that have their conditions of employment covered by a collective agreement: such a situation typically means that '50% + 1' or more of the employees in that particular enterprise – or, exceptionally, in a recognised 'occupational category' within that enterprise – are members of that trade union which has negotiated and secured the collective agreement. After all, within the Maltese industrial relations scenario, collective bargaining is the trade union's most vital tool and cherished right.<sup>4</sup> As the cornerstone of trade union activity at a collective level, it is the process that would

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<sup>2</sup> The Employment and Industrial Relations Act (2002), Article 2, defines a trade union as "an organisation consisting wholly or mainly of workers, and of which the principal purpose is by its rules the engaging of relations between workers and employers or employer associations."

<sup>3</sup> 9,421 persons out of a total trade union membership figure of 84,172 reported for June 2008.

<sup>4</sup> Convention No. 154 of the International Labour Organisation (ILO) defines collective bargaining as the process of negotiation that takes place for the purpose of: (a) determining working conditions and terms of employment; (b) regulating relations between employers and workers; and/or (c) regulating relations between employers or their organisations with workers' organisation/s.

conclude tangibly in a collective agreement.<sup>5</sup> Other than the basic conditions of employment and the national minimum wage – which are established at law – wages and all other working conditions are essentially determined through bipartite, enterprise based, collective bargaining. The extant legislation merely establishes the ‘floor’, or the minimum conditions of employment, for those employees in enterprises where there is no recognized trade union representing a majority of employees and hence, not covered by a collective agreement.

## **Research Questions**

In a fairer measure of the latent power of membership in Maltese trade unions, we therefore propose three inter-related research questions. How well entrenched are Maltese trade unions for the purpose of collective bargaining? How does their latent power measure up in relation to the public and private sectors, and to specific sectors within the latter? And how has this power – measured as at 2008 – changed since 1995, if at all, when a similar study using a similar methodology was undertaken? We are taking up the challenge set in 1996, charting a comparative quantitative study that would allow valid comparisons of the data, and as has been done elsewhere (e.g. Brown, 1993):

“It would be interesting to return to this theme say, in 10 years’ time, and identify any trends on the basis of a comparative quantitative study” (Baldacchino, 1996: 30).

We already know that practically the whole public sector in Malta – which includes both civil service and statutory corporations, comprising around 40,600 workers (NSO, 2009) – is covered by sectoral collective agreements. Trade unions have assumed powerful positions over time in this sector and are key participants in any actual or contemplated public sector labour reform, as it may affect individuals or groups of employees. Collective agreements have been formally instituted in this sector, typically of 5-years

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<sup>5</sup> The Employment and Industrial Relations Act (2002) Article 2, defines a collective agreement as “an agreement entered into between an employer, or one or more organisations of employers, and one or more organisations of employees regarding conditions of employment in accordance with the provisions of any law in force in Malta”. This was the first time that the terminology ‘collective agreement’ was defined and mentioned under the Laws of Malta. In the Conditions of Employment (Regulations) Act (1952), the term “industrial agreement” was used instead.

duration. The current collective agreement signed on behalf of the Maltese Civil Service encompassing all state departments and ministries covers a period of 6 years (from 1st January 2005 to 31 December 2010) (Debono, 2008).

But what about the private sector: some 103,055 strong, including the self-employed (NSO, 2009)? How significant is the presence and membership – and therefore the ‘power’ – of trade unions where market forces prevail and where trade unions need to obtain recognition for the purpose of collective bargaining from private employers, be they Maltese or foreigners, large and small, in different economic sectors, operating in Malta? To what extent would ideologies and sentiments favourable, or hostile, to trade unions, impact on membership levels and therefore, indirectly, affect how many, and which, employees get to secure a collective agreement?

## **Methodology**

In attempting to answer such questions, and faithful to the approach used in the 1996 study, we cross-tabulate employment statistics for 2008 by economic sub-sector obtained from the Employment and Training Corporation (ETC) with the lists of collective agreements in force during 2008 – as obtained from both the Department of Employment and Industrial Relations (DIER) as well as the respective secretaries of the trade unions covering employees in the Maltese private sector: especially the GWU and the UHM, along with the Malta Union of Bank Employees (MUBE), the Malta Union of Teachers (MUT), the Malta Union of Midwives and Nurses (MUMN) as well as various other smaller unions.<sup>6</sup> We then compare the results of our study with a similar one, using a similar methodology, undertaken on the basis of 1995 data (Baldacchino, 1996; also available as Baldacchino, 2003). This permits a rare comparative critique of trade union membership trends over the 13-year (1995 to 2008) period.

Our research exercise is grounded in a particular characteristic of the Maltese industrial relations landscape. Contemporary industrial relations

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<sup>6</sup> There were 31 trade unions on the register as at June 2008. Of these, 22 had less than 200 members each. Not all of these would necessarily have collective agreements in place; and not all of any such agreements would necessarily cover employees in the private sector. Out of the 17 trade unions contacted by the researchers for the purpose of this exercise, four of the smaller unions did not respond.

in Malta continue to reflect the legacy, and traditions, of 164 years of British colonial rule (Rizzo, 2009). The basic point of reference for Maltese trade unions at the workplace remains the shop steward, who acts as the representative of the trade union at the enterprise, in the context of voluntary, oppositional, bipartisan collective bargaining, occurring at a micro, enterprise level – involving a single trade union and a single employer. The shop steward – a British invention – is the key trade union representative at the enterprise level and the fulcrum around which trade union activities (including membership canvassing, recruitment and mobilisation) are organised. Shop stewards operate in a nebulous zone, but continue to be regarded as “the most viable and vocal elements” of a unionised workforce. They are needed to canalise employee concerns, act as a communication links between management and labour and are interlocutors for individual grievances. They are principal guardians of trade union custom, culture and practice, and act as brokers in contested situations (e.g. Warren, 1971; Martin and Berthiaume, 1993; Brown *et al.*, 2009).

Meanwhile, the recognition of a trade union for bargaining purposes at a particular enterprise in Malta is normally based on the membership exceeding fifty per cent of the entire workforce. And yet, since the late 1970s, there has been an increasing disposition for “distinct occupational categories” within a workforce to set up their own trade union, claim and obtain separate recognition. Moreover, there have also been a few cases – especially involving German-owned manufacturing firms – where a trade union has been recognized by an employer and a collective agreement is negotiated, even though that particular union may have the largest number of members in the firm, but not enough to command a majority of employees in that firm as its members.

## Data Collection

According to the Employment and Industrial Relations Act (2002) Article 5, once a collective agreement has been signed, the employer shall within 15 days send a signed original copy to the DIER. Therefore, the starting point for the gathering of this paper’s crude data was a list of extant collective agreements (CAs), and the number of employees covered by each, obtained from this state department. The list we have obtained comprised around 200 entries and covering collective agreements which were concluded between

2004 and 2008. Since the typical life of a collective agreement in the private sector is 3 years, some companies featured twice on this list. To supplement, and at the same time corroborate, this DIER list, 17 separate trade unions that had private sector employees amongst their membership were contacted by one of the co-authors (RG).

At the same time, each company which had an extant collective agreement in 2008 was categorised according to the nature of its economic activity by means of its NACE classification.<sup>7</sup> This enabled all the companies in our list to be grouped under one of 11 distinct economic categories: (1) mining and quarrying; (2) manufacturing; (3) construction; (4) wholesale and retail trade; repair of motor vehicles, motorcycles and personal household goods; (5) accommodation and food services; (6) transportation and storage; (7) financial and insurance activities; (8) real estate, renting and allied activities; (9) education; (10) human health and social work; and (11) other community, social and personal service activities.<sup>8</sup>

Data from the National Statistics Office (NSO) covering 2008 was used to determine the number of full-time employees, and excluding the self-employed, engaged in each of the economic categories mentioned above.

We declare upfront that it was impossible to match the same dates for all the data gathered, but we were close. The data provided by the DIER was correct as at June 2008; data provided by the ETC was correct as at July 2009; while data provided by the NSO was dated June 2008. The information obtained about employment levels and collective agreement coverage from the various trade union officials is for June 2008 and was collected in August 2009.

## **Departures from the Norm**

When compiling the tables, some discrepancies from the typical 'one firm = one collective agreement' model were noted.

First, there are a number of private sector companies that had more than one

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<sup>7</sup> NACE is the Classification of Economic Activities in the European Union.

<sup>8</sup> The NACE Classification has 21 categories in all – but only the above-mentioned 11 of these categories had any private sector firms with collective agreements in place in Malta as at 2008.



collective agreement in force during 2008. These included firms that had two separate collective agreements for different categories of employees but signed with the same trade union: the GWU at Foster Clark, the UHM at Consolidated Biscuits, and the MUT at Garendon School. There were then a number of other firms which each had two collective agreements in place, but each of which had been negotiated by a different union on behalf of different categories of workers: the GWU and UHM find themselves representing different categories of employees in eight firms: Andrews Feeds; Medelec Switchgear, Playmobil Malta, Simonds-Farsons-Cisk, Panta Contracting, Panta Marketing and Services, Malta International Airport and J.F. Security Services. Moreover, the UHM and the Association of Airline Engineers (Malta) (AAE) have signed separate collective agreements at one firm: Lufthansa Technik Malta. Lastly, the GWU and the MUBE have both signed collective agreements at the two major commercial banks: Bank of Valletta and HSBC (Malta). Generally, the occupational division at the root of these arrangements is that between white collar/clerical/administrative/technical staff and blue collar/industrial employees.

Second, and in a few instances, the same collective agreement is noted to apply to two different firms, which however belong to the same owner or group of companies. And so, the collective agreement struck by the UHM and covering the employees of RTK (a radio station owned by the Catholic Church) is also applied to Media Centre Print (owned by the Catholic Church and operating from the same premises as RTK). The GWU has a collective agreement that applies to both the Union Press and Union Print, which, incidentally are both owned by the same GWU.

Third, one comes across a solitary example where a collective agreement covers employees engaged with more than one employer. This is the case of the GWU which has, for various years now, been involved in negotiating a collective agreement with the 200 or so employees engaged with five, separately owned, automobile import and servicing companies.

## **Discussion of Results by Sector**

Table 1 provides a snapshot of the respective penetration of trade unions in the private sector by NACE economic category in 2008, as measured by the securing of collective agreements.



**Table 1**  
**Collective Agreements in the Private Sector**

NACE Code	Economic Activity (By Sector)	Total F/T Employees June 2008*	F/T Employees covered by a CA in the Private Sector**	No. of Private Sector Firms with CA in 2008	% of Employees covered by a CA
01	Agriculture, hunting and related services	367	--	--	0.0
05	Fishing, fishfarming and related services activities	234	--	--	0.0
10-14	Mining and quarrying	392	16	1	4.1
15-37	Manufacturing	19,677	9,269	61	47.1
40-41	Electricity, gas and water supply	3	-	-	0.0
45	Construction	6,176	439	3	7.1
50-52	Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods	16,672	695	16	4.2
55	Food and accommodation	9,381	1,468	15	15.6
60-64	Transport, storage and communication	7,661	3,398	12	44.4
65-67	Finance and insurance intermediation	5,043	3,333	9	66.1
70-74	Real estate, renting and business activities	10,610	1,432	13	13.5
80	Education	3,281	1,907	10	58.1
85	Human health and social work	1,502	189	8	12.6
90-93	Other community, social and personal services activities	4,779	733	13	15.3
<b>Totals</b>	<b>85,778</b>	<b>22,879</b>	<b>161</b>	<b>26.7</b>	

*Source: NSO (August 2009)*

\* As per June 2008 (NSO) excluding self-employed figures

\*\* Section secretaries' estimates checked with ETC ranges

The data in Table I suggests that local gross collective bargaining coverage in 2008 stood at just over a quarter (26.7%) of the full-time private sector labour force. Financial intermediation, education, manufacturing and transportation and storage lead the pack as the four economic sectors with the highest density of collective agreements (with a coverage of 66%, 58%, 47% and 44% of full-time employees respectively). Together, these four economic sub-sectors provide employment to close to 36,000 full-time employees, or just over 40% of all such employees in the Maltese private sector.

In contrast, in terms of the securing of collective agreements, the least dense sectors are: agriculture and related activities; fishing and related activities; electricity, gas and water supply. Here, where almost 1,000 employees are involved, there are simply no collective agreements in place.

Amongst the remaining sectors, there are three – mining and quarrying, construction, and wholesale and retail trade along with general motor/goods repair – where trade union penetration is minimal: only between 4% and 7% of the firms operating in each of these three sectors had an extant collective agreement with a trade union in 2008.

This leaves four other economic sectors – food and accommodation services, real estate/rent and health/social work and other personal services – where between 13% and 15% of firms in each sub-sector had an extant collective agreement with a trade union in 2008.

Looking more closely at each of the key sectors offers some additional insights.

For example, the finance and insurance sector is the one with the highest relative proportion of firms with collective agreements in place in 2008. The sector includes banks, brokers, financial consultants, financial advisors and insurance companies. According to the Malta Financial Services Authority (MFSA, 2009) there are 22 licensed banks in Malta. Of these, only the four banks with the largest number of employees have a collective agreement in force. Meanwhile, out of 33 registered insurance companies and another 13 providing other insurance related services, only two had a collective agreement in force in 2008. Thus, the 66.1% of collective bargaining density in this sector depends on only nine companies: 4 banks (APS, Bank of

Valletta, HSBC and Lombard) along with 2 insurance groups (Untours – itself owned by the GWU – and MiddleSea Insurance). The latter had 4 collective agreements in place with various categories of its employees in 2008.

Turning to the education sector, the level of employment in this sector reflects the expansion of private education in Malta over recent decades. A closer look at the figure of 58% as collective bargaining density reveals that this is made up of 11 collective agreements struck with 10 entities. Most of the employees benefiting from a collective agreement in this sector are actually covered by a single agreement: that for the 1,459 teachers engaged in some 81 ‘church schools’ which include kindergarten, primary, secondary and post-secondary institutions in Malta and Gozo (Ministry of Education, Culture and Sport, 2008). Otherwise, only seven, non-state ‘independent schools’ had a collective agreement in place in 2008.

The manufacturing sector remains the one with the largest number of full-time employees in the private sector – although retail and wholesale trade is catching up. This is the sector where trade unions have traditionally been strongly organized. A series of changes is however underway: already in 2008, less than half of full-time employees in manufacturing were employed in firms that had a collective agreement in place. The ten largest manufacturing firms – each with 300 full-time employees or more – remain firmly unionised: Baxter, De La Rue Currency and Printing, Lufthansa Technik, Methode Electronics, Nylon Knittings, Playmobil, Simonds-Farsons-Cisk, ST-Microelectronics, Toly Products and Trelleborg Sealing Solutions. These ten firms – all of which except one (Lufthansa Technik) have been operating in Malta for various decades – are responsible by themselves for more than two out of every three unionised full-time employees in manufacturing in 2008 in Malta (a total of some 6,250 employees). This remains to date the hard core of private sector unionisation in Malta, since no other sector comes anywhere close to this extent of employee coverage by collective agreements. The remaining 3,000 or so employees covered by collective agreements in this sector are distributed across no less than 51 other firms. Over one third (38%) of all private sector collective agreements in force in Malta in 2008 were to be found in manufacturing.

Transport, storage and communication is the fourth and final sector with a collective agreement coverage that affected more than 40% of full-time,

private sector employees in Malta in 2008. There were 5 relatively large firms with collective agreements in place in this sector: Go,<sup>9</sup> Malta Freeport Terminals, Malta International Airport, Maltapost and Melita. Of these five, all except one (Melita) had a previous life as part of the public service or as a statutory body where the state had a controlling interest. Their current unionised status may have much to do with their earlier affiliation with the public service.

**Table 2**  
**Trade Union Infiltration Comparative Analysis**  
**2008-1995**

Sector	Total F/T Employees June 2008*	Total F/T Employees March 1995	F/T Employees covered by C/As 2008	F/T Employees covered by C/As 1995	% 2008	% 1995
Primary	933	1,002	16	--	1.6	0.0
Secondary	25,856	31,818	9,708	14,305	37.5	45.0
Tertiary	58,929	34,440	13,155	7,823	22.3	22.7
<b>Total</b>	<b>85,778</b>	<b>67,260</b>	<b>22,879</b>	<b>22,128</b>	<b>26.7</b>	<b>32.9</b>

\* As per June 2008 (NSO) excluding self-employed figures

Figures in this column must be added to the number of self-employed to match NSO published statistics

## **Discussion of Results via Time Comparison**

Table 2 is a comparative analysis of trade union coverage in the Maltese private sector over a span of 13 years.

Thirteen years may not sound like a very long time in labour relations; and yet, they are certainly enough to permit an identification of some significant changes in the structure of the Maltese economy, which in turn have an

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<sup>9</sup> By far the largest firm in this sector, with over 1,000 employees, Go is also a formerly state owned, statutory corporation (Maltacom). It is meant to have two collective agreements in place: one for general-industrial employees negotiated with the GWU and another just for graduate employees struck with the Unjon Gradwati Maltacom.

impact on employment distribution and trade union penetration. The first series of changes to be noted is the loss of just over 6,000 full-time jobs in the manufacturing sector over the period; along with the creation of some 24,000 jobs in the services sector in the same period.<sup>10</sup> With employment in the primary (extractive) industries practically unchanged, this has meant a net increase of over 18,500 full-time jobs in the private sector.

The total number of full-time employees in the private sector increased by 28% – from 67,260 in 1995 to 85,778 in 2008. Collective bargaining coverage overall has also increased marginally: 22,879 full-time, private sector employees were covered by a collective agreement in 2008 as against 22,128 in 1995.

However, the proportional coverage of collective agreements in the private sector decreased by an overall 6.2 percent points (from 32.9% to 26.7%) during the 13-year span. The secondary sector experienced a trade union coverage decline of a net 7.5 percentage points (from 45% to 37.5%). Collective agreement coverage in the services sector expanded in the 13-year period to include an additional 5,300 workers or so; however, this expansion of coverage was not enough to match the sector's increase in employment, resulting in an overall slight decline in collective agreement coverage in the services sector (from 22.7% to 22.3%).

This loss of trade union presence and clout in the Maltese private sector over the 1995-2008 span is also evident in the falling number of collective agreements in force in the same sector: from 212 in 1995 to 168 in 2008.<sup>11</sup> The data suggests that the main loser in this domain has been the GWU (one third fewer collective agreements signed in the private sector in 2008 compared to 1995) as shown in Table 3. From the 31 trade unions listed on the trade unions' register in January 2008, only seven have concluded collective agreements in the private sector.

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<sup>10</sup> We are only performing a quantitative review of employment changes in this paper – and so we do not venture into a discussion of the nature or quality of employment, job security, remuneration and other job-related features in any particular economic sector.

<sup>11</sup> The number of private sector collective agreements as reported in Table 3 (168) is slightly larger than the number of private sector firms having collective agreements as reported in Table 1 (161). This is because some firms are signatory to more than one collective agreement; while, less frequently, a number of firms are covered by a single collective agreement, as has been reported above.

**Table 3**  
**Private Sector Collective Agreements by Union**  
**1995 - 2008**

No. of Collective Agreements	GWU	UHM	MUT	MUBE	Others	Totals
2008	109	42	7	4	6	<b>168</b>
1995	158	42	3	4	5	<b>212</b>

## Implications

The data invites a sober reflection on the power of trade unions in contemporary society. Only around one full-time employee in four in the private sector was covered by a collective agreement signed between an employer and a trade union in Malta in 2008 – down from around one full-time employee in three just 13 years before.

The decline in trade union membership in recent decades has been a widespread phenomenon. In a similar vein, a number of distinct but interrelated features are challenging the position of trade unions in the Maltese private sector. One can hypothesize that the increasing number of working women; the decreasing mean size of establishments; the introduction and increasing sophistication of human resource management strategies; the tertiarisation of economic activity, and the more precarious nature of employment in this sector; paternalistic (and union-hostile) small firm ownership; the decline of societal solidarity and the ascendancy of careerist, manipulative and ‘free riding’ individualism are all eroding the traditional membership base for trade unions, in Malta as elsewhere.<sup>12</sup>

Collective bargaining remains the primary means by which trade unions seek to improve the collective conditions of workers, while continuing to represent individual members for specific grievances. And yet, trade unions are increasingly aware of the need to develop new policies to attract and appeal to new members.

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<sup>12</sup> For a general yet critical discussion, see: Bain and Elsheikh, 1979; Bain and Price, 1980, 1983; Boeri *et al.*, 2001; Bryson and Gomez, 2005; Elsheikh and Bain, 1980; Gospel and Wood, 2003; Kessler and Bayliss, 1998; Marchington, 1989.

Faced with these trends, it comes as no surprise that trade unions the world over are assessing their changing fortunes (e.g. Verma *et al.* 2002). One of the ways in which they have done so is to realign their mission and activities to move beyond their membership. Trade unions have targeted consumers to 'buy' such services as discount supermarket goods, insurances, child care services, travel packages, legal and consultancy services. They have also appealed directly to the public at large to support their initiatives, as in public demonstrations, petitions, and other forms of lobbying.

A solid membership base, other than as a source of revenue, is not that important in such contexts. They reflect a trade union's mandate as either (a) a service provider – interested in connecting with clients (who are not necessarily members) for one-off service provision; or (b) more of a social movement – interested in influencing public policy (and not just labour policy) through widespread popular support and appeal. But these initiatives certainly realign the power of trade unions beyond the workplace. In Malta, as long as collective agreements depend on securing sufficiently high membership levels, recruiting members will remain a trade union mantra.

In the long haul, it will be those trade union organisations that create an internal climate that fosters innovation and broad appeal that are likely to find the revitalization formula that works for their particular circumstances (Fiorito and Jarley, 2008: 10). The changing dynamics of the labour market provide both threats and opportunities to changing the latent power of trade unions in the 21st century.

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