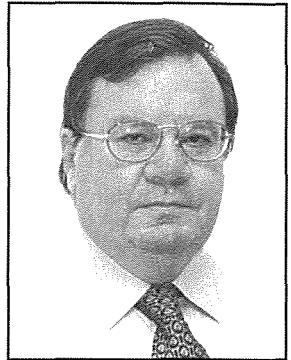


Foreword

It is both a pleasure and a privilege for me to write a Foreword to this book about *Evolving Industrial Relations in Malta*. Not only because I happen to occupy the 'hot seat' of the Director, Department of Employment & Industrial Relations within the public sector – and therefore, automatically, serving as Registrar of Trade Unions. I am also aware that the earlier authoritative local text on this subject was written by a former civil servant in this same department (then titled *Department of Labour*). Furthermore, I welcome initiatives between my Department and the WPDC, to our mutual benefit. Supporting this valid publication is one such opportunity.



This timely book clearly documents how much has changed in the sphere of industrial relations since Joseph Attard's book was published almost 20 years ago. One major difference which is having a major influence on the pattern of industrial relations in Malta is the growth of tertiary education and of specialist management training. The WPDC may be doing its limited but significant contribution to the cause of adult, worker education. And this investment is proving its salt, by the hundreds of workers and worker leaders, including many trade union officials and labour officers, who have been through one or more of the WPDC's courses. I myself have many fond memories of exciting debates in class leading to the Diploma in Labour Studies at the University of Malta, run by the WPDC. While the WPDC rightly focuses its limited energies on the education and training of 'workers', its efforts are part of the much larger investment underway today in general management education, whether at diploma, under-

graduate (e.g. B.A. or B.Com.) or postgraduate (e.g. MBA) levels.

Management is a decidedly professionalised career today. This ensures that individuals who are recruited to management tasks are generally skilled and trained in the subject. This argument applies just as well to trade union leaders. However, management is not just a technical task, learnt via knowledge, skill development and experience. It is also relational. It involves the ability to link up and liaise with other people in order to get things done and to promote the general interests of an organisation while being aware of the variety of stakeholder concerns.

My years in, and at the helm of, this sensitive department have made me appreciate the need to facilitate communication between management and workers; to develop trust between workers and their representatives as well as between managers and their subordinates; to avoid personal confrontations and rivalries which can easily escalate into industrial conflicts. Strikes and other forms of 'industrial conflict' – including such covert and not-so-obvious ones of absenteeism, low morale, sabotage, occupational accidents, petty theft or staff turnover - are damaging to all sides: to workers, employers, the firm, the economy. Failure to consult or inform is an all too common weakness. The resort to civilised discussion, and to professional conciliation or mediation services if need be, is a small price to be paid in exchange for industrial peace and job satisfaction.

One also has to be aware of the different power bases of trade unionists and worker leaders on one hand and managers and employers on the other. Management usually holds economic considerations in top priority: the need to maintain and bolster competitiveness is an ever present, ever urgent, concern in a small and open economy like Malta's. Trade unionists, in contrast, must keep track of the needs and demands of their membership – all the more so in a country where it is possible for workers to switch their allegiance from trade union 'A' to trade union 'B' very quickly, or where dissatisfied workers can simply set up a new trade union

'C' with a minimum of seven members and a statute. Democratic support to elected officials can provide a solid platform for trade union initiatives. Yet, the shifting basis of loyalty and support could prove to be a source of weakness to our trade unions. Thus, for example, the pressure to secure higher wages from one bargaining round to the next remains strong.

One other difference registered in local industrial relations since the early 1980s has been the development of dual general unionism in Malta. The General Workers' Union (GWU) – still the largest trade union in Malta – has now been joined by the *Unjon Haddiema Magħqudin* (UHM) on the local union landscape. To the industrial relations between workers and managers are now added the (at times strained) relations between one general trade union and the other. Being general, and therefore 'catch-all' unions, the GWU & UHM are often competing for the same worker membership in both public and private sectors. Attracting new members from the other union, or keeping one's members from drifting to the other union, become significant, though perhaps unacknowledged, considerations in contemporary industrial relations. This feature complicates the otherwise more straightforward tension between capital and labour; it now colours the dynamics of various local workplaces, and cannot be disregarded.

Beyond the immediacy of the workplace and from a broad, national perspective, I welcome the initiatives towards a framework of social dialogue and social partnership which have been increasing in tempo over recent years. Government in particular, but also employer associations and trade unions, have been seeking a new industrial regime which encourages and promotes discussion and debate by 'social partners' in the shaping of public policy. The Malta Council for Economic & Social Development (MCESD) - supported since 2001 by an Act of Parliament (Chapter 431 of the Laws of Malta) - is now the national platform for macro-economic considerations. It is a forum which has the makings of a socio-economic council where strictly industrial relations issues – such as conditions

of employment, worker rights, wage and salary relativities – can be appraised in the context of broader trends – such as inflation, competitiveness, fiscal discipline and economic growth.

As this book goes to press, Malta has concluded its negotiations with the European Commission with a view to eventual membership into the European Union. Our industrial relations system is also being influenced by this momentous episode, and our new Employment & Industrial Relations Act is a comprehensive piece of legislation which incorporates all the minimum labour standards enshrined in the EU's *acquis communautaire*, while setting up the mechanism for taking on board any further developments in European social policy. Such terminology as *sexual harassment*, *discrimination*, *equal pay for work of equal value* and *worker consultation and information rights* should now enter our industrial relations parlance as a matter of fact.

Effective training and education, along with the right social and communicative skills and in the context of an effective legal code, are key requisites for a healthy industrial relations system. This book and its contents, as well as the research tradition that it embodies, will be able to support the development of expertise in this critical area, both among practitioners as well as among students. I am confident that *Evolving Industrial Relations in Malta* will complement the professional formation of managers, trade union leaders, policy makers, labour officers, mediators and others in the crucial task of working together.

Frank Pullicino

Director

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