

2. ARTICLES

2.1 The Centre for Labour Studies – Its Roots and Evolving Role

EDWARD ZAMMIT INTERVIEWED BY MANWEL DEBONO

This essay delves into the history of the Centre for Labour Studies. It is based on an interview with Professor Edward Zammit, the first Director of the Centre (1981 – 2002) and subsequently its Chairman (2002 - 2009). He is currently an Honorary Member of the CLS Board. On the occasion of the Centre's 30th anniversary, the interview looks back on the past experiences and achievements of the Centre as well as towards its future prospects in fulfilment of its mission.

The context in which the Centre was set up

The origins of the Centre can be traced back to the time when Dr Gerard Kester, a lecturer at the Institute of Social Studies (ISS), The Hague, was invited to introduce the subject of Industrial Relations in the Economics Department of the University of Malta. This was part of an agreement for the exchange of academic staff between the two institutions. Kester taught here for a few months in 1970 and, some months later, Edward Zammit was appointed as an assistant lecturer in the same department, effectively taking over what Kester had started.

As part of his teaching, Kester urged his students to establish contacts with unions and employers' associations, with the aim of developing innovative industrial relations. The concept of workers' participation already existed on the continent. However, the Maltese system was modelled on the British system, which was based on a confrontation model. This situation was rather ironic, as while the British had established the 'co-determination' model of participation in post-war Germany, they did not manage to introduce it in their own country. At the end of his course in 1970, Kester and a group of his students, organised a public seminar proposing an alternative industrial relations system for Malta. The participants included high level exponents

from the government, unions and industry. At that time, Malta was suffering from considerable industrial strife at the Drydocks and at other work places. One proposal was that of introducing workers' participation. This proposal was well received by many participants, including Joe Attard Kingswell, the then Secretary General of the GWU, and Gorg Agius, his deputy. But little else was known about the proposal in Malta at that time.¹

When the Labour Party was elected to power in 1971, it immediately introduced the concept of participation, starting with Malta Drydocks. A new chairman of the enterprise was appointed² and charged with the task of introducing the system of co-determination on the German model. At that stage, the GWU officials were not very well informed about the system and were open to new ideas. At that time, both Kester and Zammit were still doing their doctoral studies and they focused their research on different aspects of participation in Malta. The original system could be described as 'union participation' as the Council was composed equally of government and union appointees. Kester and Zammit argued that participation really meant the devolution of powers to the employees.

Initially, the major government preoccupation was to find ways of rendering the Drydocks financially viable. In fact, three hectic years later, when the enterprise started making some modest profits, the government proceeded to 'hand over the running of the Drydocks to the workers'. In a referendum, the majority of the Drydocks workers decided in favour of having direct workers' participation in the management of their organisation, and this was effected through an act of parliament. Meanwhile, Kester and Zammit were closely monitoring the evolving situation through their studies. Their research showed that the workers approved of the participation system and even wanted more of it.

The government viewed participation in the Drydocks as a very positive development and wanted to further extend the system - to both the public and private sectors. The effectiveness of its policies during the late 1970's was highlighted by the fact that, for the first time in its history, the Drydocks was not making any losses. Nevertheless, the participation policy became embroiled

- 1 The only group who promoted the idea of workers' participation in Malta were the Żghahagh Haddiema Nsara, under the leadership of Fr. Peter Serracino Inglott.
- 2 Mr J. Fenselau assumed the chairmanship role, on secondment from the German government.

in the acute political polarisation that the country was experiencing at the time. The government was in the process of restructuring various sectors of the economy, and this provoked industrial actions from workers in various sectors - including those in teaching, communication, banking and transportation. A peak was reached in 1978, in the course of a prolonged medical dispute. The general feeling was that the government's 'nationalisation' strategy was effectively introducing an extreme form of socialism. Consequently, the government's efforts to expand participation were viewed suspiciously, and seen as part of an overall strategy to bring the 'independent' unions under its control. On the one hand, the GWU was statutorily fused with the party in government, and on the other, there was a strong resistance from the Confederation of Malta Trade Unions (CMTU). The latter included the largest union within its fold, the Malta Government Employees Union (MGEU)³ and the Malta Union of Teachers (MUT). Simultaneously, the GWU went all out to promote the establishment of workers' participation.

The Founding of the Workers' Participation Development Centre (WPDC)

Zammit's and Kester's studies showed that although participation had introduced a good dose of industrial democracy, the system lacked a solid cultural base among the Drydocks' workers. In order to strengthen participation at the grass roots, they suggested the setting up of lower level workers' committees, thus increasing participation at departmental and shop-floor level. They also saw the need for establishing a supporting agency, one involving the social partners, to monitor and assist the development of participation in the Drydocks and in the other organisations. They suggested that such agency should include representatives from the major stakeholders such as the Drydocks, the Malta Development Corporation (MDC), the government, the unions and others who had an interest in the issue of workers' participation. Above all, they suggested that the proposed agency required researchers to carry out studies at the local and international levels through which improvements to the workers' participation policy could be identified and where possible corrected. The necessary independence of such an agency could best be guaranteed if it was located within the university structure.

As the main lecturer of industrial relations in Malta's University, Zammit assumed the responsibility for developing this project and worked towards

3 The MGEU was the precursor of UHM.

its establishment at the University. It should be noted that, at that time, the University was itself going through a considerable upheaval. A new student-worker scheme was introduced and, in the process, the 'Old University' of Malta was being replaced by a 'New University'. Some of the old faculties were suppressed and replaced by new ones, offering 'functional degrees'. One new faculty was that of Management Studies, with specialisations in three major areas of study, namely: public administration, management and accountancy. This faculty was seen as the 'natural' place where the proposed new agency for the study and research on workers' participation should be housed. Accordingly, the original proposal for the setting up of the Workers' Participation Development Centre (WPDC) was proposed to the University Senate after its endorsement by the faculty's board.

Eventually, following prolonged discussions at various University levels, including that of Council, it was decided that the administration of the new Centre should be roughly equivalent to that of an autonomous faculty. In other words, the Director's actions should be governed by the Centre's Board and ultimately by the University Rector, Senate and Council. Nevertheless, the Faculty of Management Studies continued to have a vested interest in the Centre's activities and has always kept its representative member on the Centre's Board. At this early stage, the crucial role played by George Agius, who was then the General Secretary of the GWU as well as a member of the University Council, should be noted. The formal decision to establish the Workers' Participation Development Centre (WPDC) as an interdisciplinary University entity with its own chairman, board and staff was taken by the University Council on the 19th March, 1981.

The Centre's first Board⁴ was composed of the following persons: Edward Zammit (as Chairman), Gerard Kester (Institute of Social Studies, The Hague), George Agius and Tony Busuttill (from the GWU), Salvino Spiteri (from CMTU), Daniel Darmanin and Edward Scicluna (from the University's Faculty of Management Studies), Jimmy Magro (from the Malta Development Corporation), Furtu Selvatico and Joe Buttigieg (from Malta Drydocks' Corporation) and Emmanuel Camilleri (The University's Finance Officer). Jean Killick acted as Secretary.

4 According to the original statute the Centre's Board was referred to as its Organising Committee. This was intended to highlight the operational character of the committee.

The Early Years of the Centre and its Changing Role

Between 1981 and 1987, the Centre had to face continuous financial difficulties, receiving little support from the University. Indeed, in its first years of existence, the Centre only had a tiny allocated budget, mainly to cover general expenses and none for staff engagement. It was constrained to rely on small contributions coming from non-university sources. In particular, the Centre received a total of LM3650 (€8488) in 1981 from the GWU, Malta Drydocks, Bank of Valletta, Mid-Med Bank, Malta Development Corporation and CMTU.

This situation spurred on the Centre to look for further outside funding, in return for its services. The incoming funds were placed in the Centre's Reserve Fund for use in successive years, as the need arises, which served as a vital contribution to the Centre during that period. Over the years, the Centre's Reserve Fund was used for the hiring of new staff, outsourcing of certain activities and increased research and educational activities in pursuit of the Centre's mission. The situation improved considerably in 1993, when the German foundation, Friedrich-Ebert Stiftung (FES) opened an office in Malta and for a number of years started funding some important activities of the Centre, particularly in the field of adult workers' education.

The main activities of the Centre were focused on the following main areas, namely workers' and trade union education, research in the field of work, participation and industrial relations and consultancy to enterprises, particularly those where some form of participation had been introduced. Over the years, hundreds of adult participants have enrolled for the various courses offered by the Centre in industrial relations, gender and development, occupational guidance and occupational health and safety. The academic publications by the Centre's staff on the basis of their research, made a significant impact both locally and internationally.

Following the change in government in 1987 and the appointment of Fr. Peter Serracino Inglott as University Rector, a strong believer in the participation model, the legal base of the Centre was placed on a more solid footing in accordance with the exigencies of the new Education Act. Indeed, the experience of Centre served as a model for the establishment of a series of university institutes which the new Rector was keen to set up at the University of Malta.

At this stage, following a reassessment of the Centre's activities, with the aid of international assessors, it was decided that the Centre should embark on newer activities without neglecting the ones which had been previously established. In its early years, the Centre was strongly identified with the experience of participation at the Drydocks. Some educational courses even used to be held on the Drydocks' premises. Such an investment was justified on the grounds that the enterprise, which employed thousands of workers, served as the prototype of participation in Malta. However, the fact that the enterprise had been making heavy financial losses for a number of years actually gave a bad name to the participation system. Unfortunately, it was becoming increasingly clear that the Centre's advice was being ignored.

Following extensive discussions between Zammit and the University Rector, it was agreed that the Centre's efforts should be re-channelled to include other areas of participation, such as the promotion of cooperative enterprises which had been hitherto neglected. Such a move was perceived as a constructive way forward for the Centre. Over time, the Centre became increasingly involved in promoting the cooperative movement in various sectors of the Maltese economy. The Centre's efforts were particularly directed towards the establishment of new 'worker cooperatives'. As a result, the cooperative movement has flourished, despite the many problems which the movement encounters.

The Centre passed through other substantial changes. For example, it was not originally envisaged as a degree-giving institution, but rather as a provider of complementary shorter educational courses. However, the new university strategy and the changing economic needs of the country influenced the Centre to start focusing on degrees, in addition to the diplomas which it continues to offer. Following Malta's EU accession, the international profile of the Centre also grew, especially thanks to the Centre's association with the European Foundation for the Improvement of Living and Working Conditions.

Being a very small organisation, the Centre was particularly susceptible to changes in its human resources. It has always proved difficult for the Centre to attract and engage the right staff who must be persons equipped with a strong academic background, possessing the psychological qualities which enable them to interact with people from very diverse backgrounds and, above all, who are prepared to make a personal commitment to the Centre's ideals for very limited financial rewards.

The ebbs and flows of the concept of participation, as popularly perceived, over the years have inevitably affected the Centre. At some point in time, the concept of participation receded from the limelight and the Centre's name came to be seen as anachronistic. After considerable discussion, the Centre's name was changed to *Centre for Labour Studies*, thus reflecting the name held by various work-related centres and institutes set up, mainly in various universities, around the world. This also includes the International Institute for Labour Studies, which operates under the aegis of the International Labour Organisation (ILO).

Concluding Thoughts

Thirty years after the Centre was founded, we are currently living in a qualitatively different world of work. Zammit notes that trade unions are undergoing considerable reform in their business and their ideology to remain relevant to a changed constituency. However, Zammit argues that they need to change at a faster rate in order to catch up with the changing nature of work and the aspirations of their members today. Unions have to become more professional. While it is important for them to continue recruiting their leaders from shop floor levels, they also they need to receive adequate training in the process to enable them to confront the emerging challenges.

Unions should also give more importance to the cultural aspects of people's lives. What should workers expect from life? Workers need to be given the skills to appreciate the beautiful aspects of life, such as art, music, and the environment. Unions should be the main promoters of these values. Struggling exclusively to increase the workers' incomes is not enough. A high quality of life includes much more than simply improving incomes and working conditions. Indeed, the person who came up with the full name of European Foundation for the Improvement of Living and Working Conditions was very prophetic. Achieving a balance between family life and work is of major importance. This balance needs to continue to be sought in old age. We are living in an era where old age represents a longer period of one's existence and 'active ageing' has become an important buzz word. This means not necessarily doing the same work as younger persons, but still contributing to oneself and to society. Such values need to be vigorously encouraged by unions.

The Centre thus has a strong role to play in this new scenario. It needs to continue helping to provide a bridge between the University and the world

of work, through its original aims of education, consultancy, and research for participation in its various forms. The efforts of the Centre should also be constantly focused on helping trade unions to make the qualitative changes necessary for them to remain relevant and to enable them to help workers to give and get more out of their whole lives.



The first meeting of the Organising Committee of the Workers' Participation Development Centre, held at the University of Malta in 1981