

2. FOREWORD

Europe is going through difficult times. The economic downturn that started in 2008 has not yet subsided. The solution of reducing economic expenditure prescribed by the European Union (EU) to its ailing member states seems not to have worked as intended. Indeed, several EU states, especially those in the Mediterranean region, are facing further bleak economic prospects and social unrest.

Meanwhile, Malta has until now remained relatively unscathed. Despite the external economic turmoil, the country's recent political changes and its ongoing economic restructuring, Malta's GDP is expected to continue to grow, employment is on the increase while unemployment has been fairly contained. The fears recently raised about Malta's financial sector appear to have been unwarranted. Yet, the country depends to a large extent on Europe for its imports, exports and tourism; and so, its future is inevitably tied to that of its economic partners. Besides, it faces strong challenges relating to government debt, the longer-term sustainability of its social welfare system and the degradation of the natural environment, among others.

This latest biennial report highlights the work that was carried out by the Centre for Labour Studies during 2011 and 2012. It includes articles that discuss a variety of work-related topics. The first contribution consists of suggestions put forward by the Centre's academic members of staff to political parties contesting the General Elections held in March 2013 (see Section 3.1). The report also includes a summary of the main industrial relations events occurring in Malta between 2011 and 2012 (see Section 3.2, compiled by Saviour Rizzo). The overall positive climate among government, trade unions and employers' associations has brought about considerable improvements in working conditions in Malta. However, this report points out the need of not becoming complacent, as improvements in working conditions such as family-friendly measures and wages can be reversed if they are not adequately safeguarded (see Sections 3.4 and 3.7 written by Anna Borg and Saviour Rizzo respectively). The drive to enhance the country's competitiveness should also proceed in step with required improvements

in occupational health and safety, an area that is still under-researched in Malta (see Section 3.6 written by Luke Fiorini).

The European economic crisis has highlighted the difficulties involved in trying to converge the economies of the different member states. The countries' idiosyncrasies, stemming from their different cultural heritage, stage of economic development, and geo-political realities escape 'one size fits all' remedies. This report delves into one aspect of such nuances, namely the unfolding and transformation of social class in Malta (see Section 3.3 written by Godfrey Baldacchino). Besides, this report examines the problematic aspect of long-term unemployment in Malta which, despite being one of the lowest in the EU, requires further attention by the relevant authorities (see Section 3.5 written by Manwel Debono).

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May 2013