

All in the same boat: *Undocumented Migrants and the Maltese Labour Market*

In January 2007, *International Living Magazine* pronounced the Maltese Islands as the country with “the best climate in the world”. The article lists Malta’s attractive gems: Fair weather, averaging 5.2 hours of sunshine a day, even in December. Mild winter temperatures. An early spring. Frost and snow are mostly unknown. There is winter rainfall, but it tends to come in heavy bursts for short periods. A few sandy beaches. A round of colourful village festivals complete with fireworks in summer. Excellent diving and sailing. You can play golf, go horseback riding, and attend trotting races. The second-oldest theatre in Europe is the Manoel Theatre, in the capital of Malta, Valletta. In the cooler months, October through May, you can see opera, theatre, music, and ballet there. And all on 316 square kilometres.

Of course, many Maltese would take the above for granted or even grumble about them, as we habitually do. Yet, many Maltese would also understand that the above attractions are crucial assets for our tourism industry, and strong “pull factors” to would be expatriates or returning Maltese who would seek to relocate for retirement purposes. In spite of a permanent derogation granted by the European Union, limiting the purchase of property in Malta by non-permanent foreigners, the cost of housing has simply gone through the roof.

International Living Magazine goes on to add: “Don’t be embarrassed if you can’t pinpoint Malta on a map. It’s not on everyone’s radar.” And perhaps reassuringly so. Malta’s miniscule size and its already bloated population density are hard pressed to handle the demands of its 400,000-plus souls, along with an exacting 1.2 million visitors annually who spend an average of 9 days each on the island. Social Geographer David Lowenthal refers to “the miracle of Malta”: every day, what is practically a desert supports this phenomenal morass of humanity, and seems to be doing so to their general satisfaction.

A clear measure of this ‘satisfaction’ is population counts. People vote with their feet. Whereas Malta has traditionally been a country that sent emigrants looking for work, fame and fortune elsewhere, - which Maltese family does not have any relatives who have migrated to the USA, Canada,

Australia or the United Kingdom during the 20th century? - the dynamics have been dramatically reversed as from the mid-1970s. The historical “safety valve” of out-migration, as referred to by Economist Lino Delia, was no longer in place. Malta now receives more immigrants than it sends off. Moreover, a newly stylish trend appears to be one of a strategic, often seasonal or time-specific circulation of brain and brawn from Malta to Europe, for work, adventure or education - where the out-migrants do not rupture links with the home country, but visit it regularly, and where they maintain a base and an ongoing interest.

Add to this, the phenomenon of “undocumented migration”. As if the current demographic strain is not enough, Malta finds itself - deliberately or, more likely, just serendipitously - as the land-fall of boatloads of undocumented migrants escaping oppression, poverty and discrimination and/or heading for the bright lights of Europe.

During 2005, a total of 1,800 immigrants reached Malta illegally. In 2006, another 1,780 illegal immigrants arrived in Malta. The situation has very soon reached crisis proportions, and today browsing for news about Malta on the international media or via internet search engines, the in-migration issue come up over and over again: other than “the best place to live”, it may have become synonymous with the islands in the eyes of the outside world.

The situation is delicate (and perhaps even exciting) because it has the potential to destabilize the political atmosphere which has dominated Malta over the last few decades. Although originating in clearly identifiable and distinct social classes, our two main political parties have become increasingly shorn of ideological principles or divides with time. As catch-all parties operating in an open economy, they have limited room for manoeuvre: they are obliged to woo the centre ground of politics and promote liberal economic strategies that are attractive to foreign investment, while respecting Malta’s ambivalent corporate culture: strongly unionised in the public sector; strongly familial and non-unionised in the construction industry and in all small and medium sized firms. (The political parties will have even *less* room for manoeuvre once the euro is adopted in January 2008, and they know it.) How would undocumented migrants threaten this balance? And with what effects?

The Centre for Labour Studies has an obvious interest in monitoring the impact of such in-migration on the labour market and labour relations generally. Part of the impact is predictable, and speaks to Malta’s relative

attraction as a “developed” economy. Irrespective of whether the transit to Malta was planned or haphazard, immigrants who land in Malta would quickly find out that the going rates of pay in the Maltese labour market are much more generous than anywhere in North Africa or the Middle East. (The industrial minimum wage in Tunisia, our closest African [and non-EU] neighbour, is less than US\$200 a month; in Malta, it’s about US\$ 200 a week.) Even where wages are not always determined rigorously and scrupulously in terms of legal principles - as is common practice in the quarrying and construction industries (for men) as well as the cleansing and food preparation industries (for women) - take-home pay is typically very acceptable to non-Maltese arriving from North Africa or the Middle East. In turn, these individuals can prove to be attractive to employers who wish to maintain very lax ‘hire and fire’ practices (easily maintained with the real threat of being reported to the police and eventually evicted) while paying lower wages and securing high levels of productivity in jobs that, frankly, many Maltese of working age, able to register for unemployment benefit, no longer find attractive. Regretfully, such clandestine employees often only become visible to the public eye when they become victims of occupational accidents. In the 12-month period ending September 2006 however, we *do* know that 3,006 work permits were granted to non-Maltese hailing from developing countries¹.

The impact of undocumented migrant labour on small and medium sized enterprises in Malta is generally hard to discern. These enterprises are typically run by extended families and it is difficult for non-relatives - even for other Maltese - to ‘break in’, except because of a perceived, often desperate, need for specialist skills. A more common resort is to subcontract specific, often menial, tasks to such immigrants, who would then be paid on a piece-rate basis (in Maltese, *bl-imqjeta*).

One worrisome effect of this “reserve army” of labour encroaching on the Maltese labour market is its presumed impact on the depression of wages. While this may be the case in those sectors of the economy that have embraced this cheaper “labour supply”, there does not appear to be any major impact on the economy generally. Subcontracting and piece-rates are standard practices in many economic sub-sectors anyway (with or without immigrants). These practices are a common evasive response to a labour code and welfare regime that, for instance, assigns benefits

1 *Dr Louis Galea, Minister for Education Youth and Employment, speaking in Parliament during the debate on 2006-7 budget estimates of the Employment and Training Corporation, 14th November 2006.*

to 'core' workers which are partly paid for by employers (as is 50% of the social security contributions of employees).

More likely is some tangible shift on the political front. In other countries, notably the Netherlands, Denmark and Australia, anti-immigrant parties or policies have made strong inroads into traditional politics, destabilizing the grand consensus that spanned left-wing and right-wing political parties in Europe which characterised much of the post-war period. In Malta, the Labour Party and the Nationalist Party in particular are so very strongly entrenched at a local level (all the more so since local councils were introduced) that they may be justified in believing that no such wave of immigrant driven politics - whether in favour or against - is likely to affect them and their power bases. But their snug non-response has already been somewhat jaded by a nascent anti-immigrant factionalism. Someone like Norman Lowell and his exclusivist policies may lack the qualities habitually associated with good statesmanship; but there is no doubt that his anti-immigrant message has a certain appeal. It can also stimulate a wave of nationalism that is otherwise so surprisingly absent in Malta. Moreover, a dramatic immigrant-related episode at a *local* level may lead to some interesting repercussions in a particular electoral district. Is this something that is waiting to happen?

The political parties themselves would probably be undergoing their own internal debates as to how to respond to the "immigrant threat". They are caught between the doves (the champions of human rights, Christian hospitality and individual freedoms) and the hawks (advocating clampdown, strong arm tactics and policies otherwise meant to make Malta less attractive to both current and potential undocumented immigrants). These factions exist within both parties. Meanwhile, the European Union presents a welcome "front" to this issue, transforming the matter into one of regional (and not just national) concern. Malta has indeed been flexing and testing its newly found status and diplomatic muscle as a member of the EU with the immigration file top-most, ensuring that the EU takes some collective responsibility for the matter. These are Malta's first ever experiences of federalist politics as a full member, and clandestine immigration is the main substance that is driving the Maltese effort at this time.

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