

[Home](#) > [Debate](#) > [Blogs & Opinions](#) > Social policies worthy of today

Social policies worthy of today

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A variety of social policy areas deserve attention in Malta. These exist in a context of social and environmental change which require sustainable policy making.

Incidentally, a few weeks ago the European Commission launched the first phase consultation with business and trade union social partners on the issue of fair minimum wages for workers in the EU. This is accompanied by Commission initiatives which are planned to take place in 2020, in areas open as gender equality, skills agenda, the youth guarantee, ageing, disability, demography, ar

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All EU countries, regions, and partners are being asked to contribute to the preparation of the EU Action Plan in 2021 pending subsequent approval. This is quite the task, considering the structures, traditions and priorities of different welfare systems in Europe. For example, whereas Sweden has a strong social-democratic heritage, Germany's is more conservative.

In the meantime, the European Pillar of Social Rights expresses 20 principles and rights for 21st century welfare in Europe. These are structured around three categories, namely equal opportunities and access to the labour market; fair working conditions; and social protection and inclusion.

In this regard, the Pillar of Social Rights declares that 'workers have the right to fair wages that provide for a decent standard of living. Adequate minimum wages shall be ensured, in a way that provides for the satisfaction of the needs of the worker and his / her family in the light of national economic and social conditions, whilst safeguarding access to employment and incentives to seek work. In-work poverty shall be prevented. All wages shall be set in a transparent and predictable way according to national practices and respecting the autonomy of the social partners'

The Pillar emphasises the need for social dialogue and involvement of workers, where 'the social partners shall be consulted on the design and implementation of economic, employment and social policies according to national practices. They shall be encouraged to negotiate and conclude collective agreements in matters relevant to them, while respecting their autonomy and the right to collective action'.

With regards to minimum income, the Pillar states that 'everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market'.

open [open](#) ge income and pensions are also highlighted in the Pillar: 'Workers and the self-employed

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principles such as equal opportunities, equity and inclusion with the aim of having people in employment, to improve their position whilst providing a safety net for those who are not part of the labour market. Different countries apply this in different ways, but compared to other parts of the world, the EU typically has more generous social welfare and relatively high levels of public social spending.

Which brings me to Malta. Some social policy challenges which I believe need more attention are precarious employment, cost of living, the globalisation of employment, children from deprived families, as well as pension levels and sustainability. Housing is another vital area in this regard, and one augurs that the current policy reforms encourage more affordable housing.

Regarding precariousness, one suggestion which I believe deserves more attention was proposed by UHM – Voice of the Workers. It involves the creation of an accessible online portal which registers all jobs to ensure that all workers are employed in accordance with legislation, and that this can be easily verified. We must keep in mind that various third country nationals may be victims of exploitative methods that are illegal to EU citizens. Policy makers should also investigate possible disparities between unionised and non-unionised workers.

With regards to old-age income, it is positive that different governments have increased compensation to pensioners. But I believe that an evidence-based national debate is required to verify the needs, differences, and challenges of old aged persons from different social backgrounds to ensure a decent quality of life for all. The study commissioned by the Government some years ago to carry out some pension reforms should be followed up, particularly in relation to sustainability challenges for future pensions. As things stand, the Government is basing its future calculation on an increase of foreign workers who contribute to pension funds. This approach requires deliberation and comparison to other models which can complement the current one – such as the introduction of second-pillar pensions, which have been referred to by both the Opposition and the UHM.

At the opposite demographic end, Malta's introduction of free childcare for children with parents in employment was a positive step forward. Six years later, it is high time to analyse its impacts through various social indicators. I also believe that the Government should look into the extension of this right to deprived children whose parents are not in employment. The Opposition had proposed this reform in the run up to the last general election.

With regards to cost of living, different trade Unions and social scientists have proposed a revised and realistic COLA mechanism. For example, basic items such as food stuff should have more weight in the basket of goods as they make up for a higher percentage of expenditure for low income earners.

In the meantime, a current debate which is of interest is the one concerning COLA, living wages, and living incomes. Prime Minister Robert Abela has not committed himself to introduce any of the latter to replace COLA, especially due to sustainability concerns.

On the other hand, Abela committed himself to ensure equal wages for equal work. This is a tough open crack, and policy implementation in this regard is welcome. But what Unions and NGOs

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A living wage, on the other hand, is quite like a living income, but is granted only to workers, and not to pensioners or those who cannot work. Its introduction may therefore require parallel policy reforms for the latter two categories.

A main argument put forward by supporters of such initiatives is that not only do they create more equality, but they could also be beneficial to the economy in general, due to increased disposable income.

UHM – Voice of the Workers is pushing for revisions in the COLA mechanism or an alternative, such as the living wage. The General Workers' Union is looking into the calculation of a living income. Both Unions have declared that they are studying such initiatives, and this is most welcome. In this regard, it is imperative to investigate the expert advice of social scientists, who can provide evidence-based policy proposals.

Such policy proposals will be stronger and more legitimate if broad policy coalitions are created. This should include trade unions, experts, civil society, and political parties who take on board such initiatives.

I also believe that there are other social policy areas which require attention. For example, Malta should make a strong case at EU level to bring EU funds closer to the needs of persons, groups, businesses, and organisations in small islands. Parliament should be equipped with resources and deliberative fora to discuss and assess social policies. Social impact assessments should be mainstreamed to ensure sound social-scientific evidence in its policy making process. And the greening of our economy can open windows of opportunities.

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