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**MONOGRAPHS ON THE SITUATION OF SOCIAL PARTNERS
IN THE NEW MEMBER STATES AND CANDIDATE COUNTRIES: ROAD TRANSPORT SECTOR**

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MALTA

1. Description of the sector

Delimitation and activities of the sector

The road transport sector in Malta can be divided into the following sections : Public service buses, coaches, minibuses, hauliers transporting containers, hauliers transporting bulk material (such as cement), taxis (white taxi owners plus self-drive or chauffeur driven taxis) and horse-drawn cabs. These activities correspond to activities comprises in NACE 60.2.

Socio-economic features of the sector

There are no registered enterprises in the transport service. Every owner of a vehicle is practically a self-employed person (All vehicles operating with a licence are privately owned). There are people who are owners of more than one vehicle and they may even own a garage from where they conduct their operations. But these tend to be very small business enterprises and those employed to operate their vehicles are not unionised.

However many service providers depend on government aid in the form of subsidies, grants and exemptions from duties (in the case of public service bus-owners) ; maintenance of quota for licences (the government has to consult the owners before issuing new licences) ; guarantee of a certain amount of work throughout the year by signing contracts with government ministries.¹⁰³

The total number of workers in the sector is 2,249¹⁰⁴. In terms of employed persons, the sub-sector “freight transport by road” is the largest. The sector contributes to 1% of the GDP at factor cost¹⁰⁵. No data are available regarding the average monthly wage in the sector.

Workers**

Sub-sectors	Salaried workers	Other workers***	% of salaried workers*	% of workers in companies with < 10 salaried workers	% of workers in companies with 10 to 100 salaried workers	% of workers in companies with > than 100 workers
Other land transport	71	359	0.06	No data	No data	No data
Taxi operation	174	261	0.14	No data	No data	No data
Other land passenger transport	203	370	0.16	No data	No data	No data

¹⁰³ As regards these government aids, the Public Transport Authority (PTA) claims that these are aimed to keep the fares of public transport low rather than to line the pockets of owners of buses. The public transport in Malta is one of the cheapest in Europe.

¹⁰⁴ National Statistic Office (NSO) : 2002.

¹⁰⁵ National Statistic Office (NSO) : 2002.

Freight transport by road	455	356	0.36	No data	No data	No data
Total Sector	903	1346	0.71	No data	No data	No data

* Total number of salaried workers in the sector divided by the total number of salaried workers (in December 2002) in the country

** Provisional figures derived from National Statistics Office (NSO): 2002

*** Self-employed persons and employers

In the road transport sector, the market is totally saturated. Practices of encroachment on a sub-sector by another are frequently observed. This leads to many tensions between the sub-sections of the sector.

Different competing strategies are adopted by sub-sectors. While the Public Transport Authority (public service buses) tries to keep fares as low as possible, the other sub-sectors try to offer specialised service for customers. The association WTA also tries to regulate taxi fares so as to eliminate all claims of overcharging, but it believes that, at present, the means of enforcement of discipline, in cases of reports of overcharging, are rather slack.

The Chef Executive Officer of the MTA (Malta Transport Authority) thinks that a liberalisation of the market is possible which would bring in its process an expansion of transport especially in the public service. The representatives of various sections within the transport sector (mainly UBS and PTA) do not agree. According to them, the workers are experiencing a reduction in their income¹⁰⁶ and they do not see any prospects for expansion in the sector because the market is already saturated.

2. Industrial relations in the sector

Tripartite concertation

There is a provision in the Malta Transport Act for the setting up of tripartite body in the public service section. An article in this Act (number 30) stipulates that there should be a Public Transport Board composed of the chairperson of the Malta Transport Authority (MTA¹⁰⁷) and two members appointed by the Authority – one representing the views of employers and the other of employees in the public transport section. To date, this board has not been set up.

However, there is an informal tripartite concertation in the negotiation between the MTA and the GWU, which is a trade union representing, in one of its sections, the interests of the “bulk group cargo hauliers¹⁰⁸”. Indeed, the Cement Company Limited, the end user of the cargo transported by these hauliers, is generally involved in the discussions about the adjustment of tariffs. The signatory parties are the GWU section secretary and the Government representative, in most cases the MTA. The agreement reached does not extend to other group of cargo hauliers.

Bipartite social dialogue

Social dialogue in the Maltese transport sector is at bipartite level but it can be defined neither at “enterprise” nor at “higher than enterprise” level, as there are no registered enterprises in the transport service. Every owner of a vehicle is practically a self-employed person holding membership in an organisation or association that looks after his/her vested interests. The social dialogue in

¹⁰⁶ As regards coach owners, very often they have to submit to the dictates of the tour operators whose power in the tourist sector has grown to such an extent that they can fix prices. In winter an owner of a 53-seater coach can only earn 70 euros for a full day's service.

¹⁰⁷ Road transport in Malta is regulated by the Malta Transport Authority (MTA).

¹⁰⁸ It is a group branch of hauliers who are engaged in the transport of cement and other material related to the construction industry.

Malta consists mainly of consultation between the Malta Transport Authority¹⁰⁹ (MTA) representing the government, and representatives of operators of road transport. These meetings are held very frequently and deal with particular issues such as new legislation, tariffs, routes (for the public service buses), the Penalty Point System, fuel prices,...¹¹⁰ Additionally, some of representatives of operators of road transport such as PTA and GWU signs collective agreements with MTA.

Social dialogue in the Transport sector can therefore be defined as “sectional”, as the MTA hold separate consultative meeting with each of the bodies representing the interests of any above sections. However, if the MTA could organise joint meetings with all these organisations, its social dialogue would be more effective. The various complaints of encroachment, of which these organisations are accusing each other, could be amicably solved through such joint meetings.

3. Organisations active in the sector¹¹¹

Workers' organisations

As has already been emphasised, most of the operators in the transport sector are self-employed, owning the vehicle they use for their transport business. The workers, who are not owners, are small in number and they either work on a highly personalised form of relationship with the owner or are closely related to the owner¹¹².

General Workers' Union (GWU) is Malta's largest union and embraces some workers from the sector within its fold. It comprises 10 sections, including The Maritime and Aviation Section¹¹³. This section embraces within its fold the “bulk group cargo hauliers” (100 members: 25 are registered as owners and the others as employees). This section also has 70 owners of horse drawn cabs as members. Finally, GWU includes 65 Driving instructors¹¹⁴ (76% of density).

The negotiation entered into by the union on behalf of these cargo hauliers with the MTA, tends to be about adjustment of tariffs (Other issues may be the regulations about lorries). These negotiations can take the form of an informal tripartite concertation, as the end user of the cargo transported by these hauliers, is generally involved¹¹⁵. As regards the owners of horse-drawn cabs, negotiations with MTA are about legal notices regulating the operations of these horse drawn cabs. No formal agreement has, to date, been signed on behalf of the driving instructors. However, the GWU has gained recognition of their representation with MTA. During the regular meetings held between GWU and MTA the following issues have been discussed: The impact of the new driving test regulations, private learning, tests for foreigners, theory tests and practical examinations content, upgrading of driving instructors, road conditions and signs, safety standards and insurance requirements, issuing of new licences for driving schools.

¹⁰⁹ MTA is a body corporate run by a Board that is appointed by the Minister of Transport and Communications consisting of a chairperson, her/his Deputy and three members. Members of the MTA Board do not represent any transport union or employers' organisation. One of the main functions of the authority, according to the Malta Transport Act (1990 amended in 2000) “is to plan or provide or secure or promote the provision of, a properly integrated, safe, economical and efficient transport system by road by any means presently obtaining or that maybe available in the future” (Article 4.1 a).

¹¹⁰ As regards issues discussed in these meetings, the members of the Public Transport Authority stated that they had never been consulted about new legislation. However, that depends on the sub-sector. For example, the Coop Services Limited (representing interests of minibuses' owners) stated that the issues discussed in their consultation with MTA are generally about legislation.

¹¹¹ All the figures in this section have been given by the list of persons contacted who represent their particular organisation.

¹¹² The owners operate on the basis of the small family run enterprise. In fact the employees tend to be close relatives of the owners. As such the secretary stated that conflict of interest between owners and employees hardly ever arises.

¹¹³ This section was set up in 1950.

¹¹⁴ The group of Driving Instructors have not yet been organized in any section of the Union.

¹¹⁵ This applies to discussion about the adjustment of tariffs on the Cement Company Limited.

Employers' organisations

Unscheduled Bus Service (UBS) is a non-profit making organisation whose main objective is to safeguard the coach owner's interests and to generate business in the coach transport industry, and then to re-distribute it evenly to its affiliated members. UBS is funded through 10 % of the profit of the school transport contract it signs with the Minister of Education. The unused part of the 10 % is redistributed among members. The organisation employs a full-time administrator and two part-timers. Membership is on voluntary basis. Coach owners face what they consider to be unfair competition from the public transport buses. The latter enjoy various government subsidies allowing them to allegedly compete for unscheduled work at subsidised rates.

UBS does not take part in collective agreements. However, it takes part in consultation with MTA. UBS is a signatory of a service contract with the Ministry of Education for the provision of transport for school children.

Public Transport Association (PTA) was set up in 1977 to incorporate all buses offering scheduled services in Malta. PTA is mainly concerned with the bus owners not the drivers. It is funded by the bus owners depending on the revenue of the companies. It employs around 70 inspectors and 10 ticket sellers and office workers.

PTA takes part in consultations with the MTA to represent its view and defend the interests of its members. It also signs collective agreements with the government on behalf of its members. These agreements are retroactive. The last agreement was signed in 1998 (and covered three years – 1996, 1997 and 1998). It consisted of a package, which included: 1. an increase in fares (Government's approval is needed to increase fares); 2. a guaranteed annual revenue for every bus route. If revenue falls short of this guaranteed sum, the government is bound to pay the difference to the owner; 3. Reforms in the public transport service such as introducing new routes to accommodate the needs of the public. The agreement is signed by the MTA Chairman, the Transport Minister¹¹⁶ and the PTA president.

COOP Services Limited was set up in 1989¹¹⁷ to organise and manage a minibus fleet to provide an efficient service to the general public. Membership is voluntary. The association is funded through 5% of the share of the income from the government contract. It employs five full-time workers and a part-timer at its central office. This office operates two main departments: the transport department and the sales and marketing department. The cooperative also employs five part-time drivers.

The cooperative takes part in consultations to safeguard the interests of the members. These meetings tend to be with the MTA. However, as it is not a registered union, it does not sign collective agreements. On the other hand, the cooperative has signed a 3-year service agreement with the Ministry of Education to provide transport for schoolchildren.

Ghaqda Koperattiva tal-Burdnara (Hauliers' Cooperative) was founded in 1987. It focuses on organising its members who are involved in the transport, carrying, transferring and storage of all types of merchandise. It is funded through a 10% share of the income gained by its members from Sea Malta and also owns 20% of the shares of Containers Storage Limited, a storage place for containers. It employs a full time person to do administrative work and also a legal advisor on a part-time basis. The cooperative takes part in consultations over issues such as tariffs with MTA.

Association of General Retailers and Traders (GRTU) was established in 1948. It represents the widest cross-section of proprietor-managed enterprises in Malta. The GRTU's policies are geared towards encouraging and supporting small and medium-sized enterprises within the framework of a functioning advanced market economy. GRTU includes a trade section of Cargo Hauliers comprising about 90 hauliers, or 88% of the total number of Maltese hauliers. Half of these hauliers are also members of the Hauliers' Cooperative. They joined GRTU in order to be able to carry out industrial action. All the consultations with MTA and other entities are held under the GRTU umbrella.

¹¹⁶ While bargaining is conducted between PTA with MTA, the final agreement must be approved by the cabinet of ministers.

¹¹⁷ At this time, it operated under the name of Mini-Bus Coop Ltd. The cooperative went through restructuring in order to meet current and future challenges and in 1999 it changed its name into Coop Services Ltd.

White Taxis Amalgamated (WTA)¹¹⁸ was set up in 1989 and represents 170 white taxi owners (68% of all white taxi owners). WTA employs two part-time workers and a part-time lawyer. It holds elections every two years to appoint a managing committee. WTA takes part in consultations with MTA and in the past has taken industrial action against alleged injustices with its members.

Rent-a-Car Association (RACA) was set up in 1973 to safeguard the interest of the owners of garages, which provided passengers with self-drive cars and other means of chauffeur driven cars booked at their garages. It does not engage in collective negotiation but signs agreements with MTA¹¹⁹.

¹¹⁸ The white taxi service involves picking up passengers from any street, road or place, except bus stops.

¹¹⁹ For example, it has signed an agreement about pick up/drop off locations slots for its members at the airport. Such an agreement is signed by the general secretary and the MTA Chairperson.

Employers' organisations

Organisation		Sub-sectors covered	Companies*	SW	Density Companies ¹²⁰	Density SW	T	CB***	National affiliations		European affiliations		International affiliations	
Original name	English name		number	number	%	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
UBS	Unscheduled Bus Service	Coaches	32		100%		No	No	No	No	No	No	IRU : Associate member	No
PTA - Assocjazzjoni Trasport Pubbliku	Public Transport Association	Route buses	430		100%		No	Yes****	No	No	No	No	No	No
Coop Services Limited	Coop Services Limited	Minibuses	No data		80%		No	No	No	No	No	No	International Association of Tourism Cooperatives International Union of Public Transport	No
Ghaqda Koperattiva tal-Burdnara	Hauliers' Cooperative	Cargo Transport	45		40%		No	No	No	No	No	No	CONFIAD	No
GRTU	Association of General Retailers and Traders	Small and medium-sized enterprises	Around 7,000 (including around 90 in the transport sector)		The overall density is unknown but the density in the transport sector is 88%		Yes**	No	No	No	UEAPME	No	CONFIAD	No
WTA	White Taxis Amalgamated	Taxis	170		68%		No	No	No	No	No	No	No	No
RACA	Rent-a-car Association	Garages operating in self drive and chauffeur driven car business	95		95%		No	No	No	No	ECATRA	No	No	No

SW: salaried workers

Density companies: number of companies affiliated / total number of companies in the sector

Density SW: number of salaried workers in the affiliated companies / total number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

¹²⁰ The figures correspond to the density of companies within each sub-sector.

* These are owners and may not always be registered as companies.

** While GRTU takes part in tripartite consultations, consultations in the transport sector tend to be of a bi-partite nature

*** Some of the organisations sign service agreements

**** Collective agreement has been signed with MTA.

Trade Unions

Organisation		Type of SW	Members	Members working in the sector	Density	T	CB	National affiliations		European affiliations		International affiliations	
Original name	English name	Type	Number	Number	%	yes/no	yes/no	Direct	Indirect	Direct	Indirect	Direct	Indirect
GWU	General Workers' Union	All categories of workers	47,254	170*	100	Yes (but informal in Road Transport sector)	Yes	MCESD	Din L-art Helwa	ETF ; ETUC and others	No	ITF ; ICFTU	No

SW: salaried workers

Density: number salaried workers affiliated to the organisation / number of salaried workers in the sector

T: Does the organisation take part in a tripartite process?

CB: Does the organisation take part in collective bargaining?

* GWU also includes 65 Driving instructors (76% density).