



**Cross-sectoral Recommendations for the
National Recovery and Resilience Plan (NRRP)
“Recovery and resilience plan for Malta”.**

**Phase Two of the Cascading Grant Agreement
(ETUC Project 2021-11).
Trade Unions for a Fair Recovery**





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Cross-sectoral Recommendations for the National Recovery and Resilience Plan (NRRP).

“Recovery and resilience plan for Malta”

The Report

The documents reflect only the author's view. The Commission is not responsible for any use that may be made of the information it contains.

The Report

General overview

This report entitled ‘Cross-sectoral Recommendations for the National Recovery and Resilience Plan - *Recovery and resilience plan for Malta*’ has received funds from the Cascading Grant Agreement (ETUC Project 2021-11). Its elaboration is based on data gathered from the survey, report, and national training events constituting Phase One of the Project, and also from observations and feedback collected during the Roundtable, an event forming part of Phase Two. Furthermore, the Recovery and Resilience Recommendations presented here are intended to tailor and mitigate the effects of the pandemic and the post-pandemic period, and increase the role of social partners, and especially the trade union, in redefining and implementing the post-pandemic national recovery plan. Emerging along with the different themes and recommendations, the other main and related concern of the Project was in addressing the participation infrastructure for workers and their union representatives, specifically collective bargaining and social dialogue.

The Report is divided into five Parts. These map the second phase of the Project, i.e., the work related to the Roundtable for the elaboration of the Cross-sectoral Recommendations.

Preceding Part One, the Report starts with a Prequel that summarises the first phase of the Plan, the Research.

Following the Prequel, Part One introduces general and broad views shared during the Roundtable on advancing social dialogue and workers’ participation in collective bargaining via increasing skills to support Maltese trade unionists in their activities concerned with shaping national recovery plans that deliver secure jobs with decent pay and conditions.

Part Two presents a number of relatively more specific themes structured in terms of questions set up to collect feedback addressing collective bargaining and social dialogue. The themes, presented on the contents page as questions, are hereunder structured as statements and divided into sections:

- Section A: The problems hindering social dialogue and bargaining processes in Malta.
- Section B: Solving the existing problems in the company through social dialogue.
- Section C: The role of workers’ representatives.

Section D: The role of employers' representatives.

Section E: The prejudices to be tackled to engage in effective collective bargaining.

Section F: The importance of engaging workers in co-decision-making.

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Part Three presents a discussion on concrete, real-life examples of what might be interpreted as success stories advancing social dialogue and collective bargaining via capacity building in the post-pandemic phase.

Part Four reflects on the continental scenario. It discusses European good practices in the conduct of collective bargaining and social dialogue, including the involvement of trade unions in the development and implementation of national post-pandemic recovery plans. These are contextualised in concrete realities that assist to determine setbacks and pitfalls faced. This contextualisation is essential in order to consider the challenges and methods of transferring 'models' of best practices to Malta.

Part Five suggests a series of recommendations. These are recommendations for trade unions, workers, and policymakers drawing on the research and analysis phases but also on face-to-face meetings with worker and employer representatives complementing the work prepared for the Roundtable.

An Annex concludes the Report. It contains the official documents recording the Roundtable activities (minutes, etc.).

This draft version of the Cross-sectoral Recommendations report was fine-tuned following feedback from participants during the Online Peer-learning Seminar and, drawing on the recommendations, the final version has been finalised and is presented here.



The Report

Prequel



Prequel

The research. A summary.

The first phase of the Cascading Grant Agreement (ETUC Project 2021-11), *Trade Unions for a Fair Recovery*, consisted of research and analysis, specifically analysing the impact of COVID-19 on women, youth, people with disabilities (PWDs) and atypical workers. The research and analysis were delivered through evidence-based data collection, focus-group meetings, in-depth interviews, and a survey. It consisted of surveys and focus groups, and the drafting of the report *COVID-19 Impact on employment conditions for women, youth, people with disabilities, and atypical workers*.¹ This included recommendations derived from experiences reflecting the negative consequences of COVID-19. These recommendations are integrated into the rest of the present report.

The research and analysis activity focused on analysing the impact of COVID-19 on women, youth, PWDs and atypical workers in Malta with an emphasis on telework, short-term working schemes, new forms of work organisation, and how these affected their daily lives. This phase was seminal because, although there were many studies devoted to analysing the impact of COVID-19 on workers in general, there was no data and research on the effect of COVID-19 on women, PWDs, youth and atypical workers in Malta. Unfortunately, in a situation of permanent crisis, Covid-19 and other crises preceding and following the pandemic have exacerbated inequality and ‘precarity’.² The presence of the ‘working poor’, amongst others, was confirmed and consolidated, and the pandemic period was also

¹ M. Debono & C. Garzia (2022). *Covid-19 Impact on the Employment Conditions of Women, Youth, People with Disabilities, and Atypical Workers*. September 2022. The report aimed to highlight the empirical data gathered through focus group, survey, and in-depth interview methodology carried out between April and September 2022. Retrieved March 22, 2023 from <https://gwu.org/wp-content/uploads/2022/09/Report-%E2%80%93-COVID-19-Impact-on-Employment-Conditions-1.pdf>.

² On subjective definitions of precarious work, see, M. Debono & V. Marmarà (2017). ‘Perceived precarious employment in Malta’. In, *E-Journal of International and Comparative Labour Studies*, 6(2), 1-21. The Malta Employers’ Association commented how interpretation of precarious work, “resembles many fuzzy pictures of UFO sightings”. In, *The State of Social Dialogue & Industrial Relations in Malta*. March 2015. Definitions were already undertaken in, G. Standing (2013). *Defining the precariat. A class in the making* (19th April). Retrieved March 22, 2023, from <https://www.eurozine.com/defining-the-precariat/#:~:text=There%20are%20two%20ways%20of,it%20or%20not%20in%20it.&text=In%20this%20spirit%2C%20the%20precariat,a%20related%20noun%20%E2%80%93%20proletariat%E2%80%9D>.

characterised by the increasing presence of delivery persons observed as presenting “a new modern-day slavery”, a “new form of precarious employment.”³

Research and analysis produced data that could assist in better defining experiences of work during the pandemic. The outcomes of the research and analysis were integrated in the agenda and discussed during the Roundtable.

On the national scale, crisis management strategies to confront the pandemic in the different work sectors were broadly similar. The similarity refers to workplace health and safety conditions. Nonetheless, whilst sectors shared common challenges, they also had their specific hurdles. To summarise, one could argue the Covid-19 experiences have produced the good, the bad, and the ugly. Understood within the conditions imposed by the pandemic, and based on worker feedback, the ‘good’ refers to those sectors that could rapidly transfer workloads online and carry them out at home. The ‘bad’ refers to sectors such as manufacturing and import-based production in which workers feared having to face the axe as the principal nodes of the economic sector were being endangered including, not least, value supply chain distribution networks. The ‘ugly’ refers to the workers (not least, those employed in the sectors just mentioned) who faced unemployment or else deteriorating work/income conditions prospects unless they received emergency state assistance not forthcoming from their employers. These formed part of those categories hit hardest by the pandemic’s worsening conditions which indicated how the pandemic not only exposed economic power hierarchies, and specifically health inequality and injustice, it also began to critically widen the disparities. Along with these categories, were the essential and frontline workers who were directly exposed to the most threatening pandemic situations.

The following is a brief summary of the main findings from the Debono & Garzia (2022) Report, organised in (a) general terms, and (b) in terms of the specific worker categories addressed, i.e., women, youth, PWDs and atypical workers.

(a) Approximately two and a half years after the pandemic was officially declared, labour market recovery in Malta was positive and had returned to pre-pandemic levels. Beyond the quantitative assertion of a recovery and return to pre-pandemic ‘normality’ in employment numbers, the qualitative feedback projected a more nuanced situation. During the

³ Working poor presence and quotes from GWU (2023). *Pre Budget 2023 Proposals*. Retrieved March 22, 2023, from <https://cdn.newsbook.com.mt/wp-content/uploads/2022/10/21161626/Pre-Budget-Proposals-2023-Final.pdf>.

pandemic, many employers had provided all the necessary work-related support their workers required. This is not difficult to understand. It meant provision of training, equipment, and protection procedures. At the same time, employers pushed to raise productivity. Debono & Garzia (2022) also mentioned lost career opportunities and post-pandemic increased workloads, not least because of backlog and work schedule changes. These led to increased stress levels. Workers were in a difficult state forced to regain and consolidate job stability.

Paradoxically, those sectors which, as mentioned above, fell within the relatively ‘good’ conditions of work in spite of the pandemic were, two and a half years later and as mentioned above, suffering increasing workloads and associated adapting-to-recovery conditions. We have termed this category as ‘good’ and this must be understood in relative terms. Having transferred work online, and at home, had led to lack of privacy and trust, increased surveillance, difficult-to-disconnect situations, etc., experiences already familiar in certain workplaces in pre-pandemic times (banking, accountancy, etc.). This was another confirmation of the fine line that separated work from private life. Such negative experiences were strongly reconfirmed during the Roundtable where it was claimed that although workers were working at home and not directly on the frontline, some still had to deal with clients and management from their homes and this type of work was even more stressful during the pandemic. Thus, a participant in one government department related how decisions were still being taken by management and besides, adding further to the alienating state, workers working at home were kept ‘in limbo’ or merely informed.

(b) In terms of specific categories of disadvantaged workers – women, youth, PWDs and atypical –, their employment situation worsened during Covid-19.

Debono & Garzia (2022) reported that amongst the disadvantaged groups, female participants had significantly higher levels of job security during the pandemic. This was especially the case with mothers and was the result of different factors including not having the option to freely consider leaving their job because of the pandemic and caring for others. Women were more likely to work from home when compared to men. As the authors warn, “almost all participants in this study were trade union members, thus enjoying a certain level of protection irrespective of their gender” and also, the “higher concentration of women in essential services (such as healthcare) and services that were least disturbed by the pandemic (such as finance)” (ibid., p.45).

Younger persons were less satisfied with working conditions than older workers and constituted one of the highest job mobility groups throughout the pandemic. They suffered a higher reduction of working hours. Reasons given by the employers for this were their relatively limited experiences and higher needs of supervision. Conversely, the research showed that young workers were those predicting least negative effects of Covid-19 on their future work.

PWDs experienced increased work-related stress levels during the pandemic especially in dealing with clients. This group denounced inadequate health and safety training as well as support from workmates. In spite of physical health worries and the presage of negative effects on their future career prospects, they did not think about leaving their job during the pandemic.

Atypical workers were less likely to have worked from home during the pandemic and this explains the positive observation reported above that this category was provided with health and safety measures at work as well as enough equipment and procedures for personal protection. Proper and adequate managerial communications on issues relating to Covid-19 were higher with this category as it was with all those working outside their homes.⁴

Job instability, confirming this as a defining factor of this group of disadvantaged workers, was overall highest. An experience characterising these categories was transport to work during the pandemic. Many in the specific worker categories mentioned above had to travel by public transport where social distancing was practically impossible. One keeps in mind that cultural, entertainment and sport events were closed for health precautions whereas the workplaces of the disadvantaged groups under observation were kept open and they carried on with their work.

⁴ “The most emerging issue” raised during a Malta Council for Economic and Social Development – the main nation-wide social dialogue forum – meeting dated June 1, 2020 was “the need of flexible working as a tool to be used appropriately to the needs of the future of work”, a response to the “trend of non-standard forms of employment”, and expressing flexibility in terms of, “temporary employment; part-time and on-call work; temporary agency work and other multi-party employment relationships; disguised employment and dependent self-employment.” Retrieved March 22, 2023, from <https://mcesd.org.mt/mcesd-hosts-meeting-for-social-partners-on-future-of-work/>. The brainstorming event discussed basic protection of the worker; minimum wage, social security and sick leave; freedom of association; rights to collective bargaining; and revision of labour laws re-enhanced manoeuvrability under force majeure or extreme circumstances.

One final mention refers to migrant workers. Given the negative hype on social media, it was to be expected to observe relatively increased friction between some Maltese and foreign workers, especially third country nationals (TNCs). Already anticipated by the populist discourse heralding wage dumping and racist slurs, foreign workers especially those suffering from the precarity of work and residence, were accused of a high level of infection risks, and also side-stepping Covid-19 safety measures.⁵

⁵ The insertion of women in the labour market, lured by the provision of free child care, has been considered one successful page in Malta’s post-2014 labour market policies. However, even this did not compare to the increase of a foreign workforce that numbered more than a quarter of the total workforce in 2020. This “has been the largest contributor to the growth of Malta’s labour force and has contributed significantly to overall economic performance.” Fabri JP, Fenech G, Ellul J, Marmara V; (2020) *Digital Malta, Digital transformation as a route to national productivity and competitiveness. National Productivity Report 2021*. Retrieved March 22, 2023, from <https://nationalproductivityboard.gov.mt/wp-content/uploads/2022/01/National-Productivity-Report-2021.pdf>. The non-EU cohort was the fastest growing and by September 2020 outnumbered EU nationals.

The Report

Part One

Introduction



Part One

Introduction

Following the research phase, the central activity of the second phase of the project consisted of the Roundtable for the elaboration of the Cross-sectoral Recommendations for the National Recovery and Resilience Plan (NRRP) – “Recovery and resilience plan for Malta”. It was held on 18th November 2022.

The main purpose of the Roundtable was to integrate the first phase research and discussion of COVID-19 and its effects on the employment of women, youth, PWDs and atypical workers – where ‘resilience’ was relatively more highlighted – with the main focus of Phase Two, i.e., workers’ contribution to and participation in collective bargaining and social dialogue.⁶

The participants who attended the Roundtable hailed from different sectors and so could discuss issues from a cross-sectoral perspective and assist in drafting recommendations on how to deal with newly emerging challenges by keeping in mind the lessons from disadvantaged workers’ resilience and worker participation in collective bargaining and social dialogue. Overall, best practices and cross-sectoral recommendations to deal with the negative effects of COVID-19 on the world of work, skills for social dialogue and the construction of the right atmosphere for collective bargaining formed the agenda but the success of the event depended on the discussions that developed as participants shared information and engaged in peer learning. In the following section, the main underlying assumptions of the Roundtable discussion are presented.

⁶ This report uses the term ‘worker’, and faithful to legal definition, considers this to share the same meaning as ‘employee’ and even more emphatically as explained under Title II of Chapter 452: Employment and Industrial Relations Act (EIRA), it “means an employee who works or normally works or seeks to work - (a) under a contract of employment; or (b) under any contract (whether express or implied and, if express, whether oral or in writing) whereby he undertakes to do or perform personally any work or services for another party to the contract who is not a professional client of his; or (c) in employment under or for the purposes of a department of Government, otherwise than as a member of a disciplined force, in so far as any such employment does not fall within paragraph (a) or (b) of this definition, and in relation to a trade dispute to which an employer is a party, ‘worker’ includes any worker even if not employed by that employer.” Retrieved March 22, 2023, from <https://legislation.mt/eli/cap/452/eng/pdf>.

a. Assumptions

Before presenting the issues related to advancing workers' participation in social dialogue and collective bargaining, a brief introduction to a number of assumptions underlying the value-laden terms included in the wording of the Roundtable agenda remit will set the stage. It will be concerned with the central role of workers and the variegated nature of worker participation. First, we start with the centrality of workers and then, in the following section, we discuss the participation of workers.

If one is forced to find a silver lining around the dark clouds of the Covid-19 crisis, this has to do with the centrality of workers. This idea was highlighted by the general and popular appreciation of workers who risked their health and that of their immediate relatives so that economic activity and related social relations would not collapse *en toto*. For the central role of workers, a set of three assumptions are presented.

The first basic assumption to be asserted is that workplaces, even the most automated, have workers or depend on worker contribution. For small, medium, or large workplaces, those technologically rich or relatively more dependent on a mass labour force, workers' input is fundamental.

A second basic assumption is that employers and workers might be transversally related in a specific workplace or related via a contract, but their fundamental status, interests and what they take away from their contribution to work are different and value-wise, unequal.

A third and final basic assumption is that human beings are conscious agents who are able to keep significant levels of control over what they do. Employers and their representatives know this and for them, to extract effort from the workers and keep the process running, might be problematic. Where labour effort is efficiently controlled, especially where this means the effort is reduced to units of simple and repeated behaviour, work-related difficulties arising are solved by others – the managerial cadres. This approach will justify vertical and hierarchical structures at work. Notwithstanding, there are situations where decisions can be taken by appropriately trained and experienced workers and, in this case, managerial pre-emption makes workers feel increasingly alienated. If one agrees that work organisations socialise the workforce, one understands how such negative social relations may be and are generalised outside the workplace. Consequently, it is important for broader

society that workplace hierarchical structures and alienating conditions at work are transformed and democratised.

Participation or involvement of workers in unions and in social dialogue and collective bargaining needs to be contextualised within the framework of the above three assumptions, i.e. the central role of workers; the distinctive status of workers and employers; and the socialising effect of the workplace experience on conscious beings/workers. In what follows, it is identified more strictly with the Roundtable remit.

b. Roundtable remit

The remit for the Roundtable consisted in advancing *workers' participation* in social dialogue and collective bargaining via increasing *skills* to support Maltese trade unions in their activities to shape national *recovery plans* that deliver secure jobs with decent pay and conditions [italics added]. The following explains the italicised key terms.

i. Worker Participation

The remit has to do, as the text clarifies, with participation. In fact, the Roundtable's specific themes concerned, *inter alia*,

- problems and their solutions;
- the role of and what one would expect from workers and employers' representatives in this quest;
- prejudices that complicate the process;
- engaging workers in co-decision-making and how this affects the workers' situation,

and all were channelled towards qualifying worker participation.

When participation is placed and tested in a context of work social relations, the difficulties faced by women, youth, people with disabilities and atypical workers enlighten not only the impact of COVID-19 on their resilience but will also qualify the recommendations for trade unions and policymakers regarding worker participation in general or lack of it. Besides the specific relation to a number of disadvantaged groups, worker participation was also central during the Roundtable in the reference to good practices from other European contexts.

However, this faces the added difficulties of how to concretely realise participation measures following model transfer from one concrete reality to another.

Having confirmed the Roundtable remit's central interest in worker participation, it is advisable to clarify, at least summarily, potential meanings of *participation*. Participation can refer to many things. What follows is a list of purported participation cases each one accompanied by what are considered its critical limits.

To start, participation is sometimes associated and limited to simply getting a 'feeling' of what is going on by sitting and passively understanding what somebody else – generally management or its representatives – explains. This is an extremely weak version of participation in which workers contribute nothing except through an intuitive grasp, sympathetic corroboration, or simple acceptance.

OR,

Participation is sometimes associated with the experience of an employee in a family-owned and run SME who is told one should feel like a member of the family (in which the manager or owner is generally the patriarch). This is mere cultural dumping of family values attributed to a workplace context as if the worker, contractually defined according to labour market regulation, is actually participating as a member of a family, which in its different models remains instead a solid reproductive unit for society.

OR,

Participation can be understood, even if not approvingly by unions, as that associated with peripheral or fringe workers who, being relatively more fragmented, find it extremely difficult to even enrol in or be attracted to unions that can protect them from management, health, policy and other abuse.

OR,

Finally, participation is becoming exclusively reduced to the presently hegemonic understanding of responding to managerial directives aiming for company efficiency where the goal is persuading workers to participate in raising production and acquiring related techniques and skills. This is not the same as participating in co-decision-making and its potential effects or rewards. Focus on firm level leads to the inability to see the wood for the trees. The contradiction here is that, as a McKinsey Report spells out, without broader

policy-based action to strengthen demand, there are situations where worker participation in efficiency-based productivity growth leads to management, amongst others, to simply cutting labour costs.⁷

The understanding of participation that was favourably mentioned was the one associated with 'core' workers in a firm. Their participation includes consultation by management and consensus-based decision-making processes. Already boasting job security, these core workers are granted special working conditions in return for their commitment. It is these features of core workers that were highlighted during the Roundtable. Otherwise, in a context of combined core and peripheral workers, the former justifies special relations on their personal merit and by contrast relegate the relations involving the other peripheral members of the workforce to a relatively inferior status characterised by compliance and/or brawn.

At this point, in order to discover where responsibilities for the choice of the mode of participation rest, it becomes clear that one question needs to be answered, 'Who decides on such matters?' When decisions are made or taken, it is easier to point out who holds bargaining supremacy and how this reflects wealth and power imbalances in economic social relations, and consequently up to a certain extent, social dialogue.

ii. National recovery plans

Besides participation, the remit of the Roundtable also referred to Recovery. The two are significantly associated. The discussion on participation was contextualised in times of crisis, or as anticipated above, permanent crisis. One notes that each crisis was followed by some form of recovery, or at least, an agenda presented as such. So, initially what follows is a brief

⁷ Demand was fuelled by population increase due to the growing numbers of foreign workers as well as tourist presence pre- and post-pandemic. "Before the pandemic, productivity growth had not always fully translated into broad-based growth in wages and consumption", the McKinsey Report (2021) declares. Without "growth that drives jobs and incomes, they could lead to a widening gap between productivity and median wage growth, rising unemployment or lowering employment. (...) Accelerating superstar effects could also lead to further rises in inequality, for instance if the labor share of income falls further." McKinsey Global Institute (2021). *Will productivity and growth return after the COVID-19 crisis?* March 30, 2021. Retrieved March 22, 2023, from <https://www.mckinsey.com/industries/public-and-social-sector/our-insights/will-productivity-and-growth-return-after-the-covid-19-crisis>. Profiting from global unequal development may boost employment figures but the effects on wages and inequality still need to be addressed.

description of experiences during crises as related by members of disadvantaged worker categories already singled out who can qualify best the debilitating effects of such crises and the resilience required to face such hardship. Anyone developing or correcting a recovery plan would do well to keep such experiences in mind.

Malta's Recovery and Resilience Plan (MRRP, 2021) presents a series of attractive catchphrases such as 'strong recovery', 'future ready', 'sustainable', 'resilient', and so on.⁸ More concretely, it consists of a projected set of 17 investment projects and 30 reforms addressing specific challenges affecting the Maltese economy but principally focused on climate objectives and the digital transition. All reforms and investments, the Plan announces, have to be completed by August 2026.

As far as employment is concerned, the MRRP is projected to provide 1,200 new jobs. The 1,200 will be added, unless otherwise stated, to the pre-MRRP thousands of other jobs annually required. Furthermore, the 'number' of required workers in the Recovery and Resilience Plan is only half the picture. The following needs to be clarified. On one side, employers are interested in skilled labour more than simply their numbers whilst the unions single out how a strong percentage of new workers tends to be absorbed by private outsourcing employment, not unionised and suffering relatively poorer protection and remuneration.

The digital transition addressed by the Plan concerns both public and private sectors. As far as workers are concerned, and they are not specifically highlighted unless for their identity and contribution as human resources, the Plan includes a projected €34 million investments for the digitalisation of public administration and public services to strengthen the government's IT systems and enhance digital public services. This affects the workers both in employment and to be employed in the future. A further €15 million will be invested in the digitalisation of approximately 360 companies, mostly SMEs.

Significantly, the MRRP refers to the adoption of Malta's Digital Strategy 2021-2027 and its ambitious goals including one that aims to reduce the present digital divide relegating working class families with low income. The Roundtable, with its interest in disadvantaged groups of workers and their participation or representation in collective bargaining and

⁸ Retrieved March 22, 2023, from <https://fondi.eu/wp-content/uploads/2023/01/Maltas-Recovery-Resilience-Plan-July-2021.pdf>

social dialogue, shares the urgency of social justice in post-pandemic society and in the workplace. This includes national health and social protection, long-term and childhood care systems on one side, as well as employment, skills, health, and education on the other. In general however, the MRRP narrative deals with workers as a residual or marginal issue, responding and following up on what is to be done technologically and technically (i.e., capital and capital-enhancing).⁹

iii. Social dialogue and collective bargaining

The remit of the Roundtable emphasised collective bargaining and social dialogue, considered a multi-level, multi-actor issue.¹⁰ In this, the political state generally appears to stand out of the brawl. It is projected as a 'neutral' player within a framework actively occupied by employers and worker representatives. DIER stands out as an exception.

| <i>Action</i> | <i>Place</i> | <i>Participants</i> |
|-----------------------|--------------|---------------------|
| Collective bargaining | Workplace/s | Bipartite |
| Social dialogue | National | Tripartite |

⁹ One can refer to inequalities further highlighted by the pandemic and hitting the above-mentioned groups. The idea of social justice was picked up in an EU multi-institutional Communication on a sustainable growth strategy: "the need to create a fairer and more sustainable business environment and rethink working conditions in many sectors". The resilience of disadvantaged social groups is highlighted by the Communication which contextualises and points out how online services and e-commerce are, 'currently dominated by a few large players, with increasing market power and mobile tax bases, sometimes to the detriment of the ability of many smaller European companies to start-up and scale up across the Single Market ... the media sector ... regions, industries and *finally* workers most affected by the green transition' in order to 'alleviate the socio-economic impacts of the transition. This is needed to ensure equal and fair opportunities for people and business.' [italics added]. Brussels, 17.9.2020. Communication from the Commission to the European Parliament, the European Council, the Council, the European Central Bank, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank. *Annual Sustainable Growth Strategy 2021* COM(2020) 575 final. p.4. Retrieved March 22, 2023, from <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020DC0575&from=EN>.

¹⁰ Following the definition established within (and "for the purposes of") Directive (EU) 2022/2041 of the European Parliament and of the Council (19/10/2022) on adequate minimum wages in the EU, *collective bargaining* refers to "all negotiations which take place according to national law and practice in each Member State between an employer, a group of employers or one or more employers' organisations on the one hand, and one or more trade unions on the other, for determining working conditions and terms of employment"

The following section of the Report will introduce collective bargaining and social dialogue.

iv. Skills discourse

Skills are already a stable feature of hegemonic discourse regarding work; one would be surprised to find it absent in any economic recovery document. Among the key stakeholders whose views on social dialogue and worker participation in collective bargaining were taken into consideration, one finds employers. Skills are effectively a popular claim by employers and one can safely conclude that especially in the private sector, their call for worker participation is concentrated on the notion of skills. This is not however the principal or exclusive meaning of the skills-set referred to in the Roundtable. One recalls that the main remit of the Roundtable included the term skills within the phrase, “increasing skills to support Maltese trade unions in their activities to shape national recovery plans that deliver secure jobs with decent pay and conditions”. There are ample references to this in the Recommendations section of this report.

A brief historical background is given to contextualise the point about an exclusive understanding of skills. Since the 1970s, Eichengreen argued, “breaking down” factories for innovation-based growth to be given a chance led to systemic changes and required distancing skilled from unskilled workers (2007, p. 48).¹¹ Jessop & Sum described this further division of labour as a separation of core “polyvalent” workers from peripheral “unskilled” workers in the same firm, a feature characterising globally oriented post-Fordist enterprises (2006, p. 78).¹² Together these supported employers to break wage compression. At the same time, all workers were to carry on with continuous training, acquiring more skills, when in effect this was a matter that differentiated the medium and top-level employee from the rest. Comparing the two, the former received upskilling; the rest were expected to follow duties assigned to them, and when these were novel, were reskilled (Tattara, 2001, p.257).¹³ The same reskilling was provided to the unemployed or temporarily unemployable. To sustain the discourse effect of all this, those with ‘no skills’ (sic), the unemployed and

¹¹ Eichengreen, B. (2007). *The European economy since 1945: Coordinated capitalism and beyond*. Princeton University Press. p.48

¹² Jessop, B., & Sum, N.-L. (2006). *The Regulation Approach and beyond: Putting capitalist economies in their place*. Cheltenham: Edward Elgar.

¹³ Tattara, G. (Ed.). (2001). *Il piccolo che nasce dal grande: Le molteplici facce dei distretti industriali veneti*. Milan: Franco Angeli.

unemployable became the *losers* in populist parlance.¹⁴ Moreover, keeping women, youth, people with disabilities and atypical workers in mind, and in a context of skills, their mere presence in a specific work sector served to de-skill that sector. This rendered certain skill distinctions, more than anything else, a matter of social and historical development.

At the same time, skills are central in the work process. International competition for attracting foreign investment capital has led to nationwide training agendas adopting skills as a lynchpin in Vocational and Educational Training (VET). Increasingly after the 1970s, and the context referred to by Eichengreen and Jessop & Sum above, restructuring companies began to ask for a different type of worker, one who created, was flexible, collaborative, and participated constructively. This was accompanied, as implied above, by calls for ‘productive’ collaboration in the factory. The above-mentioned breaking down of factories and the increased resort to outsourcing meant that the forces of production were being broken up on a national, regional and sectoral scale, and unity re-constructed in the firm. Collective bargaining followed suit. Skills discourse thrived on these developments which, in the broader picture, were not restricted to skills discourse but reflected on the increased difficulties faced by worker representatives forced to consent to the hegemonic presence of productivity upskilling or reskilling dominating collective bargaining and social dialogue.

To conclude on skills, one has to be prepared against a potential negative social impact on workers from the ‘twin transitions’ to a green and digital economy. It is of paramount importance these do not translate into more social suffering and worker divisions but instead lead, amongst others, to investments and reforms in adult education and vocational training, even if in terms of apprenticeships and on-the-job training, in which unions are directly consulted and participating.

¹⁴ C. Casey (2006) observed how those losing their job, the unemployed or unemployable were defined as losers suffering not only from “insecure or non-participation in employment” but also from “social exclusion”, and “personal precariousness”. ‘Work and workers in the learning economy: Conceptions, critique, implications’, p.153. In, M. Kuhn, M. Tomassini, & P. R.-J. Simons (Eds.). *Towards a knowledge-based economy? Knowledge and learning in European educational research*. pp.149-169. New York: Peter Lang.

The Report

Part Two

The specific themes



Part Two: The specific themes.

Following Part One's general presentation of the broad remit of the Roundtable, Part Two introduces a series of specific themes set up to answer in relatively more detail the main goals of the event. For clear reference we recall the themes here and discuss them individually in separate sections.

Section A: What are the problems hindering social dialogue and bargaining processes in Malta?

Section B: How to solve the existing problems in the company through social dialogue?

Section C: What is the role of workers' representatives?

Section D: What is the role of employers' representatives?

Section E: What are the prejudices to be tackled to engage in effective collective bargaining?

Section F: Why is it important to engage workers in co-decision-making?

Section G: How will it affect the workers' situation?

Part Two. Section A:

The problems hindering social dialogue and bargaining processes in Malta.

i. The role of the political state

The presence of the political state in the local economy is strong. This is not only witnessed in the passionate attention to the annual budget by local employers, workers and consumers but also in the state's financial contribution and regulatory frameworks to channel and guide economic agents. Historically, starting in 1959, Development Plans laid bare the government's economic agenda until in 1987 a new government stopped the process. However, having applied for EU membership in 1990, the same government was directed by the European Commission to introduce another planning instrument, the National Industrial Policy. Outside the evolving picture of economic planning, representatives of the political state are active, when they form part of official delegations travelling abroad to attract any form of foreign investment to the islands (with its own historical offshoot in former prime minister Mintoff's postcolonial quests) (Baldacchino & Debono, 2021, p.15).¹⁵ Effectively, the not so hidden form of the economic structure - dependence on foreign capital (M. Vella, 1994)¹⁶ – has not really changed but what has changed is the workforce – from a predominantly local to a multicultural globalised one. In other words, the social formation has been transformed and economic needs and its political regulation were determining factors in the development of the social formation.

In collective bargaining and social dialogue, the political state is generally projected as a 'neutral' player within the social partners framework. Baldacchino & Debono (2021) describe the collective bargaining system in Malta as "largely voluntarist" and "free ... without much state intervention through regulations". The political state provides the rules

¹⁵ M. Debono & G. Baldacchino (2021). 'Editorial'. In, M. Debono & G. Baldacchino (eds.). *Working life and the transformation of Malta 1960-2020*. University of Malta. pp.11-24.

¹⁶ M. Vella 'That favourite dream of the colonies': Industrialization, dependence and the limits of development discourse in Malta. In R. G. Sultana, & G. Baldacchino (Eds.), *Maltese society: A sociological inquiry* (1994). This point developed and qualified as paradigmatic by Vella has not been successfully challenged.

of the game via the Employment and Industrial Relations Act (Laws of Malta 2002).¹⁷ It keeps the unions at bay from each other with the Recognition of Trade Unions Regulations (2016)¹⁸ and generally soothes their members by allowances from the Cost of Living Agreement (COLA, 1990).¹⁹ COLA has been considered not only an exercise in handouts but as having constituted a new social partnership or dialogue model that substituted the preceding confrontational one. Attributed to EU accession and EU ideals, a GWU (2023) report states how "many of those involved in the industrial relations scene admit that the interests of both sides can rarely be completely reconciled" but that COLA allows for "justifiable compromises" to be made warning that its removal would "bring back unrest and industrial action" and so both employers and trade unions "believe in the mechanism and the independent board that oversee the workings". Still, this institutional approach or any purported ideals linked to it cannot dispel or obfuscate the power relations being regulated.

So, to return to the previously-mentioned query, is the political state neutral? Referring to public administration as an employer in neoliberal times, one observes how it is increasingly caught in controversies which are not petty. Not only can the largest companies impose their interests on political states, but states also submit to and indicate their subordination by adapting and integrating private corporations' models (of management, accounting, etc.), or their caricature within the public administration.²⁰ More specifically the Maltese political state throughout the years has carried out the following measures that qualify as answers to the query posed here. It,

- resisted EU recommendations to reform the wage indexation system, arguing that as it is, it has a net positive effect on competitiveness (Ministry for Finance 2013).
- considered the ever-increasing public sector expenditure, and decided to curb wage increases through its Industrial Relations Unit inserting clauses in public sector

¹⁷ Employment and Industrial Relations Act. Chapter 452. Retrieved March 22, 2023, from <https://legislation.mt/eli/cap/452/20221220/eng>.

¹⁸ Recognition of Trade Unions Regulations (9/12/2016). Legal Notice 413 of 2016. Retrieved March 22, 2023, from <https://legislation.mt/eli/sl/452.112/20161214/eng>.

¹⁹ Retrieved March 22, 2023, from <https://legislation.mt/eli/sl/452.65/eng/pdf>.

²⁰ This means that we need to adapt the description by Baldacchino & Debono (2021, p.425) of a public sector's "service monopoly that is immune to market forces, but vulnerable to political pressure". The latter remains, the former requires qualification.

collective agreements stating that wage increases shall be inclusive of COLA, for the period covered by the agreement.

- created the double-edged sword of a centrally controlled pay allowances system which became a problem during negotiations on pay allowances. It was double-edged because as a manager in the public service admitted: “We try to treat decently our employees, but we cannot play with pay since this is centrally established. We lose new employees because their old employers raise their pay.”
- went against the ILO recommendation regarding public holidays which established that because of a crisis, any measures taken affecting workers should only be of a temporary nature; however, whilst the Maltese government committed itself to reviewing the law in question, its reform opted for reducing Public Holidays across the board and confirmed it. Once it could not intervene directly, the ILO annually drew the attention of Malta to the above. The unilateral decision by the political state created the anomaly of nullifying a collective agreement provision of more benefit to workers than that proposed by the law.²¹
- issues tenders that create situations where, if the tender selected is the less costly one, it can be presumed that the application might well rest on minimum wage conditions for the workers.

Governmental action is not restricted to directly assisting the powerful (and other) private sector employers or translating a private sector managerial philosophy and techniques to the public service. As in the Covid-19 subsidies, it also indirectly assists private business interests on a national scale by supplying workers and their families with subsistence money, not forthcoming from private sector payrolls, and so keep the economic wheel rolling in difficult times; otherwise, one risked systemic breakdown.

ii. Political interference

Besides the macro-scale, politics, some workers argued, directly affected the micro scale of work relations especially those concerning workers who had strong connections with the party in government. During the pandemic, workers participating in the Roundtable

²¹ These points are drawn from, Greenland, Cory (2012). *The collective agreement in Maltese industrial relations: a legal perspective*. Valletta: GWU.

witnessed how some of the privileged grabbed overtime and never answered phone calls when on overtime duties. When they presented themselves at the workplace, they punched and left, clearly not having any work-related duties to commit to. This political interference reached out broadly in the public service and was negatively affecting those who gave their fair day’s work. It also negatively affected youth workers who applied but after a short time with the public service, left. These young workers, the Roundtable was told, were not ready to knock on the minister’s office door to get a positive work appraisal. The following is a translated quote from a public service employee:

“We get many young employees who never resist more than 6 months to 1 year. They have studied and graduated and do not want to knock on the minister’s door. Appraisal exists and it should dictate.”

Besides the appraisal, this also affected promotions in the public service especially when these were few and far in between. It lowered trust amongst workers since the privileged had access to a strong protective system. In the private sector, as one would expect, there was comparatively less political interference. According to the public service employee just quoted, there was a better appreciation of work:

“[in private] I was already allowed to work from home; and got paid. [In the public service] I punch and any work done in the evening is not paid.”

The presence of political interests in the workplace poisoned the debate on social dialogue and collective bargaining by destabilising the workers, turning them one against the other. According to a public service shop steward, it is difficult to stamp this out because it is embedded. In his words:

“It’s all in the electoral system ... by voting, voters acquire certain powers. It is culture that has to be changed. Political candidates ruin the system. They and their close acolytes disturb working relations and affect relations with the ‘private’. If they lose their place, they sabotage the system. Some Labour [PL political party] supporters will tell you it was better if the Nationalists [PN political party] won.”

iii. The institutional regulation of the political state. DIER.

Insights into the role of the political state are gained from observing the institution of DIER, the Department for Industrial and Employment Relations. Problems that hinder social dialogue and characterise bargaining processes in Malta can be transcribed from its reports. A brief summary of cases assists.

Although at law, any derogation from legislation requires the approval of DIER, during the 2008 financial crisis, a number of companies went their way. Section 42 of EIRA, the Employment and Industrial Relations Act, does provide for temporary measures and practices below legal standards as long as the trade union agrees, and it is endorsed by DIER “to avoid redundancies”. This was not the case in 2010 when ST Micro Electronics workers were forced to a second revised ballot and approved a set of austerity measures to maintain the investment in Malta.²² The revision went against the original collective agreement conditions. Whilst the changes may have been minimal as, in the words of the Company, it was still interested in looking for and reaching an agreement with the Union through an employee ballot, it nevertheless proved the possibility that a new demand could be made notwithstanding a pre-existing clause included in the Collective Agreement text excluded this.

In summary, it is not difficult to perceive the presence of employers and their interests being promoted by the government and integrated in its initiatives. Such considerations as competitiveness absorb and annul within the central role performed by workers and instead define success in terms of profit-making. Above, we have mentioned how a crisis was considered reason enough to annul parts of one side of a collective agreement contract – that protecting workers’ interests. This is where the distinction between employer and

²² This arguably anti-democratic move was a typical case of top-down decision-making that trumped an earlier decision taken by the same union members. The democratic element is illustrated by the Malta Union of Teachers’ (at the time of reporting) intention to introduce a procedure for its industry-wide agreements giving member representatives the right to vote on the final version of the agreement (one representative for every ten members). If members do not accept the agreement, negotiations with the employer must start again. Retrieved March 22, 2023, from <https://timesofmalta.com/articles/view/st-workers-vote-to-save-their-jobs.319696>. The practice is viewed negatively by employers who consider it ‘very destabilizing as management can never be certain that the negotiations have been closed’’. Malta Employers’ Association (2015) *Position Paper on The State of Social Dialogue & Industrial Relations in Malta* pp. 8-9. Retrieved March 22, 2023, from <http://www.maltaemployers.com/loadfile/f3a55822-c043-41ae-aa74-d0e5c9f8d8472015>.

worker becomes clear. Workers, in general, would support employers who compressed wage structures by increasing low wages and controlling or capping (even via postponement or suspension) the higher wage scales; as well as reducing profit margins. That is not what generally happens.

Part Two. Section B:

How to solve the existing problems in the company through social dialogue?

When there is a crisis, and companies decide on restructuring – company reorganisation, closures, mergers & acquisitions, downsizing, outsourcing, relocation, etc. –, unless workers are directly involved, they are forced to react. There are circumstances when the strike becomes a powerful tool for workers. With the company declaring a crisis as it transmits negative data on growth, investment, innovation and research, the strike is presented as adding further to the difficulties. Workers are familiar with this. With workers burdened by loans, the situation becomes desperate. Besides, a one-day strike is generally ineffective and therefore workers have to guarantee sustainability in their action but not all workers are financially sound, and management knows and so it pulls union and non-union workers together.

The right to strike is part of the principles of democracy and whilst confirming the worker is a citizen, we still observe attacks on or shackles placed on this right by employers, government or the media that support them.²³ Such attacks undermine liberal democratic principles that underlie a legal right to strike. One can argue that strikes are limited or weighed down by such measures as emergencies and clear-cut security concerns but outside these, once the strike or related industrial action are successful, even when this means extraordinary sacrifices from the workers, success conveys the strength of unions. During the Roundtable discussions, this was pointed out.

When attempts to solve problems in the company fail, and the strike is still on the backburner, the main alternative instrument to arrive at some form of agreement is EIRA. As mentioned above, EIRA is the Employment and Industrial Relations Act. Complemented by

²³ That this is not a superficial issue can be understood by considering an EU Commission text modified during the amendment stage because it referred to worker but not to citizen. The Commission's text: "A skilled workforce is crucial to ensuring socially fair and just green and digital transitions, and to strengthening the Union's sustainable competitiveness and resilience in the face of adverse external shocks such as the COVID-19 pandemic ...", was amended to, "A skilled workforce *and citizens who are* skilled in democratic participation and the pursuit of personal development are crucial to ensuring ..." [italics added]. Draft Report on the proposal for a decision of the European Parliament and of the Council on a European Year of Skills 2023 (COM(2022)0526 – C9-0344/2022 – 2022/0326(COD)). Committee on Employment and Social Affairs. Rapporteur: Loucas Furlas. https://www.europarl.europa.eu/doceo/document/EMPL-PR-738559_EN.pdf

other regulations, including those for wages, it is the general framework "accredited with helping to maintain industrial peace in the country" (EIRA). Following the threat of directives and/or direct action, the Director of DIER calls for conciliation meetings to search for solutions to the problems. Intermediation or arbitration initiatives attempt to reduce or manage open disputes between employers and workers. This consolidates the previously mentioned idea of a 'neutral' political state with its institutions performing intermediation. In this goal of holding back capital-labour conflict, the state performs the role of 'actively' de-fusing work-related conflict in order to conserve the system. The figures below confirm this works.

| Conciliation – DIER, 2021 | |
|---|-----|
| Annual total meetings | 35 |
| Number of meetings during which agreement was reached | 31 |
| Agreement % | 80% |

The scenario faced by the Director of DIER has however broadly changed. The transition from confrontation to social partnership has been "quiet and inexorable" (Baldacchino & Debono, 2021, p.18).²⁴ For Grima, this transition, "opens the possibility for an ethically more satisfactory alternative to the adversarial model of industrial relations" because such participation "enables workers to have a more direct voice at their respective place of work and it can transform (in an ideal situation) an economic enterprise into a community of persons" (p.145).²⁵ Keeping ideal situations on the margins, the historical trend has indeed been a long-term reduction in industrial action and a resort to bargaining and dialogue. Baldacchino & Debono (2021) argue the transformation has "probably been brought about by the growing realisation that confrontation often results in negative unintended consequences, and that dialogue is more productive in the long term".²⁶

²⁴ M. Debono & G. Baldacchino (2021). 'Editorial'. In, M. Debono & G. Baldacchino (eds.). *Working life and the transformation of Malta 1960-2020*. University of Malta. pp.11-24.

²⁵ G. Grima (2021). Workers' rights and vulnerable workers. In, M. Debono & G. Baldacchino (eds.). *Working life and the transformation of Malta 1960-2020*. University of Malta. pp.145-162.

²⁶ Asbjørn Wahl argued conflict brought gains(2021). *Class Struggle Built the Welfare State*, in, https://jacobin.com/2021/05/welfare-state-class-struggle-confrontation-compromise-labor-union-movement?mc_cid=8b4368bc27&mc_eid=0c44e561e0.

Part Two. Section C:

What is the role of workers' representatives?

Trade unions face a number of challenges in performing a role that is beneficial to workers. They have not been rendered redundant although they might have lost members. Some unions actually appear to perform an organisational and managerial role 'training' their members into compliance and actually collaborating with the company by contributing to its profits, following an approach aligned strongly to the transformational process mentioned above that is not confrontational. In return, and in recognition of such roles, employers offer training openings, open-door communications, and, of course, rewards for increased productivity and or improved work processes. Unions need to be strategically wise. They continue to represent the working class when political parties traditionally associated with the class are criticised for having become lukewarm to the distinctive class interests of workers.

Referring to social dialogue, the role of workers' representatives at policy level does not necessarily contribute to a stronger hand in the workplace. It is not always a straightforward exercise to converge the two scales. This becomes problematic since workers' immediate needs for union intervention are at the workplace, and it is even more relevant in the private sector. Union membership becomes a privilege when one considers how public sector workers are covered by collective agreements whereas those in the private sector, who paradoxically may arguably be considered to need more protection, are increasingly distanced from unions. Besides the shocking and unacceptable experience of management preferring if not imposing non-union membership, unions are virtually absent from traditional industries such as construction, retail, agriculture, and fishing. Previously heavily unionised sectors in manufacturing continue shedding workers. Finally, unions are unable to infiltrate emerging industries including financial services and electronic gaming which heavily employ foreign workers. To illustrate the difficulties faced by non-union workers, and the role of inter-sectionality, the sector of carers has a strong foreign workforce, and being non-unionised, they are entrapped in exploitative relations.

In such a broad scenario stretching from collaboration to induced absence, workers' representatives participating in the Roundtable highlighted a number of general and

immediate worries but at the same time, the essential role performed by union representatives. Unions are essential when workers face "divide-and-rule" approaches by management deliberately singling and keeping out, amongst others, shop stewards. The General Workers Union, it was pointed out, offered participation opportunities to sectors of workers who previously had none. This was highlighted by a representative from the public service who recalled how they had no participation opportunities before they joined the Union. Conversely, private contractor workers who were outsourced and reported by clients, were transferred; it was not the same with the government workers. To make matters more complicated, government workers adopted a superiority stance over them even when they performed the same work. With union protection, management was more conciliatory and, against what had happened before, provided air conditioners requested and also the time for meetings to discuss matters with the union. Unfortunately, managers and employers still found ways to consolidate the separation amongst workers - when government workers asked to be considered Scale 12 in a 16-scale pay grade, the answer was positive; the private contractor workers doing the same work were not given the same upgrade.

It is generally the case that private sector, non-unionised, sub-contractor employees are worse off and "only paid the minimum wage".²⁷ The following quote from a participant illustrates the exploitation in the maritime sector:

"The local maritime sector is in chaos, so we import labour at 400/500 euros a month (Maltese minimum wage is c.800), no insurance and they sleep on ships below the sea surface. Four Maltese companies offering maritime services employ 180 maritime workers out of whom only five were Maltese. Only Gozo Channel offers any substantial employment. A one-year contract dictated that the sailor (Egyptian, Indonesians, Burmese and some Bangladeshis) offering some service – pulling a fishing net to shore, crew change, waste collection, etc. – is without residence and work permit (i.e. without the single application procedure). This is a loophole in EU legislation. No working-week limits, no holidays. It is a race to the bottom run by labour-trafficking agencies."

What worries unions in terms of collective bargaining in Malta is that keeping in mind the successful employment record on a national base, and focusing on cleaning, clerical, security, operational services, "most jobs are being created through sub-contracting"

²⁷ GWU (2023).

wherein employers involved tend to create situations “depriving them from participating in the success of the particular workplace and not being covered by collective bargaining”, i.e., less pay and worse working conditions.²⁸ The GWU has proposed a new legal prescription capping the outsourced workforce in every organisation at 20%.

Part Two. Section D:

What is the role of employers’ representatives?

In collective bargaining in Malta, the main players besides trade unions are employers’ associations. The main organisation is the Malta Employers Association, the national voice for employer interests and provider of advice in support of employer bargaining and policy development. Another employer association is the Malta Chamber of Commerce, Enterprise and Industry which promotes the interests of the commercial classes and small-to-micro enterprises. This latter category of firms forms the mass of the local economy. Since collective agreements in Malta are concluded at enterprise level, unlike unions, employers’ associations can only play a marginal role during collective bargaining; they tend to be consulted if and when required but do not sign collective agreements.

In social dialogue, as mentioned above, the National Agreement on Industrial Relations (1990) established a mechanism that determines the annual mandatory COLA given to all workers, including minimum wage earners. COLA is based on the inflation rate over the previous twelve months, as calculated by the Retail Price Index. The latter is a measure of inflation based on monthly changes in the cost of purchasing a representative basket of consumer goods and services. It is reviewed periodically, in line with the Household Budgetary Survey (HBS) (National Statistics Office, 2018).

Collective bargaining and social dialogue are complementary. In collective agreements, where wage structure and wage scales - monetary issues such as bonuses, allowances, and grants – are priority, COLA details may or may not be included. However, crises tend to build bridges between the two processes. In both cases, it is not always a straightforward exercise with unanimous agreement. During the crisis of 2008, and in the social dialogue context, the

²⁸ *ibid.*

Malta Employers’ Association protested against the destabilising effect of COLA. Following the eruption of the Russia-Ukraine conflict, this cropped up again following the effects of a rise in inflation on COLA and wages. It would be wise if workers considered both processes - bargaining and social dialogue as central.

Part Two. Section E:

What are the prejudices to be tackled to engage in effective collective bargaining?

Trust is important. In the research, one worker described a general situation when workers who had worked from home, were welcomed back as if they were cheating. In spite of monitoring technology, one Roundtable participant declared, “when you go back to work [management acts] ... as if you were on holiday”. The facilitation of working from home (WFH) needs to be further developed. In terms of prejudice, there has to be a change in managerial attitudes and, at the same time, skills for teleworking in Malta to spread. Whilst this is taken up in the Recommendations section below, at this point we remark how WFH would need to be accompanied by organisational restructuring that sets up blended operations, training of management and workers, including where this is possible, atypical ones and mothers.

Another common prejudice, this time not held by management but by workers against other workers is the one Maltese hold against foreign workers. The first phase research recorded how many participants held negative feelings against migrants. Reflecting the relentless increase of foreign workers “and their insufficient integration in the Maltese society in general and in places of work in particular ... the pandemic has increased the friction between Maltese and foreign workers, especially TNCs” (Debono & Garzia, 2022). We can anticipate suggestions provided by the participants. It was suggested that integration in the workplace is planned, and the assistance of adult educators trained in this field, invited to assist. Training should be conducted with mixed groups. Facilitation of relations between Maltese and migrant workers remains paramount in the case of state-employed and private contractor care workers.²⁹

²⁹ See *Comprehensive Study on the Positive Integration, Assimilation, and Retention of Foreign Workers within the Ministry for Health in Malta. Final Report* (September 2022), especially the case on pp. 31-2: “I got married a few years ago in Lebanon, at the time I had already been working as a nurse in Malta for many years ... as soon as I got married, I tried to bring my wife here with me through a process that should have not lasted more than nine months, but for one and a half years I was unsuccessful ... I only managed to bring her here because the Union intervened in the end ... which husband and wife are going to wait so long ...”. Retrieved March 22, 2023, from <https://deputyprimeminister.gov.mt/en/people-management-division/Documents/Research/Comprehensive%20Study%20on%20the%20Positive%20Integration%20Assimilation%20and%20Retention%20of%20Foreign%20Workers%20within%20the%20Ministry%20for%20Health.pdf>.

Part Two. Section F:

Why is it important to engage workers in co-decision-making?

Reference is here made to Part One, where assumptions underlying the Report were described along with a discussion about the nature of participation. To briefly summarise, participation was deemed not to consist of a passive or alienated nature; fake family membership identities; peripheral status characterisation; or, exclusively bent on increasing productivity. The goal was to be as close as possible to what was referred to as the ‘core’ worker participation model.

In a hierarchic workplace power structure, the initial idea is to move toward a governance style where participation processes need to go beyond a mere distribution of information and instead include facilitation of the workers’ role to co-determine. How this will work out requires ongoing debate. Secondly, governance deals with the promotion of a substantive regulatory social relations infrastructure in terms of checks and balances. Third and ultimately, the decisive question of co-determination is whether this new governance style with unions participating guarantees decent work or else if problems with gender equality, pay gap, but also care work, sick leave, working hours, training, social rights, etc., persist.

Besides the assumptions and the variegated nature of worker participation, we refer in this Report to Carole Pateman.³⁰ Discussing participation in the workplace put her on the intellectual landscape. Times have changed from the energy and other crises of the 1970s when she pioneered democratic participation in the workplace, but her focus on pseudo and partial participation is still relevant. In situations of pseudo participation, decisions (‘who decides?’) are already taken and then only explained to the workers. In partial participation, the second type, workers can influence the goings-on but have no ultimate power to decide. Pateman referred to a third response which embraces co-determination when she quoted French, Israel, & Aas: “participation is a process in which two or more parties influence each other in making plans, policies or decisions. It is restricted to decisions that have future

³⁰ Pateman, Carole (1970). *Participation and democratic theory*. Cambridge England: Cambridge University Press.

effects on all those making the decisions or on those represented by them”.³¹ This is the proposal that promises to reward workers in informed co-determination.

³¹ More recently, legal scholar Alain Supiot argued, if democratic participation is to enter the company, one has to think about, “setting up opposing forces within companies”. This means codetermination, co-management, and control as against cooperation and consultation implied by the previous type. Retrieved March 22, 2023, from <https://www.eurozine.com/economic-democracy-interview-alain-supiot/?pdf>.

Part Two. Section G:

How will it affect the workers’ situation?

If we situate participation typologies introduced in the preceding section in times of critical change, other associated factors attract attention. Workers’ participation in workplace decision-making is qualified and might be understood to mean being engaged within the process of a management of change in a firm or other workplace. The Covid-19 pandemic made clear that blinkering attention to the workplace does not make sense and does not lead to an effective and sustainable solution. Worker participation does not only affect the workplace; it is concerned with life experiences outside the workplace. These contexts are directly related to workplace experience even if presently they are considered antithetical. Considered in terms of social relations, they include:

- economic social relations (unions’ well-trodden path of wage and conditions of work negotiations),
- institutional and political social relations (especially and increasingly education and training agendas; legal enactments),
- cultural social relations (social and mediatic representation of events challenging inimical hegemonic ideas in civil society; reframing the status of the worker and economic and social rights buried beneath civil rights and identity themes while, at the same time, engaging with them).³²

So, co-determination as a style of decision-making involves being active in a broad spectrum of contexts. This is already in part the case and the GWU extends its attention and focus on issues of quality of life including the proposal of a National Living Income.³³ Once again, the divide between public and private employment was pointed out. Overall, it was observed, provisions protecting the workers’ quality of life interests are better implemented in public than in the private sector. One reason given was that in the public sector they are governed

³² Workers are silenced by the news media when they are relegated to a ‘wallpaper’ handshaking crew for politicians visiting their workplace. They also emerge as part of the death chronicle on the same media.

³³ See, *A Proposal Towards the Definition and Estimates of the National Living Income in Malta 2022*. Retrieved March 22, 2023, from <https://gwu.org.mt/en/a-proposal-towards-the-definition-and-estimates-of-the-national-living-income-in-malta-2022-2/>.

by the Public Service Management Code rather than by collective agreements.³⁴ This is pivotal in tracing the relative strengths and weaknesses of collective bargaining and social dialogue in Malta. It confirms that where the union presence is effective, workers gain. Focusing on wages and working conditions, the union defends the interests of labour but keeping this as an exclusive call might end up reinforcing the system along existing divisions among workers; left unchallenged, and not considered in broad social terms, it ultimately hurts the class interests of labour.



³⁴ See <https://publicservice.gov.mt/en/Pages/The%20Public%20Service/PSMC.aspx>.

The Report

Part Three

Success stories



Part Three. Success Stories.

During the pandemic, the employment sector was resilient as witnessed by those participating in the research and from data gathered during the Roundtable and other complementary activities. The success was evident in the public sector where the unemployment rate only registered a minimal increase. However, as triumphantly projected by public television portraying success scoops of local police accompanying away irregular workers, it was comparatively not the same in the private sector especially with such foreign workers who escaped the radar of the research. The irregular or temporarily unemployable ones left. Overall, the political state had cynically overlooked their presence in pre-Covid-19 times just as it eventually did in terms of support during the pandemic.

The government and the Central Bank's intervention were fundamental in not allowing the economic system to halt; it was also important that the workers come to terms with and make ends meet with a lower income. This did not materially assist those workers paying rent.³⁵ At the same time, excluding the hospitality and food sectors, post-pandemic incomes also recovered to pre-pandemic levels. However, relatively longer-term concerns such as collective agreements were affected as some of these had been stalled during the pandemic.

Success was also recorded in the observation that in spite of quarantine sick leave conditions and absence of workers, essential services were secured. Workers were also pleased with the fact that in such challenging times, overtime - a double-edged gift of the economic system - was also provided.

³⁵ This recalls the basic living income and basic basket of goods mentioned earlier in this report. The Institute for Fiscal Studies (UK): "If a household typically spends much of its budget on essential or inflexible items, it has less scope to adjust to a lower income by reducing spending without incurring relatively severe hardship. Hence it is relatively likely to run down savings, miss bill payments or go into debt. At the other extreme, if a large fraction of a household's budget goes on the kind of social and recreational activities that are now prohibited, or on commuting, which is now unnecessary for many workers, it may require little – or even no – further adjustment to cope with a fall in income." In, Crawford, R., Davenport, A. Joyce, R. and Levell, P. (2020). *Household spending and coronavirus*, p.2. Retrieved March 22, 2023, from <https://ifs.org.uk/publications/household-spending-and-coronavirus>.

The Report

Part Four

The European scenario



Part Four. The European scenario.

Globalisation, considered as an umbrella term, has been associated with global industrial restructuring marked by mobile capital; lean production and contracting out; changes in labour's racial, ethnic, and gender composition; and the dog-eat-dog competition of the world employment market.³⁶ Contextualised in a two or more speed Europe Union, an important player in global competitiveness, it will always be difficult in practice to create a Europe-wide level playing field for economic development in general especially considering German industrial leadership. There is no level playing field in labour welfare. Even when considering, for illustration purposes, low-waged worker cohorts who are employed in local and not continent-wide labour markets - hairdressing, cleaning, retail, hospitality, and the health and care sector - these still suffer from the competitive supply from external labour supplies on the continent and outside, even more so from the global reserve armies of labour.

The EU still builds frameworks for regulating economic activity. Muller et al (2020)³⁷ recall two points that map the policy-making territory at the continental scale preceding the pandemic period: following 2008/2009, unfortunately for the workers, policy-making turned to austerity and this prolonged the crisis and spurred on the populist backlash of Right-wing politicians; conversely, in the immediate pre-pandemic period, collective bargaining was addressed toward the realisation of von der Leyen's 'fair minimum wage'.³⁸ The European Commission did not abandon it during the Covid-10 crisis and this "can be read as a sign that, this time, the importance of fair minimum wages and strong collective bargaining, and the essential contribution that they can make to the recovery strategy, will receive the recognition it deserves" (ibid.). Eventually, the 'European Minimum Wage Directive' became a "milestone in EU social policymaking" following the agreement of June 7, 2022, "cementing the first ever EU legislation explicitly aimed at ensuring adequate minimum

³⁶ Moody, Kim. 1997. *Workers in a Lean World: Unions in the International Economy*. London and New York: Verso

³⁷ Torsten Müller, Kurt Vandaele, Silvia Rainone (2020). 'Fair minimum wages and collective bargaining: a key to recovery'. In, N. Countouris, R. Jagodziński (eds.). *Benchmarking Working Europe 2020: Covid-19 and the world of work: the impact of a pandemic*. Brussels: ETUI aisbl. pp.97-118. Retrieved March 22, 2023, from <https://www.etui.org/publications/benchmarking-working-europe-2020>.

³⁸ ibid.

wages and strengthening collective bargaining” by means of the normative benchmark of the double ‘decency threshold’ even if not in legally binding terms.³⁹

The EU’s ‘intervention’ in the economy in terms of policy and regulatory frameworks remains crucial because in the case of Malta, the European Union is the immediate and active context. Therein, the Pillar of Social Rights (2017) attracts attention. It includes key principles and rights to support fair and well-functioning labour markets and welfare systems. What needs to be carefully considered is the claim that because of changing conditions – demographic and the green and digital transition – there is a need to “rethinking today’s social protection systems and labour markets.”⁴⁰ Unions need to be ever present when such proposals are made so that ‘rethinking’ does not translate into continent-wide further suffering for the workers. The 7th principle addresses protection of workers in case of dismissals and the 8th the right of workers (or representatives) to be informed and consulted in good time on matters relevant to them, in particular on the transfer, restructuring and merger of undertakings and on collective redundancies.⁴¹

³⁹ Vanhercke B., Sabato S. and Spasova S. (eds.) (2022) *Social policy in the European Union: State of play 2022, Policymaking in a permacrisis*, Brussels: ETUI and OSE, p.144. Retrieved March 22, 2023, from <https://www.etui.org/publications/social-policy-european-union-state-play-2022>. Also, S. Wixforth & L. Hochscheidt (2021). *Minimum-wages directive: it's legal* (8th April). Retrieved March 22, 2023, from <https://www.socialeurope.eu/minimum-wages-directive-its-legal>. ‘Double decency’ is a criterion to define an ‘adequate’ minimum wage: 60% of the median wage and 50% of the average wage. Furthermore, Müller et al (2020), propose “a country-specific basket of goods and services, defined with the full involvement of trade unions and employers’ organisations” to be defined at European level and securing a decent standard of living (p.110).

⁴⁰ European Commission (2020). *Annual Sustainable Growth Strategy 2021*. p.8. Retrieved 22/03/23, <https://www.eesc.europa.eu/en/our-work/opinions-information-reports/opinions/annual-sustainable-growth-strategy-2021>.

⁴¹ An EU instrument on informing and consulting workers is Directive 2002/14/EC of the Parliament and of the Council of 11/03/2002. Retrieved March 22, 2023, from <https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:02002L0014-20151009>. In the *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions regarding the EU Quality Framework for Anticipation of Change and Restructuring* (2013), it is stated that the above and other directives “are generally relevant, effective, consistent and mutually reinforcing (and) have contributed to cushioning the shock of the recession and mitigating the negative social consequences of restructuring operations during the crisis”. Still, small enterprises, public administrations and seafarers are excluded; the low incidence of representative bodies and quality of their involvement (limited or formal consultation); their strategic influence; insufficient awareness of rights and obligations; compliance and law enforcement; private sector market power leading to wage drift (i.e., difference between actual and negotiated wage). The Communication was retrieved March 22, 2023, from <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52013DC0882&from=et>.



Recommendations



Part Five: Recommendations.

Recommendations elicited from Debono & Garzia (2022), along with other suggestions developed from the Roundtable activity are integrated in the final section of this Report. They are classified into a number of sections, namely, (a) General, (b) Workplace, (c) Work-life balance, and (d) Worker demands from the Union. This classification should not hide the inter-relations amongst these categories.

a. General recommendations

i. Recognition.

During the pandemic, it was clear how much carers are central and consequently if you don't care for the carers, the system will break down. This is a sector with relatively underpaid workers who require interpersonal skills that are not adequately recognised or valued. This is meant to illustrate the experience of these and other equally disadvantaged groups who when they went back to 'normal', went back to marginalisation. Recognition that any worker, whatever the work modality, requires respect and full recognition must become central where it is still lacking, and be consolidated where it is only partially recognised. This includes all disadvantaged groups including women, youth, persons with disabilities and atypical workers.

ii. From job retention to improvement.

The idea of turning the clock back to some pre-pandemic 'normal' is of course illogical. What needs to be done is that from policies targeting retention of work during the pandemic supporting the worst hit categories, there is the need to plan for post-pandemic job stability or reallocation policies that are complemented by training opportunities and programmes with special attention and concern for the disadvantaged groups.⁴² Providing improved work conditions and tailor-made support are recommended.

iii. Unionisation.

⁴² As a multi-institutional report from the EU declared: "Rather than mark a departure from the pre-COVID-19 agenda, the Recovery and Resilience Facility should speed up action to address pre-existing challenges while avoiding any new setbacks linked to the crisis." See,

Union officers need to double up efforts to unionise persons from amongst the disadvantaged groups; if police and disciplined forces have been unionised, one participant protested, why is it still possible that private sector employers bar, in different ways, workers from joining a union.⁴³ Indeed, while the public sector is heavily unionised, companies from the private sector, except for a few cases, are relatively less unionised.

iv. Informed participation.

Participation, a *leitmotif* in this project, has to do with language. If unionisation is a first step, union officials need to guarantee that collective agreements be written in a language comprehensible to those covered by the agreements. Maltese should not merely be used for an explanation accompanying the main text, as it is today. At the same time, for certain workers with difficulties to cope with the specialised jargon, a 'simplified' version should also be made available. This is fundamental if one is concerned with informed participation.

v. Inclusion

Once participation is considered profitable for workers, it will be less difficult to argue for inclusion principles. Following times of heightened crisis, qualified further by ongoing crises and the rise of social inequality, an occurrence also caused by price hikes, it is recommended that inclusion should be strengthened. This has to do with workplace governance and ongoing implementation and enforcement of inclusion policies and mediation processes. Inclusion is central in 'collective' bargaining because one has to answer whether all workers have access to it, how much its realisation depends exclusively on employers' willingness, and the regulation of capital-labour checks and balances.

⁴³ Manwel Debono and Godfrey Baldacchino (2019) reflect on this referring back to an earlier text, G. Baldacchino et al. *Managing people in Malta*, Malta, Agenda 2003: "Private-sector workers who might need union protection most are not likely to be union members. Those on fixed-term contracts, casual workers, including many young people and women, foreigners, and many who are notionally self-employed but depend on one contractor are largely non-unionised, some fearing that union membership may jeopardise their current or future employment. Furthermore, the younger generation, generally comprising well-educated workers, are driven by more individualistic notions of advancement and negotiation. They believe in merit-based progression and do not wish to have anyone allegedly push their interests on their behalf; nor do they wish to find their conditions of employment collapsed within larger, general categories as may often result from union involvement (Baldacchino et al, 2003). These cohorts are matched by strategic human resource management cadres that implicitly or explicitly dissuade workers from opting for union membership as a solution to their work-based concerns." Debono, M., & Baldacchino, G. (2019). Malta : moving away from confrontation. In T. Müller, K. Vandaele & J. Waddington (Eds.), *Collective bargaining in Europe*. pp. 423-443. Brussels: ETUI. Retrieved March 22, 2023, from <https://www.um.edu.mt/library/oar/handle/123456789/45230>.

vi. Workers' interests.

Collective agreements should not be overly concerned with prerogatives and concerns of management or the owners of capital but are to cater for worker interests. After all, both sides of the agreement need to plan ahead.

vii. Solidarity.

The shared hardships during the pandemic led to reflection on worker solidarity, made more emphatic and critical in hard times. However, this has become more difficult to realise today. As one worker pointed out, solidarity strikes are a thing of the past. Such strikes signified worker unity and solidarity across sectors.

viii. The individual.

Whilst the effort is 'collective', one cannot ignore the individual. Each and every individual union member should have a say in what affects him or her in terms of work experiences and Union response.

ix. Wages.

Finally, one item that attracts major attention and the immediate interest of workers is the wage. Wages are already an indication of the distinct status of the worker from that of the employer in the capital-labour relation. The distinction signifies that making ends meet is a continuous challenge for wage-earners; when in the immediate post-pandemic period they were hit hard by price increases following the Ukraine-Russia conflict and inflation spikes, it became critical. COLA benefits became a necessary requirement, but it was difficult to suggest whether this would suffice for workers and their families especially with a situation in flux. The integration of income support schemes into wage structures to block wage increases, are ultimately counterproductive for workers. A hundred short-term schemes that patch up an ongoing crisis form a reaction pattern but not a structured framework that protects the workers in the medium or long term. To achieve that, collective bargaining and fair minimum wages that allow workers to make ends meet, given the character (rendered obnoxious) of other and relatively better alternatives for workers, are the solution. Cynical tricks such as deducting uniform and breakage costs, or bonuses, from the minimum wage should not be allowed. It is the same with similar attempts for COLA handouts to serve as wage increase substitutes. One case of a unilateral decision using an agreement and the

bonus to divide workers and reduce the income of one side was narrated by a private sector worker:

“Extra bonus ... Christmas they cut it as well. They stopped paying it seven years ago. Man is ‘give and take’. He works more. Today, he becomes, ‘I don’t care’. They took our bonus? We’ll take them sick. ... they said the company is not doing well, they said. In fact, the office employees who are not part of the agreement, they take it. They are not in the agreement. ... we checked because we are one amongst other branches. Other workers take it.”

In direct reference to collective bargaining and its relation to minimum wages, we point toward the best practice promotion in the latest ETUI and ETUC Report *Benchmarking Working Europe 2023*.⁴⁴ We quote extensively:

“There is ample evidence showing that high collective bargaining coverage goes hand in hand with lower levels of wage inequality and higher overall wage levels (OECD 2019). The latter not only directly support low-wage earners, but also help to ensure a sufficiently high median wage, which in turn can serve as a benchmark for adequate minimum wages.”⁴⁵

The link between minimum wages and generalised worker well-being is confirmed. Cross-sectoral collective bargaining is “the key measure” to achieve this and ensure a higher collective bargaining coverage with multi- not single-employer participants. Where this occurs, success is measured in terms of legal extension mechanisms that ensure sectoral agreements apply to companies that did not sign the agreement or are not affiliated to the employers’ association signatory to the agreement; and *erga omnes* practices at company level that extend agreements to all company workers even if not unionised. This rebuffs the post 2008/2009 decentralisation of bargaining and the suspension or curtailment of legal extension mechanisms.

The EU can enforce initiatives in its country specific recommendations. Considering that “wage-setting is a national competence” and the EU “does not have the power under its Treaties to set an absolute EU-wide minimum wage level”, it still can “legally oblige Member States to ensure decent pay” (Muller et al, 2020, p.116). Learning from the history books and the legal ‘logic’ of the 2007 Laval case, in which the European Court of Justice prioritised economic freedoms over social rights, any Directive should include a ‘social progress’ clause

⁴⁴ Countouris N., Piasna A. & Theodoropoulou S. (eds.) (2023). *Benchmarking Working Europe 2023*, ETUI and ETUC.

⁴⁵ Ibid. p.91.

that prevents this and other courts to rule against trade unions to take industrial action and protect collective bargaining and social rights.

Malta, along with other nineteen member-states with collective bargaining coverage below 80%, is called to adopt this good practice as suggested by the European Minimum Wage Directive but this means moving away from firm-based to sectoral collective bargaining because the latter is “the primary tool for setting the terms and conditions of the employment relationship” (ibid.).

This continental scale initiative may falter because it depends on efforts on the national scale. Notwithstanding, following the 2017 National Agreement on Minimum Wage signed by the Government, the Opposition and Social Partners at the MCESD, a Low Wage Commission has been set up in 2023 to determine minimum wage revisions.

b. Workplace recommendations.

i. Improvement of organisational communication.

The research indicated a considerable need for improvement in organisational communication. Thus, for example, when workers returned back to ‘normal’, they were ill-prepared or not prepared at all. All equipment transferred home during lockdown was to be brought back the day following the announcement. In other words, it was a hurried return to business as usual. Beyond transitioning, Debono & Garzia (2022)’s report recommended against the improper use of communication by management in their relation to home-based workers which “results in decreased efficiency, blurred boundaries between work and private life, and stress.” Instead, “management and workers need more training on the use of organisational communication, including the proper use of different channels of communication, managing online meetings, maintaining work relations, the right to disconnect and so on. Due to their lack of experience, young persons are among those who would benefit considerably from such training” (ibid.). Policies are needed accompanied by more training on the use of organisational communication.

ii. Role of management

- In the public sector, it was often repeated by the participants, the ‘distance’ between management and workers (manual and clerical) needs to be shortened as it is still exaggerated.
- In all sectors, unions are called to gain the commitment of management to enable unions to organise regular information-sharing meetings with workers on employers’ premises.
- Unions are to organise regular meetings with management to identify and solve novel and emerging problems and develop long term plans (including contingency plans for potential future catastrophic events).
- Workers pointed out the need to optimise management memos (e.g. shorter, more attractive, better targeted).

iii. Workload distribution

Better management of workloads and working hours: whilst one public sector department provided all material requirements during the pandemic, work distribution was a ‘punishment’: a normal 6-people team doing 03.00 to 15.00 hrs shifts was transformed into a 3-people outfit doing the same shift. However, a daytime full workload could only be finished during daylight notwithstanding the number of workers available. Many were calling in sick.

Another case was that of different shift workloads in the public service. This was not considered fair: whilst, as one participant witnessed, some workers at a joint private-public venture company, worked till 03.15 on Wednesdays and till 11.15 on Saturdays, others worked till 3.15 daily. Furthermore, whereas before, some of these new organisational set-ups taking up the roles previously performed by former government departments were closed on Wednesdays, they were now opening up for customers on the day. This has increased tensions at work and measures should target these before they give rise to unnecessary friction amongst workers.

Leave and overtime remain tension-increasing concerns. As mentioned earlier, in spite of quarantine sick leave conditions and lack of available workers, services were secured. Overtime was also secured but its need has to be qualified with the consideration that certain wages presently render overtime a necessity. In one centre of the public service, the issue of not knowing when overtime would be paid, was raised. For those asking for leave, this was difficult to get.

c. Work-life balance recommendations

i. Introduction

Experiences during the pandemic confirmed how personal and work-related experiences need to be balanced. Working for the realisation of blended work consisting of working at least partly from home has become a more broadly supported policy. Work-life balance discussions concentrate on the potential effectiveness of teleworking in Malta.⁴⁶ This varies and depends on a number of conditions: organisational structure, managerial attitudes and skills, professionalism of workers, an enabling environment and trust. Without awareness from employers and management, there will hardly be any progress. Promoting blended work appears to be more realistic.

The needs of mothers in this case appear to attract more attention. The GWU has already protested against the absence of a “legislative framework to cover remote hubs”, and that the Telework National Standard Order. S.L. 452.104 “is very basic” and needs updating along with “new legislation to cover remote working to cater for the new world of work” accompanied by “separate legislation for the right to disconnect” covering work-life balance.⁴⁷

⁴⁶ Directive (EU) 2019/1158 - European Parliament and the Council (20/06/2019) on work-life balance for parents and carers repealing Council Directive 2010/18/EU. Retrieved March 22, 2023, from <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32019L1158#PP4Contents>. See also <https://ec.europa.eu/social/main.jsp?catId=1311&langId=en>.

⁴⁷ Telework National Standard Order. Legal Notice 312 of 2008. Retrieved March 22, 2023, from <https://legislation.mt/eli/sl/452.104/eng/pdf>. Quotes from GWU (2023). See also DIER’s webpage, <https://dier.gov.mt/en/Employment-Conditions/Hours%20of%20Work/Pages/Telework.aspx>.

ii. Work performance and its evaluation (Recommendations from Debono & Garzia [2022])

- Promote ICT infrastructure, procedures and targets to ensure working hours used effectively.
- Develop more effective ways of measuring performance when WFH.
- Focus more on task-based than on time-based work evaluation.
- Promote definite contracts on WFH, renewable every six months or annually.
- Focus more on workers' needs during organisational change.
- Manage better workers who abuse the system of WFH on an individual basis.
- Agree on a level of flexibility of working hours when WFH.
- Remunerate workers if asked to do work after working hours.
- Accept that not everyone would like to work from home.
- Tackle emerging challenges of workers who continue working from the office.

iii. Awareness, education and training

- Educate workers on their rights and obligations when WFH.
- Educate workers on asserting their right to disconnect from work.
- Educate management not to disturb workers beyond their working hours.
- Increase awareness of management re- utility of empowering workers when WFH.
- Teach time management skills to management and workers (especially those WFH).
- Train for greater flexibility within working groups and with individual workers.
- Train educators to teach school children important future-oriented work-related skills.

iv. Workers' mental wellbeing

Support for workers' mental wellbeing needs to be followed up. Union members narrated stories of negative side effects characterised as asocial "loneliness, fear, learned helplessness, and apathy" (Garzia & Debono, 2022) illustrated by certain situations where workers spent days in pyjamas and suffered from overeating whilst still carrying on with work. The effects were clearer on the more vulnerable sectors. It is recommended that

companies offer access to psychological support. On individual members' mental health and physical wellbeing, specific recommendations elicited from the Debono & Garzia Report (2022) included:

- Organise regular talks with workers and encourage participation.
- Create awareness of mental health and the different types of employee support offered by specialised institutions.
- Train management (including team leaders) in sensitivity and interpersonal skills.
- Training workers in coping skills (e.g. how to control emotions).
- Include mental health considerations in health and safety practices at work.
- Replicate examples of good practices already being implemented by some companies.
- Appoint champions (trained in mental health first aid) at the workplace to serve as a reference point for mental health-difficulties.
- Unions provide a newsletter service for their members, possibly in collaboration with specialised NGOs, to promote health at the workplace (Could include topics such as: anger management, parental skills, physical and mental wellbeing etc, coping with technology addiction etc).

v. Workers' physical wellbeing

- Create awareness about healthy eating through different initiatives such as talks by nutritionists and organising 'salad days'.
- Also, create awareness about *Subsidiary legislation 452.87 (Malta): Organisation of working time regulations (5/4/2004)*.⁴⁸
- Train workers in time management skills/ self-discipline.
- Include physical activities in team-building events.
- Create regular sports events that might appeal to different workers, including inter-departmental sports tournaments.

⁴⁸ Retrieved March 22, 2023 from <https://legislation.mt/eli/sl/452.87/eng>.

- Set up gyms at the workplace or subsidise gym subscriptions or membership in sports organisations.
- Set up showers at the place of work (e.g. to encourage walking or cycling to work).
- Organise walking groups.
- Encourage small changes such as promoting the use of stairs rather than lifts and encouraging workers to set regular alarms throughout the day as a reminder to stretch for a few minutes.

d. Worker demands from the union.

i. Education.

Education and training are especially called for disadvantaged groups who require support to access the job market (addressing labour market segmentation, strengthening active labour market policies) as well as secure a presence in high-quality education (increasing inclusion) since socio-economic background is the major determinant of children and young people's educational outcome. Female and lower-skilled workers, the hardest-hit groups in this scenario, require incentives to balance "work and family care responsibilities; better access to health care, childcare, and family planning; and expanded support for small businesses and the self-employed."⁴⁹ It is however a complex scenario of work experiences interfering in family ones, and vice versa; this needs better focus both in terms of necessary macro institutional reforms and micro family dynamics.⁵⁰

⁴⁹ Chen, W. (2020). 'Online job posting analysis shows the extent of the pandemic's damage, especially to women and youth' in, IMF (2020). *Finance & development*. Dec. 2020. Retrieved March 22, 2023, from <https://econintersect.com/pages/contributors/contributor.php/post/202103060524>. This is different from the conclusions reported by the research in Phase One of this project on the situation of women during the pandemic.

⁵⁰ See, Ruppner, L., & Huffman, M. L. (2014). Blurred Boundaries: Gender and Work-Family Interference in Cross-National Context. *Work and Occupations*, 41(2), 210–236. Retrieved March 22, 2023, from <https://doi-org.ejournals.um.edu.mt/10.1177/0730888413500679>. Also, F. McGinnity (2021). *Work-life conflict in Europe*, March 26, 2021. Retrieved March 22, 2023, from <https://www.socialeurope.eu/work-life-conflict-in-europe>.

Education and training were called for in terms of:

- Data protection: More information on data protection in the workplace (e.g., security officer working a 14.00 to 07.00 hrs shift is covered by security cameras and personal calls are recorded).
- Conditions of work: Those working for private contractors are not told about conditions of work or contractual rights and responsibilities.
- Shop stewards informed: More information on laws and regulations to assist workers without the need to phone Union HQ all the time and they can, in certain circumstances, decide on the spot. This increases the professionalism of the union which requires informed members, and this consequently means more training.

ii. Union site visits.

GWU representatives find more time to go round the sections, attend functions. It is clear this function cannot be left exclusively to union officials because it is concretely impossible for these, alone, to regularly visit the innumerable entities and branches.

iii. Shop stewards.

- Strengthen shop stewards' role since they are better placed to communicate with workers, know more about technical aspects of collective agreements, and are aware of new recruits.
- Train and empower shop stewards.
- Keep shop stewards in the loop about all union decisions re- work organisation.
- Increase the visibility of shop stewards in work organisations.
- Educate union members to reach out to shop stewards as their first union contact when required.

iv. Multicultural union.

Debono & Garzia (2022) recommendations on intercultural relations affecting shop stewards and union membership.

General recommendations:

- Provide shop stewards with special leave to be used to teach foreign workers about their rights, the role of unions, and to encourage union membership.
- Dedicate more resources to increasing union membership of foreigners.
- Unions to employ specialised workers to develop and implement a strategy to assist in foreign worker recruitment. These could visit workplaces and make contact with communities of foreigners in Malta among others.
- Approach leaders of foreigners at the workplace and in the community to encourage other foreigners to join (Foreigners are more likely to trust their leaders than the Maltese).
- Facilitate union membership of those foreign workers who may find membership fee too expensive (e.g. government may be encouraged to subsidise membership fees of such workers).
- Novel ways need to be experimented in order to communicate with these categories including social media

- Education: To work at improving relations with workers not members of the Union. Amongst others, Bolt and other gig workers who, it was claimed, are exploited at work; these should know about and protect their rights in Malta. Skills and awareness required:
 - All workers to have at least a basic knowledge of English or Maltese.
 - Sensitise employers about the need for all workers to speak English or Maltese.
 - To reduce abuse, train foreigners about Maltese laws and working conditions.
 - Increase awareness about the existing unions' training opportunities.
 - Sensitise management to treat foreigners humanely.

- Laws, regulations and their enforcement
 - Set up a taskforce composed of government, unions and employers' representatives to evaluate existing laws that negatively affect foreign workers and recommend improvements.

- Put pressure on legislator to improve the impact of laws on foreign workers.
- Ensure that the law protects foreign workers who are whistle-blowers.
- Put pressure on the government to improve working conditions in public sector contracts.
- Strengthen the enforcement of working conditions. Also focus on bogus self-employment.

Other References

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Appendix

Cross-sectoral Recommendations for the National Recovery and Resilience Plan (NRRP)

“Recovery and resilience plan for Malta”.

The programme.

Stages of Phase One:

1. Preparation of methodology (March 2022)
2. Data collection (March – May 2022)
3. Focus Group Meeting with 15 participants (April 2022), moderated by external expert.
4. Preparation of the Report ‘COVID-19 Impact on Employment Conditions for Women, PWDs, Youth and Atypical Workers’ (June 2022).
5. Two Face-to-Face National Training sessions on collective bargaining and social Dialogue facilitated by the external expert (November 2022).

Stages of Phase Two.

The main activity was the Cross-sectoral Activity 6 ETUC Roundtable (18th November 2022).

What follow are details in relation to the organisation and realisation of the Roundtable for elaboration of the Cross-sectoral Recommendations for the National Recovery and Resilience Plan (NRRP) – ‘Recovery and resilience plan for Malta’.

Contents

1. *Agenda*
2. *Content*
3. *Organisation and Moderation*
4. *Minutes*

1. The agenda.

a. Main meeting objective

The meeting was set, as anticipated above, to garner and appraise trade union participants' input and feedback on the impact of COVID-19 on collective bargaining and social dialogue and its effects with emphasis on youth, atypical workers and women's employment. The meeting contents cross-referred to content of an earlier report from Phase One of the same ETUC Project prepared by Dr. Manwel Debono and Ms. Christine Garzia.⁵¹

b. Participants

Participants hailed from different sectors. This assisted in the elaboration of a cross-sectoral perspective when developing draft recommendations on how to deal with the newly emerging challenges.

2. Content

The objective was to tease out examples of best practices and cross-sectoral recommendations in dealing with the negative effects COVID-19 had on the world of work, specifically,

- a. identifying and developing skills for social dialogue especially in terms of problems and solutions; relations between unions and employers; prejudice; co-decision-making and how it affects workers
- b. given the empirical data gathered (see following brief synopsis), constructing an atmosphere enhancing collective bargaining.

⁵¹ Debono & Garzia (2022).

The participants presented their personal observations but also those of the union members they represented in their specific sectors. They recalled the workplace *atmosphere* that was created by Covid-19 and how awareness about and focus on the human factor was a principal factor that was kept in mind at the time in order to make sense of the *atmosphere*.

Secondly, as a consequence of the previous point, although the economic factors (wage nexus; working conditions; etc.) remained the principal concerns to be addressed in collective bargaining, the 'lessons' learnt about collective bargaining and *social dialogue* arose from reflecting on events that affected the union representatives and wage-earner members of the workforce in terms of basic social relations in the workplace but also reflecting on them as members of civil society. Those experiences needed to filter into the collective bargaining discussion.

Finally, those worker sectors hit relatively worse during this crisis - women, persons with functional disabilities, youth, and atypical workers - required even more attention. To illustrate, a return back to normality heralded by many as progress, meant for such workers, returning to a subordinate status. Even worse, after the critical emergency of Covid-19 along with the rest of the workforce, they had to face a fresh emergency characterised by the rise in the cost of living (basic products and services) caused by the start of the Russia-Ukraine conflict. It was however the structural argument that bore the brunt on these categories rendering them inevitably the worst off when this or other crises hit the labour market as an IMF Report illustrates: "Many of the more impacted sectors - often with fewer jobs amenable to remote work - tend to employ higher shares of youth, women, and the lower-skilled, contributing to the unequal effects across worker groups."⁵² The repercussion of structural subordination is also experienced at the micro scale: with shift workers considered atypical, one situation that underlies this less privileged status is the matter raised by a Mater Dei worker who described how, when a public holiday falls on a Wednesday, regular workers take the holiday but not the shift workers who are off on the day.

⁵² As with other disadvantaged groups, the lower-skilled were expected to experience a 'triple whammy', i.e., "they are more likely to be employed in sectors more negatively impacted by the pandemic; are more likely to become unemployed in downturns; and, those who are able to find a new job, are more likely to need to switch occupations and suffer an earnings fall." John Bluedorn, *Working Out the Differences: Labor Policies for a Fairer Recovery* (March 31, 2021). IMF Blog. Retrieved March 22, 2023, from <https://www.imf.org/en/Blogs/Articles/2021/03/31/blog-working-out-the-differences-labor-policies-for-a-fairer-recovery>.

3. Organisation and moderation

- a. Pre-meeting organisation and participant recruitment: Kendrick Bonello.
- b. Meeting moderation and management of agenda tasks: Joe Gravina.

4. Minutes

- a. Introduction of the main objective of the meeting (see no.2 above) and brief explanation of slide presentation (00.00-00.30)
- b. Open discussion on specific questions discussed (Problems and solutions; unions and employers; prejudice; co-decision-making and how it affects workers; success stories? European scenario) (00.30 – 02.30)
- c. Conclusion with tentative suggestions and recommendations by participants on the way forward for the elaboration of the Cross-sectoral Recommendations for the National Recovery and Resilience Plan (NRRP) – ‘Recovery and resilience plan for Malta’ (02.30 – 03.00)



