

## Chapter I

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# **Evolving Industrial Relations in Malta**

*Godfrey Baldacchino*

### **Introduction**

It was in 1984 that Joseph Attard, then just retired from a long and distinguished career as a public servant in the Department of Labour, published his book *Industrial Relations in Malta*. He argued, correctly, that this book was the first of its kind in Malta, and in this way justified the absence of a bibliography. He was not in a position to know that his book would remain in splendid isolation for a good number of years, and has been long out of print. This volume is titled *Evolving Industrial Relations in Malta* - to signal explicitly that it seeks to serve as that badly needed update to Attard's pioneering text, now sadly overtaken by events. It continues to build on the legacy of assessment and examination of labour law, traditions and practices that Attard inspired. However, it also attempts to look gingerly ahead, interpreting the signs of the times in the light of current challenges and future prospects.

Attard was shrewd to note, on the basis of his experience, that industrial relations in Malta are an amalgam of "something borrowed and something new". What has been borrowed includes the UK-bred practice of labour-management relations, culminating in collective bargaining; more recently, it includes our first institutionalised attempts at 'social dialogue' and social partnership, this time inspired by continental Europe; and not to forget the social policy *acquis communautaire* of the European Union, by now fully transcribed into national legislation. Meanwhile, we have added our own special, 'new' ingredients into the industrial relations cauldron: local features include the paternalism and strong

loyalty basis of employee relations in small, mainly family owned and family run businesses; a diverse set of organising principles for trade unions, with ample room for disconcerting cross-over in membership bases; initiatives in human resource management, and a variety of interesting experiments with worker participation, including fully-fledged self-management.

Attard defined **industrial relations** as “the common relations between an employer or employers and bodies of employees” (Attard, 1984, p. vii). As a crude working definition, the statement suggests harmony, and an obvious basis of common or complementary interests between workers and employers. Not so. The assumption may hold sway amongst some two-thirds of the Maltese workforce; but it certainly cannot be generalised. After all, not all countries, not all legal systems, and certainly not all employers condone the exercise of industrial relations.

The world over, workers and their organisations continue to struggle to secure representation and bargaining rights where they do not exist; and to defend these rights – sometimes with their lives - against threats to discount, circumvent or delegitimise them where they do. Some countries specifically debar trade unions across the board or from specified ‘free enterprise zones’ as a ploy to attract that foreign direct investment which, many are led to believe, prefers to operate in a ‘union-free’ environment. Certain employers prefer dealing only and directly with their workers, on an individual or collective basis; they consider trade unionists as uncouth intruders who are more likely to poison workplace relations than contribute to their improvement. All the more so in small family businesses, where loyalty and commitment to the organisation implicitly includes abstaining from matters trade unionistic. In this stance, these employers are today being supported by a growing number of managers as well as highly skilled employees who may feel that solidarity makes them lose out in favour of lower level workers. For those who prefer an individual, ‘one-to-one’ agreement or contract between employer and employed, then it is **employee**

**relations** that they are after in determining their conditions of work, and *not* industrial relations.

Only a small percentage of the world's employees are unionised, and the percentage is on the decrease. In Africa and most of Asia, trade union membership is less than 20% of the economically active population: an outcome of the narrowness of the wage-earning base in most developing countries (Bean, 1994, p. 215). Meanwhile, non-waged labour – including self-employment – is still the norm in many economies. It is mainly in Western Europe and Australia that a solid labour tradition has been somewhat maintained unto this day, and in spite of a variety of setbacks: governments elected on a platform of liberalism; public sector retrenchment; privatisation schemes; high levels of unemployment; the near elimination of heavy industry and scaled down public sectors (the hard core constituencies of traditional trade union membership); and the transition to a tertiarised economy characterised by atypical (including women) workers as well as professional cadres - both less keen to join unions.

### **Seven Challenges**

For a quarter of a century or so (1950-1975), a 'post-war compromise' between labour and capital in Western Europe successfully led to high productivity gains, regular real wage increases in conditions of low inflation and low unemployment. The situation today is very different, with seven key contemporary challenges facing the so-called 'social partners'<sup>1</sup>:

**Globalisation** is opening up new business opportunities; however, the dismantling of trade barriers and protectionist policies is exposing a much larger range of economic activity to intense competition. A new and elusive balance is being sought between competitiveness and both the quantity and quality of employment.

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<sup>1</sup> *As adapted from the Report of the High Level Group on Industrial Relations – see European Commission (2002)*

The quest for such a balance is high up on the agenda of regional and international trade union organisations, like the European Trade Union Confederation (ETUC), the International Confederation of Free Trade Unions (ICFTU) and its affiliate international trade secretariats, as well as the World Confederation of Labour (WCL).

**Economic and Monetary Union** is proceeding at a rapid rate. Domestic monetary policy amongst EU member states is being transferred to the European Central Bank. The birth of the euro in January 2002 has rendered direct and indirect labour costs much more transparent and comparable across borders. This will lead to claims for greater wage flexibility and for wage bargaining which is sensitive not just to national but regional wage-setting trends.

**New technologies** and the emergence of the 'knowledge economy' are affecting the way work is done and organised. Working conditions are increasingly decentralised, and a variety of homeworking, teleworking or agency work has proliferated. Operacy is now as critical a basic skill as literacy and numeracy. Industrial relations structures and bargaining processes cannot disregard this new scenario and are pressed to consider initiatives – such as vocational training and competence accreditation – which ensure the technological relevance of employees.

The **nature of the worker** is also changing. Demographic changes are ushering in a more aged, but still active, society. Longer working spells plus more flexible retirement packages are a major challenge here. Declining birth-rates are likely to increase the disposition to work by parents relieved of the burden of child-bearing and rearing; but affluence and 'post-materialist' aspirations (Inglehart, 1977) are likely to increase the valorisation of non-working time and leisure. Part-time, temporary and seasonal employment is attracting many more workers, particularly women. Immigration across increasingly open borders will facilitate recruitment and selection procedures but may act to push down wages; new cleavages may appear amongst the workforce, bearing

a racist or ethnic stamp.

The **labour market** itself is undergoing profound changes. Lifelong careers and tenured posts are increasingly giving way to shorter and more varied employment contracts. Employability is a key resource in a scenario where job mobility is inevitable. Combining flexibility with security (flexicurity) is a priority issue for the social partners. Education and work are also increasingly intertwined – with on-the-job training, adult education, work placements and apprenticeships gaining in popularity. Employees are also generally better educated, more specialised and often expect to be actively involved in organisational and operational affairs. Worker empowerment and employee involvement schemes are coming across as acquired worker rights.

In all these areas of consideration, there are potential new categories of **social exclusion**, the losers from competitiveness and market efficiency. These can include minority (including migrant) groups, the long term unemployed, contract workers, those without operative (apart from literate and numerate) skills; those with some other social, mental or physical disability. The crisis of the welfare state and the retrenchment of the state have threatened to widen the class of the underprivileged, especially women, who can easily fall victims of the politics of absence, marginalisation and voicelessness. Industrial relations easily risks becoming an establishment of, and for, a privileged labour aristocracy, an elite of unionised, waged/salaried ‘core’ employees. In an affluent society, where individualist consumer rights have become ascendant, the ‘vested interest’ aspect of trade unionism can outweigh the ‘sword of justice’ orientation which is more at home in a social movement speaking also on behalf of the underprivileged (after Flanders, 1970).

Malta is not immune from these forces; the seventh and final challenge – that of the largest ever **enlargement process** (with or without our country!) in the EU’s history - raises various questions. Foremost is the status of Malta’s economic competitiveness without

depending on tariff or quota barriers to trade or other artificial obstructions to the free movement of goods, services, capital or persons. Creeping Europeanisation, in some form or other, has already brought along with it some contact with an assorted range of industrial relations practices, legacies and cultures. It has ushered in a regional, 'Euro industrial relations' scenario (after Marginson, 2000), played out in the corridors of Brussels, the meetings of European works councils, and in trans-national demonstrations or solidarity strikes<sup>2</sup>. It has also now made possible the 'European Company' as a legal entity. The traditional 'pick and mix' disposition of Maltese industrial relations now has a much larger repertoire of choices to consider, including the opportunity of developing a European profile to local labour-management discussions and to contribute to regional social policy through such structures as the Economic & Social Committee (ECOSOC), the European Union of Employer Federations (UNICE) or the European Trade Union Confederation (ETUC). Clearly, any system of industrial relations in the contemporary world has to be local, national and international at one and the same time (Hyman, 2002, p. 14).

### ***A Unique Socio-Economic Signature***

However, while acknowledging the external general context, it is crucial to turn our critical gaze inward as well. What is the substance of the socio-economic profile that distinguishes Malta from any other European country? What are the *local* characteristics which explain the state of contemporary industrial relations and which will also influence its evolution?

One underlying characteristic of Malta's labour market and economic profile is the absence of large enterprises. Only 6

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<sup>2</sup> Such as against the closure of the Renault-Vilvoorde (06.03.1997) and GM-Luton (25.01.2001) factories. The first transnational demonstration at European level was against the retrenchment plans of ABB Alstom Power (10.04.2000).

manufacturing firms employ more than 500 employees in the private sector (Bonnici, 2000, p.49). Amongst the burgeoning small and micro-enterprises, the family basis of ownership and management stands out. Loyalty and commitment to the boss, typically a male, is often a discreet precondition for recruitment; abrupt hire and fire practices are rampant; total trade union absence is obvious; and management and ownership are often intertwined and embodied in the owner-manager.

Contemporary Malta also presents an interesting hybrid between liberal market and state centralised economies. On one hand, ever since the radical review of global military strategy by Britain in the post-mortem to the Suez Crisis in 1957, Malta was obliged to shift from the snug 'fortress economy' role it had played since days immemorial and briskly reorient itself towards becoming an attractive platform for foreign investment and for foreign visitors. Since the First Development Plan of 1959, industrial manufacturing and tourism, along with the supportive role of construction, have been the main motors of local economic development, and of mass employment. Boasting a successful export-led industrialisation fuelled by foreign investment and technology (Vella, 1994; after Sklair, 1993, p.1), Malta joins Mauritius and Singapore as the world's only small states which have managed to set up a significant manufacturing base, in spite of the constraints associated with smallness, peripherality and insularity. Out of the grand total of 17 firms based in Malta employing more than 250 employees, 16 are foreign owned and catering for foreign markets<sup>3</sup>. Exposed to the imperatives of global market trends, such firms cannot afford but to be internationally competitive in quality, price and delivery. There is, to them, no alternative to dogged efficiency for economic viability.

In contrast, and parallel to these developments, a different type of enterprise has developed on the Maltese landscape, particularly

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<sup>3</sup> *The only locally owned manufacturing firm among the top 17 is a brewery.*

in the context of the proactive economic role of the Labour Governments of 1971-1987. In the absence of sustained interest by private capital, in the wake of a nationalisation and indigenisation drive inspired by a belief in a self-reliant industrial base, and with the intent of enhancing the generation of revenue for the public coffers, the Labour Party in Government piloted a spate of industries which were locally owned, many with significant public shareholding, and others, private in name but with significant politically-induced protection. These include so-called parastatal or people's industries, enjoying virtual monopolies in energy, transport, post and telecommunications; large capital projects such as a new shipbuilding yard, intended to reap orders mainly via political (bilateral inter-governmental) deals; as well as spawning a large number of small and medium sized manufacturing units - such as furniture makers and food processors - catering essentially for the local market, but protected behind high quota or tariff barriers. Put together with what is recognised as a still over-manned public service, the level of direct, public sector employment remains a high 40%; while substantial niches of indigenous manufacturing owe their continued existence to protracted protectionism. In the wake of the fall of the Berlin Wall, market rather than political considerations have increasingly assumed clout in local economic development debates; nevertheless, reactions to liberal economic policy remain strident and probably command much popular sympathy. A timetable for the removal of all levies is now in place; but the pace of reform and 'restructuring' remains slow and uncertain.

### ***Ambivalence***

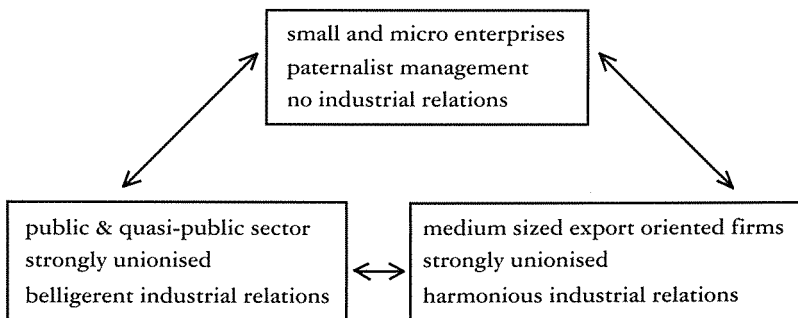
Perhaps these two economic realities, which happily co-exist side by side, explain the schizophrenic or ambivalent attitude of the Maltese to the prospects of EU accession (Mitchell, 2001). The same two sets of economic forces also come along with their



distinctive industrial relations frameworks and practices. The workforces in the export-oriented, manufacturing firms are often unionised, their industrial relations are harmonious and rarely erupt into industrial conflicts. Both management and trade unions know fully well that industrial disputes can be very costly and damaging, ultimately leading to the decision by the (often foreign) investor to relocate to other competitive locations.

Contrast this with the sprawling public and quasi-public sector which is almost totally unionised and where the setting is one which is perennially liable to industrial conflicts between trade unions and Government. In the past decade alone, the country's two major general unions (the General Workers' Union - GWU - with some 48,000 members and the Union of United Workers - UHM - with some 25,000) have orchestrated major strikes and other forms of industrial action in the public and quasi-public sector in response to what they have felt to be unreasonable fiscal policies by the Government, such as the introduction of Value Added Tax (1995) or increases in water and electricity bills (1997). Not to mention various other disputes on such matters as flexibilisation of grades; the desirability and tempo of privatisation; redundancy benefits or redeployment rights for tenured employees; and wage and salary improvements.

Malta's contemporary economic – and industrial relations - structure can thus be represented schematically and broadly as follows:



### **Three Legacies of a Benign Colonisation**

In both these spheres of employment, the legacy of Britain looms large. Malta achieved its political independence after one and a half centuries of a peculiar form of British colonialism. It was a colonialism more concerned with stewardship than exploitation, since Malta's poverty of soil and other natural resources could render no economic largesse. With Britain's interests in Malta being mainly strategic, the colonial relationship with the Maltese was necessarily crafted in such a manner as to cultivate sympathy and allegiance. Colonial penetration was thorough, deep and intimate, especially on a national level. To this day, many Maltese remain deeply sympathetic to Britain, converse readily in the English language, look instinctively to Britain for examples and role models. Britain remains the source of most tourists to Malta; while Britain remains the preferred destination for Maltese travelling or studying abroad.

Three aspects of this benign colonial interface stand out as pertinent in assessing implications on contemporary Maltese industrial relations. These are: radical trade unionism, the strong tradition of macho enterprise management and the prevalence of paternalistic government.

#### *a) - Union Radicalism*

"Guidance and inspiration" from Britain (Attard, 1984, p.3) meant that the Maltese system of industrial relations developed on the British model, often with the support of British 'consultants' and often again as local branches of British unions (Fino, 1984; Ellul Galea, various; Zammit, 1984). The first local trade unions were craft unions in the British mould, and this tendency was only eclipsed by the merger craze of the late 1970s, which led to the emergence of a bipolar GWU-UHM block (Baldacchino, 1990). The cultural fabric of employer-employee relations which emerged from such formats, contacts and exchanges is based on two fundamental positions. The first, spearheaded by the GWU,

includes: (1) a deep rooted belief that the Malta Labour Party and the General Workers' Union are the complementary arms of the 'Malta workers' movement' and should therefore co-ordinate and support each other on a political level; and (2) with the Labour Party out of government, a radicalism of both leadership and followership which does not look kindly to conciliatory approaches with the state. The second position, led by the UHM and its colleagues under the CMTU banner, is mainly a reaction to the first and older position. It is more suspicious of 'party-union' collusion and has generally been less confrontational in its dealings with the state and private sector employers - although the latter characteristic may be changing in the current jostling for increased membership and a broader national profile by the UHM.

The 'radicalism' of trade unionism in contemporary Malta is supported by the findings of a telephone survey undertaken via 300 interviews in February 2002. 74.3% of respondents stated that Maltese workers have benefited from the activity of trade unions; 67.7% agree with the right to a sympathy strike; less than 12% think that trade unions hinder progress; and only 17% think that trade unions obstruct restructuring or protect lazy workers who deserve to be punished (Manduca, 2002, p. 4). "The overall image of trade unions that emerges from this study is a positive one, with the majority of Maltese clearly recognising that, over the years, trade unions in Malta have contributed significantly to an improvement in working conditions and to the rights of workers" (Vassallo, 2002, p. 10). But this is not all: a substantial 41.7% of respondents are ready to declare that they prefer a business concern being managed by workers rather than by professional managers – a position contrary to modern business practice (even in member-owned firms such as cooperatives) and which could indicate a disposition on the part of the general public to reconsider self-management and worker control. Thus, while the behemoths generally lie low and keep quiet, they intermittently make noises which, usually, have the required effect on public policy. No wonder

employer associations protest that they are regularly getting a raw deal!

Such a situation does not dovetail easily with the European Union's concern to promote social partnership at local, sectoral, regional, national and trans-national levels. First of all, social partnership is premised on the independent co-ordination of labour and capital interests. In Malta, the major divide does not appear to be restricted to that between labour and capital but to extend to the rift between the two major arms of the trade union movement. This is enhanced by the coalescing of different policy standpoints with respect to eventual EU membership. The UHM, and the CMTU of which it remains the main component, has been unequivocally and officially in favour of Malta's bid for EU membership. The GWU, initially adopting a cautious 'wait and see' position, has gravitated increasingly into the 'No' camp of late, emphasising the inevitable costs and hardships facing the country and the workforce before and after eventual accession.

### *b) - Paternalist Post-Colonialism*

Social partnership implies an open and regular exchange of ideas, consultation and information amongst employers, trade unions and the State in the crafting of public policy. Such has not been the general way of doing things in Malta. The annual budget speech is an illustrative case in point: until very recently, it used to be shrouded in secrecy and subjected to rampant speculation and gossip, the finance minister dramatically revealing all the details during a televised parliamentary sitting which typically has a sizeable percentage of the local populace glued to the screen. It was only in the year 2000 that the main actors of industrial relations started participating in the drawing up of the financial estimates for fiscal year 2001. Here, it is the State which has always stood aloof from engaging in substantive consultations, preferring to keep at arms' length and to hold its cards close to its chest. In the public eye, the State remains a post-colonial and benign *pater*

*familias* - rather than a neuter term, the Maltese refer to the State and government interchangeably as *il-Gvern*, (literally, Mr Government), attributing it revealingly with human attributes - and as such therefore, it must not be seen to stoop and belittle itself in relation to other interest groups. Such an episode reflects a power culture where a political force engaging in consultation may be mistaken for a sign of weakness or trepidation by its followership. The deployment of “political exchange” (Pizzorno, 1978) at any level - enterprise, regional or national - must be in a manner which does not jeopardise the trust of the union membership in its leadership and the former’s conviction that their elected officials will be strong and unflinching in their resolve to get the best possible deal and never to cave in to anything short of their best position. Such a tense scenario is made worse by the fickleness of member loyalty and the ease of switching over membership from one interest group to another: according to law, any seven persons may set up a trade union practically overnight. An evident compromise may spell catastrophe to office incumbents. Survival owes much to bravado and theatrical skills. This attitude has also been the cause of the downfall of various trade union leaders. The setting up of the Malta Council for Economic and Social Development (MCESD) by an Act of Parliament in 2000 is a brave attempt at trying to structure social partnership, cementing a practice which had been going on, in fits and starts, for almost a decade: we have yet to see whether it will truly work, and how.

### *c) - Macho Enterprise Culture*

Bravado and macho tactics are similarly a hallmark of employment relations at a micro, enterprise level. In true British fashion, and exacerbated by the visibility of a small scale milieu in which the islanders of a land area of just 316 square kilometres must operate, status and social prestige are important social qualifiers. The separation between manual and non-manual work is a deep and important contributor to such prestige assessments. The cleavage

is made even worse by a cultural expectation on the part of management to play the 'lording' game (Mifsud, 1998). As with party and trade union politics, management's control strategy is often premised on a deliberate air of superiority which aggrandises the self in relation to others. Key markers of differences - dress, language, cars, residence, qualification, entertainment - are deliberately showcased as manifestations of a natural right to impose authority. In such a 'Latin' culture with high power distance (Hofstede, 1980), it becomes inconceivable for management to engage in consultation or to share information with employees. Even from the employees' point of view, any such initiative towards more participative management may be met with incredulity, rampant grumbling and gossiping or, worse, a reactive attempt on the workers' part towards exploiting the perceived 'weakness'. The same 'lording' instinct influences gender relations at work, with men and women gravitating naturally into dominant and subordinate positions respectively, jeopardising the effectiveness of female incumbents of management posts. As a result, in spite of much human resource management rhetoric and training, the ongoing practice is still primarily that of *personnel* management (Baldacchino, 2000).

If trade union radicalism, benign paternalism and macho enterprise culture are components of the British legacy of industrial relations practice in Malta, all three are now being threatened by an avowedly more continental legacy. The long awaited Employment and Industrial Relations Act, incorporating amendments to key labour legislation in Malta, and which has now come into force, clarifies Government's intentions in this area, after a long drawn out period of consultation. The Act and its accompanying subsidiary legislation introduces obligations by the Minister to consult a tripartite Employment Relations Board prior to enacting any labour-related regulations; it legitimates the practice of collective bargaining, to the extent that it may even circumvent the minimum provisions of the law in specific and

transitory circumstances; it establishes sexual discrimination and harassment as offences; and it introduces the novelty (locally) of information and consultation rights for employees in a variety of circumstances. When these and similar provisions are implemented properly, one may confidently expect industrial action in the Maltese private sector to continue on its current downward trend; the number of workers governed by collective agreements to increase; and the practice of consultative, non-autocratic management to become more widespread.

### **Six Cultural Challenges**

The implementation of Malta's new labour code, inspired as it is by the EU's social acquis, brings along six key cultural challenges: these can be reasonably expected to dominate the substance of industrial relations practices in the short to medium term. These are:

1 - The culture of combining work and (re-) training with a lifelong learning orientation. Most employers and employees still conceive of schooling as an exclusively pre-sixteen activity while work is intended to occupy adults on a full-time basis (Baldacchino & Mayo, 1997). 86% of local firms surveyed in December 2000 have no continuous vocational training plan or programme (National Statistics Office, 2001, p. 17). EU-supported mobility programmes such as Leonardo da Vinci are not yet popular with either workers or employers<sup>4</sup>. The opportunity to utilise 'time off' from work in pursuit of education or training remains largely limited to union shop stewards, and only in order for these to attend to union business and courses.

2 - The culture of employers involving workers in consultation and information procedures, certainly in matters of mergers, take-

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<sup>4</sup> *In Malta's first year of participation in the Leonardo Da Vinci mobility programme, only 2 employers - of whom only one from the private sector - submitted applicants.*

overs or collective redundancies in the spirit of the EU Social Charter; in the light of existing directives<sup>5</sup>; and in relation to European Works Councils<sup>6</sup>. Basic information and consultation rights will also be extended to all enterprises employing at least 50 workers. The more open, owner-worker relationship expected from such EU-driven principles will leave local employers rather uncomfortable, to say the least.

3 – Maltese employers express misgivings about the costs of introducing even minimum standards. Noise-reducing equipment, occupational health and safety measures, and the resort to higher manning levels or to temporary staff due to shorter working hours are dismissed as costs which will invariably erode competitiveness. This is vintage short-termism. Such investments should translate into improved productivity and profitability in a globalised market where a concern with standards and accreditation is keen: though this happy outcome is impossible to predict.

4 - The magical balance between work and leisure has not been a policy priority, especially for Maltese working males. Compared to their European counterparts, many more Maltese middle-aged male workers consider work as 'very important' (Abela, 2001, p. 49, Table 2.2). Both workers and their employers are concerned about the possible implications of the 'Working Time' Directive on overtime<sup>7</sup>: employers – used to a situation where overtime requested by an employer cannot be refused by a worker - fear a resistance by workers towards accepting excessive overtime levels; while many workers fear that they will not be able to work more than an average of 48 hours per week.

5 - The security of tenure is a long and cherished feature of local conditions of employment, especially in the public sector. The same concern lies behind the pressure to maintain protectionist

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<sup>5</sup> *Council Directives 75/129; 77/187*

<sup>6</sup> *Council Directive 94/45*

<sup>7</sup> *Council Directive 93/104, Article 6.*



barriers by those self-employed and businesspersons who are affected by the onset of full liberalisation. Non-agricultural entrepreneurship is abysmally low compared to many other European countries and local self-employment is often adopted adjacent to another, typically a tenured job (Delia, 1994; Joint Assessment Paper, 2001, p. 5). Thus, much part-time work or self-employment in Malta does not constitute the person's primary economic activity, and especially so for males.

6 - Lastly, the Maltese labour market exhibits increasing forms of 'atypical' work, including part-time work and definite (or fixed term) contracts<sup>8</sup>. Much remains to be done here, since the diversity of the nature of work erodes the influence of trade unions and introduces ample opportunities for abuse and for exercising downward pressure on conditions of employment. It is becoming increasingly important to introduce suitable measures which recognise the need of flexibilisation in the employment contract, as well as the need of facilitating movement from one job status to another.

### ***This Text***

In the transition from a largely British to a largely continental European model of industrial relations legislation and practice, Malta is likely to conjure up its own, home-grown approach to cope with any resulting implications. It is too early to tell, but if the past in any way prologue to the future, the case studies reported in this text should help to signpost the way ahead.

This text presents a collection of papers based on a track record of research by the Workers' Participation Development Centre at the University of Malta. The WPDC was the University's first institute, and became a prototype for combining the intellectual and critical freedom of a University environment with the

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<sup>8</sup> *Council Directives 97/81 and 99/70; while a directive protecting tele-workers is in the offing.*

obligation to provide relevant and interdisciplinary expert services to real needs. As a labour studies institute, the WPDC has diversified today into such programmes as gender and development, occupational health and safety, occupational guidance and the management of cooperative societies (each of which is/can be made available as either a certificate or diploma programme). However, the WPDC's 'core' activity and focus of interest since its setting up in 1981 has been an ongoing assessment of the practice of workplace democratization and the general context of industrial and employment relations which supports it. The chapters in this collection consider this topic from a variety of suggestive angles.

In **Flashpoints in Local Industrial Relations in the 1990s** (Chapter 2), Saviour Rizzo investigates the salient episodes of recent years, focusing on the drama of the Hotel Phoenicia, Air Malta, Freeport and Kalaxlokk. Basing his assessment on the documentation of unfolding events as reported assiduously in daily newspapers, Rizzo provides interesting and colourful detail while never forgetting the overall picture. His narrative is a fine lesson in the 'stop-go' emergence of 'social dialogue' in Malta and the political economy of industrial relations.

This leads naturally to **The Social Partners, Dialogue and Industrial Relations in Malta** (Chapter 3), where Edward L. Zammit methodically analyses the historical origins, practices and structures of social dialogue in Malta, with a special emphasis on the role of specific key actors therein, notably employer and trade union representatives. This time, the basis of data collection is primarily interview material emergent from semi-structured interviews.

Moving from the macro to the micro, the views of a scientifically representative sample of trade union members forms the database for the next chapter. In **The Perceptions of Trade Unions by their Members: A Survey Report on Trade Unions in Malta** (Chapter 4), Edward L. Zammit and Saviour Rizzo observe the perceptions and critical comments made by trade union members

about their own unions. Trade unions in Malta today are given a clean bill of health by their membership; however an erosion in the value of solidarity for its own sake and an increasing diversity of trade union membership pose serious challenges to trade union officials.

Keeping to the same subject of trade unions, Godfrey Baldacchino appraises the role and penetration of trade unions beyond the local public and quasi-public realm where they continue to enjoy strong influence and strong membership densities. In **Trade Unions in the Maltese Private Sector** (Chapter 5), the author documents the extent to which large chunks of the Maltese workforce remain non-unionised and with what implications. Meanwhile, other sections of the workforce have their conditions of employment drawn up in the context of collective agreements, but these employees are concentrated in sub-sectors of manufacturing, banking, large hotels and some schools. The chapter draws its primary material from labour market data kindly provided by the Employment & Training Corporation, the Department of Employment & Industrial Relations as well as from the trade union organisations themselves.

The WPDC has been involved in all forms of participatory initiatives over these two decades. From self-management to worker directors, from employee shareholding to worker cooperatives, the WPDC and its staff have been involved in academic, executive or policy positions. Thus, a critical paper outlining the rise – and fall? – of worker participation is timely and appropriate. **Workers' Participation at Malta Drydocks: End of a Saga?** (Chapter 6) is the question that Saviour Rizzo sets himself up to answer. He argues that much of the eventual failure can be traced to the absence of a solid ideological basis, the need to attract foreign capital but, perhaps foremost amongst these, chronic losses at the flagship of worker participation for 22 years: Malta Drydocks. Still, workers' participation, now referred to as employee involvement, appears to be back with a veneer,

propelled this time by human resource managers as well as European Union labour law.

And it is precisely the European Union that is the backdrop to the final chapter. In **'But what exactly does the Directive say?': The Role of EU *Acquis* Experts in Industrial Relations** (Chapter 7), Godfrey Baldacchino uses an autobiographical style to unpack a personal experience, while appraising the nature and role of the often under-rated category of 'experts' in fashioning the outcome of industrial relations, certainly at a local level.

The book next includes a full copy of the Employment & Industrial Relations Act, which is introduced with a brief summary paper by Godfrey Baldacchino.

Relevant statistical appendices and a subject-author index round up the contents.

In a democratic society, there is always room for 'experts' to analyse events, cases and trends without fear or favour. And particularly so from academics with a penchant for, and duty towards, critical social inquiry. This is perhaps the main role of the WPDC: as the one single labour studies centre based in our one single University, our responsibility is crystal clear; and this text bears evidence to our commitment to inform debate on evolving industrial relations in Malta.

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