



Promoting Improved Social Dialogue in Malta

Project supported by Norway through the Norway Grants 2014-2021, in the frame of the Programme "Social Dialogue - Decent Work"

Comparative Research on Social Dialogue in Norway and Malta

Servizzi Ewropej f' Malta

Date: 31 October 2021

Table of Contents

1. Introduction
2. Executive summary
3. Methodology
4. Presentation of the Maltese model of social dialogue
5. Presentation of the main principles of the Norwegian systems of social dialogue
6. Comparative analysis of the Maltese and Norwegian systems of social dialogue
7. Findings of interviews held with social partners in Malta
8. Recommendations
9. Conclusion

The sole responsibility of this report lies with the author. The contents of the report may not necessarily reflect the views of Servizzi Ewropej f'Malta and is not responsible for any use that may be made of the information contained therein.

1. Introduction

This report is one of the actions of a project, supported by Norway through the Norway Grants 2014-2021, in the frame of the Programme, 'Social Dialogue - Decent Work', entitled, 'Promoting Improved Social Dialogue in Malta'.

The project, implemented by Servizzi Ewropej f'Malta (SEM), consisted of the following actions:

- i. A meeting with three Norwegian social partners to gain practical knowledge on the Norwegian model of tripartite dialogue.
- ii. Preparation and publication of a report which outlines the current situation of social dialogue in Malta and Norway and provide recommendations to improve social dialogue in Malta.
- iii. Organisation of an event bringing together social partners and stakeholders in Malta to present the conclusions and recommendations of the report to the Minister within the Office of the Prime Minister, responsible for social dialogue in Malta.
- iv. Communication actions to promote the project and to disseminate its results.

Servizzi Ewropej f'Malta (SEM) issued a call for quotations to procure the services of a consultant to perform a comparative research on social dialogue in Norway and Malta through desk research.

misco International Limited was selected to provide the services of the consultant and was expected to carry out the following tasks:

- Attend an online meeting with Norwegian social partners.
- Conduct one-to-one interviews with the eight (8) social partners represented within the Malta Council for Economic and Social Development (MCESD), the MCESD secretariat, the Gozo Regional Committee (GRC) and the Civil Society Committee (CSC), to analyse how social dialogue may be improved in Malta on the basis of the knowledge acquired during the online meetings with the Norwegian social partners, interviews held and the outcome of the desk research.

- Present a report which brings out the conclusions of the elements indicated above.
- Deliver a presentation at a seminar to explain the methodology adopted to compile the report and the final recommendations.

The report has seven other sections, namely the executive summary; a description of the methodology; a presentation of the Maltese model of social dialogue; a presentation of the main principles of the Norwegian systems of social dialogue; findings of interviews held with social partners in Malta; recommendations; and a conclusion.

2. Executive Summary

This report highlights the differences between Malta's model of social dialogue and Norway's model, keeping in mind that the former has a history of 30 years, while the latter has a history of over 100 years. The differences in the model are also due to the expectations of the social partners. The expectations of the social partners in Malta are that the remit of social dialogue in Malta should be broad so as to encompass more than just employment relations issues, and to look at the human person holistically.

Another key difference is that whereas Norway's model of social dialogue is very much based on engagement by all parties, Malta's model is still based very much on information sharing. However, it appears that in Malta the time is indeed ripe to move to a model of social dialogue based on engagement.

This requires that the process of social dialogue adopts a more proactive approach to the various challenges Malta is facing and focuses more on outcomes. Malta's legislation allows for such a change to be done if there is the willingness of all parties to initiate it, promote it and manage it.

Differences in the two models also exist because of the approach taken to bipartite dialogue between employers and trade unions. In Norway, each party is conscious of the other party's role but fundamentally the structure of bipartite dialogue is very much aimed at achieving a compromise in the case of disagreement. Moreover, there is a corporatist approach to bipartite dialogue, based on the Basic Agreement signed in 1935 by employers and trade unions. On the other hand, bipartite dialogue in Malta is more based on negotiations at the level of the firm and the approach taken is at times adversarial.

Therefore, one needs to take into account these factors when viewing this report, as they explain to a great extent the path which social dialogue has taken in Malta and Norway.

3. Methodology

Following an initial briefing meeting with SEM, an online meeting was held with Norwegian social partners. This provided the opportunity to understand first-hand the model of tripartite social dialogue in Norway and to participate in the discussions to share knowledge and experiences on the topic and to compare and contrast the two models. This meeting was held on the 6th September 2021.

This meeting was followed by extensive desk research on the evolution and current practices of tripartite social dialogue in Malta and Norway.

SEM contacted the MCESD secretariat and the social partners represented on the MCESD, the GRC and the Civil Society Committee to set up one-to-one appointments. Meetings were held with the Chairperson of MCESD, Civil Society Committee, Chamber of SMEs, For.U.M., General Workers Union, Gozo Regional Committee, Malta Chamber of Commerce, Enterprise and Industry, Malta Employers' Association, Malta Hotels and Restaurants Association, UHM - Voice of the Workers. The interviews followed a structured questionnaire and were held with persons indicated by the social partners themselves.

4. Presentation of the Maltese model of social dialogue

4.1 The Evolution of Social Dialogue in Malta

Malta's industrial relations model followed to a very large extent the UK model. However, after becoming a member of the European Union in 2004, Malta moved away from the traditional confrontational 'British model' of industrial relations to the European social model. While the UK model of social dialogue is very much based on an adversarial approach while the European model is based more on a cooperative and participative approach. It has often been stated that as a result of EU membership, social dialogue in Malta has acquired a new lease of life.

After the Second World War, trade unions and the right to strike became officially recognised. This paved the way to collective bargaining and social dialogue on a bipartite basis at enterprise level. These initial steps are not much different from the steps adopted in other countries.

The incidence of national sectorial collective bargaining is very limited. The rights of employers and employees and their representatives are enshrined in the law, as is the process of dispute resolution. Apart from being an employer itself, the role of government in this scenario was that of a mediator in case of industrial disputes.

When necessary, employees' representatives and employer organisations discussed with the Government issues affecting their members. However, until 1990, there was no real process of tripartite social dialogue, even if in 1955, there was the first official international involvement by Malta in labour relations with the formal participation of the Government, employer and trade union representatives at the annual Conference of the International Labour Organisation.

The national minimum wage was established by law in 1974. Up to 1990, the Government determined what the increase in the national minimum wage should be as a result of the increase in the cost of living. In 1990, agreement was reached

among the Government, employer organisations and employee representatives on the mechanism to be used to adjust wages for the cost of living. It gave the social partners the right to supervise the work of the National Statistics Office in the determination of the so-called Cost of Living Adjustment (COLA).

According to this agreement, “cost-of-living increases were to be calculated by the Government Statistician according to the Retail Price Index statistics calculated under the direction of an independent tripartite committee set up to ensure the equitable workings of this statistic”. This agreement is still in force. The agreement could be described as the first formal attempt at having agreement on an incomes policy and tripartite social dialogue started making the first steps in this country.

As far as national structures for social dialogue are concerned, a Malta Council for Economic and Social Development Act was promulgated by means of Act 15 of 2001, setting up the MCESD on a legal footing for the first time. This was followed by the enactment of the Employment and Industrial Relations Act in 2002 which set up the Employment Relations Board.

There are also other institutions where the social partners perform an executive role, such as in the Occupational Health and Safety Authority where the social partners sit on the Authority’s highest Board *ex officio*. There are other institutions such as Jobsplus where representatives of the social partners play an active role in the corporation’s policy formulation, even if they do so in a personal capacity and not as representatives of the social partners. In addition, there are other instances where the social partners meet such as working groups within ministries and ad hoc boards and committees set up by government.

4.2 The Malta Council for Economic and Social Development

According to the law, “the Malta Council for Economic and Social Development was established as an advisory body in order to provide a forum for consultation and social dialogue between social partners and, where necessary, with organisations

of civil society, and is entrusted with the task of advising the Government on issues relating to the sustainable economic and social development of Malta”.

The law also established who the members of the Council were to be and how they were to be appointed. The members are, amongst others, representatives of organisations representing employers, representatives of organisations representing employees, the Gozo Regional Committee, the Civil Society Committee, the Governor of the Central Bank, and persons nominated by government.

The functions of the MCESD are, amongst others: the promotion of social dialogue and consensus amongst all the social partners on issues relating to sustainable economic and social development; to propose desirable and feasible goals and targets to give effect to the strategic economic, financial and social development objectives of the Government and to recommend measures which would further their attainment; to make recommendations to the Government in respect of changes in the direction or terms of economic and social policy that it may deem appropriate; to make recommendations to the Government regarding the elaboration of national plans for economic and social development and the implementation thereof; to submit opinions and recommendations on matters referred to it by the Government or on matters that the Council deems as having national economic and/or social relevance.

4.3 The contribution of SEM to Social Dialogue

SEM is the government agency in Malta that contributes to social dialogue through the dissemination of information and the engagement of social partners, civil society organisations, public and private organisations on the EU's policy and legislative proposals. Given that such proposals have direct or indirect impact on different stakeholders in Malta the submission of feedback to the relevant authorities is also encouraged. In close collaboration with the relevant government entities, the Agency holds policy outreach campaigns which include ad hoc

meetings with stakeholders, mailshots and, social media campaigns, depending on the nature of the subject matter and the intended target audience/s.

Agency officials also participate in meetings of the social partners and civil society representatives at the MCESD to provide in-depth updates of the long-term strategies and legislative proposals of the EU.

4.4 The Employment Relations Board

The Employment Relations Board was set under the auspices of the Employment and Industrial Relations Act. The law stipulates who its members are and how they are appointed. The function of this Board is to make recommendations and submit advice to government on wages and other matters concerning conditions of employment.

4.5 The Future

Prof. Edward Zammit suggests in his paper, "Social Dialogue and Competence Development", that the effectiveness of the social partners "may be significantly enhanced through professional training, better organisation, devolution of authority structures and the further development of the competences of both the main protagonists and of the lower participants in the social dialogue institutions". Prof. Zammit was referring more to trade unions, however this point may be applied to all stakeholders participating in the process of social dialogue.

5. Presentation of the main principles of the Norwegian systems of social dialogue

5.1 Evolution of Social Dialogue in Norway

The Norwegian model of social dialogue, characterised by tripartism, has become one of the country's trademarks, just as it has in the other Nordic countries. More than a hundred years ago, employers had already recognised the right of employees to organise themselves in a trade union, while trade unions recognised the right of employers to organise work.

At that time, despite the fact that there was strong antagonism between the main trade unions and the employers' organisations, they still agreed on the principle that the partners themselves, not the Government, would be responsible for collective bargaining and dispute resolution. This principle still has strong support among the social partners in Norway.

Cooperation at the workplace level, mutual trust and transparency eventually came to replace conflict and distrust between the social partners. What is commonly referred to in Norway as the Basic Agreement was signed in 1935. This represented an important milestone. The Agreement contained provisions requiring employers to consult trade union representatives in a number of specific situations. The rights and duties of trade union representatives were also regulated. Increased cooperation gradually developed in areas such as productivity, business development and the organization of work, mostly at the company level. This continued to strengthen the foundations upon which social dialogue at a national level was built.

The structures of tripartite social dialogue developed after 1945. It is essential to note that tripartite cooperation is pursued across political dividing lines and is today considered essential for the national economy. Norway's system of social dialogue

is one where the social partners play an important role in policy formation as well as in implementing the policy and developing different tools and measures. They meet in both formal and informal forums and there is general agreement that one of the reasons why tripartite social dialogue is healthy is because there is a very healthy bipartite social dialogue between employers and trade unions.

The social partners do not necessarily agree on all measures, but they acknowledge the importance of cooperation. Measures are voluntary, based on trust, and if necessary underpinned by government facilitation and policy. Such initiatives have been adopted on a number of occasions when the Norwegian economy needed to address certain issues, such as rising unemployment. The model relies on strong partners and a balance between conflict and cooperation.

However, it is important to note that the main emphasis of social dialogue in Norway is labour relations, in a wide perspective. Although civil society organisations are strong in Norway, they do not play a role in the process of social dialogue, as their interests are seen to be different. The wage-setting model is imperative for the viability of social dialogue in Norway, and wage coordination is considered crucial. However, social dialogue covers a wide range of areas such as industrial policy, skills development, inclusion, and social welfare.

The fundamental pillars of social dialogue in Norway are ongoing mutual trust among the social partners, confidence, goodwill, a willingness to communicate and cooperate, and a conviction that social dialogue leads to a win-win situation. Access to government is seen not to be difficult as government recognises that social dialogue has become ingrained in the country.

It is claimed that tripartite cooperation suits the Norwegian culture, but this is probably related to the fact that it has developed over a period of one hundred years. Norway is known for equality, which helps in resolving conflicts through cooperation and dialogue. This does not mean that industrial conflict does not exist

but the social partners are well aware that negotiations and compromise have got them through challenging situations a number of times in the past.

5.2 Wage formation

In the late 1940s, wage formation was seen as an important tool to ensure economic stability. This led to cooperation between the social partners and government to moderate price and wage increases. Gradually, this was linked to the expansion of the welfare state and social security arrangements to moderate wage settlements.

The model of wage formation continued to evolve and in the 1960s collective agreements were negotiated every two years. In the intervening years, the social partners negotiated wage adjustments centrally. There were also wage negotiations at an enterprise level, but these negotiations are conducted under a peace obligation.

Through this model, the social partners assumed responsibility for ensuring that the outcome of the negotiations could be supported by the economy and would not lead to unsustainable inflation and unemployment. Government supported this process by improving social benefits and price subsidies when warranted.

Among the formal fora set up to support wage settlement in Norway are the Government Contact Commission for Wage Settlements and the Technical Calculation Committee for Wage Settlements. The former is chaired by the Prime Minister and meets twice a year to facilitate the exchange of information between the social partners prior to and during wage settlement rounds.

The Technical Calculation Committee for Wage Settlements provides the Government, employers and trade unions with information about the economy, wage and income trends, inflation trends and forecast, and changes in competitiveness to have a common understanding of the situation.

Reference has been made above to the peace obligation. Norway has two institutions which are involved when employers and trade unions disagree - the Labour Court and the Mediation Institute. The Labour Court rules on the conflicts related to the interpretation of collective agreements and violations of the duty of labour peace. Parties to collective agreements cannot take industrial action for as long as they are bound by a collective agreement. Taking a case to the Labour Court is considered as a last resort and very often the social partners settle matters through negotiation.

The role of the Mediation Institute is to mediate when employers and trade unions cannot come to an agreement during negotiations. Mediation is compulsory and no industrial action may be taken until the mediation process is exhausted. It is only at that stage that industrial conflict is registered, and industrial action may be taken. It has also been the case that government has at times intervened in an industrial conflict by making arbitration compulsory, through declaring that industrial conflict unlawful.

5.3 Other labour market related issues

For many years the social partners have cooperated in a number of fields such as industrial policy formulation, skills and training, inclusion, and social welfare.

Although the involvement of the social partners in formulating industrial policy is not statutory, they are very active both in industry-specific interventions and in cross-sector interventions. Areas where there has been active participation by the social partners are infrastructure, support for research and development, export promotion, restructuring of companies, addressing the skills shortage, funding for businesses. This has ensured that public policies are relevant and strengthened social dialogue. On the other hand, this process of participation involves a great deal of time and so policy formulation may be seen as not being dynamic.

In the area of skills and training, the Norwegian model of vocational education and training (VET) is mainly based on combining classroom and workplace training

(apprenticeships). The Education Act calls for the establishment of various bodies with representation of the social partners relating to vocational training in enterprises. The social partners are members of the vocational training boards and are frequently appointed to so-called examination boards. The social partners also participate in the bodies that discuss curricula and the organisation of training.

Norway has an inclusive tripartite working life agreement. It is a voluntary agreement that aims to reduce the rate of sick leave and improve inclusion, as well as encouraging a longer working life. The agreement is renegotiated every four years.

The social partners have been active in the development of new welfare schemes and the outcomes are often a result of compromises among the three parties, namely government, employers and trade unions. The period of parental leave was increased considerably to 49 weeks in 2019. This is a statutory scheme, but the increase in the number of weeks was a result of a compromise on incomes policy. Agreement was also reached on the adjustment of pensions for changes in life expectancy. A compulsory occupational pension was introduced by law. The Council on Labour and Pensions Policy was set up to discuss key challenges related to labour and pensions policy.

The social partners are conscious of the challenges posed by various economic, social and technological developments over the last years. As such the social dialogue agenda now covers aspects such climate change, the future of work, new technology, and skills development.

6. Comparative analysis of the Maltese and Norwegian systems of social dialogue

A comparative analysis of the Maltese and Norwegian systems of social dialogue needs to depart from two important considerations. The first is that the Norwegian model of social dialogue has evolved over a hundred years, while the Maltese one has evolved over a much shorter period - thirty years. In Norway's case, social dialogue has become ingrained in the system, while in Malta there is a learning curve to be gone through even if the indications are that one is getting to the end of such learning curve.

The second consideration is that the Norwegian model was built primarily by employees' representatives and employers' representatives with government supporting it, while the Maltese model was instigated by the Government, and trade unions and employer organisations supported the initiative taken by government.

These two considerations explain why in Norway, social dialogue is based on engagement between the social partners, while in Malta, social dialogue is based more on information sharing and needs to make the transition to being based on engagement.

The hundred-year history of social dialogue in Norway ensures the social partners remain committed to it. The risks of weakening social dialogue for both the social partners and the Government could be significant. This has led them to adopt a corporatist approach to wage setting.

The social partners agreed on the principle that the partners themselves, not the Government, would be responsible for collective bargaining and dispute resolution. Wage adjustments are negotiated centrally. They also agreed on a mechanism whereby wage negotiations at an enterprise level would be conducted under a peace obligation.

In fact, mediation during collective agreement negotiations and arbitration on the interpretation of collective agreements are compulsory. Government is expected to intervene through fiscal initiatives such as social benefits, price subsidies, funding for training programmes and employment support programmes to enable agreement between the social partners to be reached.

The situation in Malta is different. Bipartite social dialogue happens very often at the level of the firm. In Malta wages are not negotiated centrally, and in a few occupations (very often occupations that are not unionised) the Government has established Wage Regulation Orders setting minimum wages and minimum conditions of work, with the participation of the social partners.

There is no obligation on the social partners to refer disagreements to mediation or arbitration in the case of disputes, unless required to do so by the collective agreement of the firm. Moreover, the extent to which an adversarial approach between the social partners is adopted, depends very much on the trade union - employer relations at the place of work.

In Malta, the statutory increase in wages is not subject to negotiation, as it is in Norway, but is determined by an automatic mechanism that was established in the 1990s and which in fact paved the way to the establishment of social dialogue in Malta. The Government may also decide to award at a national level, further increases in wages at its own discretion, and which need to be borne by the employer.

Another important distinction is that social dialogue in Malta is broader in its remit than it is in Norway. In Norway social dialogue is very much focused on labour market issues from a very broad perspective and on how the economy is impacting such issues.

This remit is therefore narrower than the remit in Malta, where at the national level, the agenda of social dialogue covers social aspects in addition to economic aspects.

There is even the representation of civil society in the most important forum of social dialogue in Malta. On the other hand, although civil society organisations in Norway are strong, they are not part of the process of social dialogue.

These differences emanate from the different social and economic contexts of the two countries. However, there is no doubt that both models, although different, have the same vision - working together towards a shared future.

7. Findings of interviews held with social partners in Malta

As explained in the methodology section of this Report, interviews were held with the Chairperson of MCESD, social partners representatives within the MCESD and the Gozo Regional Committee and the Civil Society Committee. This section presents the findings of these interviews.

7.1 Vision and Scope of Social Dialogue in Malta

The first question focused on the respondents' vision for social dialogue in Malta. There was general agreement that social dialogue is very much alive in Malta, albeit there may be areas for improvement. There is also agreement that social dialogue has helped employer organisations and employee representatives to establish and maintain healthy relations at the places of work.

In addition, the social partners need to have a consultative voice through which they can influence the national agenda. This is because the person should not be seen just as a worker or an employer, but the person's well-being should be seen from a holistic perspective. This already indicates that the scope of social dialogue in Malta should not be just about labour relations and related issues.

The different fora of social dialogue ensure that communication among government, employee organisations, employer organisations and civil society are ongoing. However, consultation with the social partners cannot be just a mere formality and must have real substance.

There is the expectation among most respondents that for there to be a healthy social dialogue, the social partners need to be adequately resourced and not be made to feel they are dependent on government, as otherwise social dialogue would not reach its full potential and consultation will not prove to be effective. The key message is that for social dialogue to be effective, more financial resources

need to be allocated to the process because the social partners require capacity building to render them more effective and relevant.

The overall vision is that the social dialogue model in Malta needs to move from one which is based on information sharing to one which is based on stronger engagement.

Respondents were then asked whether social dialogue limits itself to employment relations or not. Respondents pointed out that there is a forum which deals with employment relations exclusively, namely the Employment Relations Board. Other fora have extended the scope of social dialogue and this broader scope should be maintained, again in the belief that a person needs to be looked at holistically. There is evidently a preference for this wider remit among respondents as social dialogue needs to take a macro approach to social issues.

There is the belief among respondents that social dialogue should also entail discussions about where Malta should be, say by 2030, what type of economy should Malta have, what impact would there be with the restructuring of the economy, how a transition would take place, social inclusion, poverty, and the environment among many other areas. In effect the scope of what should constitute the agenda of social dialogue is what contributes to the well-being of the individual. For social dialogue to be effective it needs to be all encompassing because the economy and society are interlinked.

7.2 Strengths, Weaknesses and Threats

The questionnaire also focused on what respondents consider to be the strengths and weaknesses of the current structure of social dialogue in Malta. The main strengths are considered to be: the good representation of employers, workers and civil society representatives at MCESD; regular meetings with a diversified agenda; the setting up of working committees within MCESD that allows for more detailed

discussions on certain topics; easy accessibility to Government and Opposition; and strong informal networking among the social partners.

Communication between employer organisations and employee representatives, both at an organisation level and at an individual employer level, is positive and this helps in the process of social dialogue.

The weaknesses are considered to be: social partners being provided with information too late in the day to enable them to influence government's decision; representatives of social partners may not always have the necessary expertise to participate in meaningful discussions about topics raised; a possible political influence behind positions taken by the social partners.

With regard to funding, there is the expectation that the process of social dialogue should be adequately resourced to enable the social partners to provide meaningful feedback based on objective research. Social partners should not have to wait for European Social Fund resources to undertake research and projects.

Another weakness mentioned was that there is a lack of streamlining in the process of social dialogue in Malta. There are several fora for social dialogue, but each forum of social dialogue tends to have its own way of doing things and as such there needs to be more consistency. Expected outcomes need to be more specific. There needs to be better management of the process horizontally at a high level and the process of social dialogue needs to be more clearly defined.

There needs to be a greater level of trust among the social partners as this would limit the adversarial approach that may at times exist in discussions.

The discussion then turned to any possible threats that may exist for social dialogue in Malta as a result of current developments in the economy, society in general, and internationally. From an international perspective, the increased globalisation of business and the reliance of the Maltese economy on international trade and

investment, may render social dialogue in the country irrelevant unless it takes into account these mentioned factors.

Moreover, certain economic developments such as disruptions in the supply chain, the increased cost of transport and geo-political tensions among leading nations could all represent threats to social dialogue.

Social dialogue also needs to make a step change to take account of the so-called future of work and a possible loss of competitiveness of businesses operating in Malta. It needs to be more proactive to tackle future challenges than be reactive, especially when it comes to issues being considered at an EU level.

The falling incidence of union membership in the European Union is also seen a threat. As trade unions lose members, as workers move to jobs that are not usually unionised, they may lose their relevance in society and employer organisations and/or government may be less propense to negotiate with them.

From a local perspective, one threat that is being perceived is that at times government may consult with social partners to 'go through the motions', as it would have already made up its mind. Some social partners called it a 'ticking the box' exercise. Another threat is that social partners may lobby with political forces behind the scenes and commit the political parties to enforce measures or take action without any real social dialogue having taken place.

A key contributor to social dialogue in Malta is the Malta Council for Economic and Social Development. The Council is considered to be a tried and tested institution.

It was pointed out that there were times when social dialogue within the structure of MCESD did fulfil its function very effectively such as when it discussed the minimum wage and the impact of coronavirus on the economy. However social dialogue now needs to move from a process of just providing information to a process of engagement among the social partners.

The next point may appear as a detail but in effect it is one of principle. Some social partners asked that persons appointed to the European Economic and Social Committee (which is viewed as the EU forum for social dialogue) should report back to MCESD, as they are representing Malta and not individual organisations.

It was generally agreed that civil society has a significant contribution to make to the process of social dialogue. As such their representation on MCESD was judged to enhance the process. However, they should not be involved in other fora related to social dialogue such as the Employment Relations Board, which deals exclusively with labour market and employment related matters.

A point was also made that where the social partners agree on certain issues, government should commit to legislate on such issues.

Regarding public statements, it was agreed that there may be reasons for making such statements through the chairperson, as it would enhance accountability towards the public. There needs to be more communication with the public on what changes social dialogue has brought and wants to bring about.

7.3 Social Dialogue in the Future

The final question was about how social dialogue could be improved in Malta. It was felt that social dialogue could be strengthened by increasing the relevance of social partners through effective consultation. Consultation cannot be a 'ticking the box' exercise.

Another point put forward was that information about upcoming matters is to be submitted to the social partners in good time to enable them to formulate an informed position. A third point was the need for increased participation of the social partners in the national agenda.

A comment was made that social dialogue needs to be much more results-oriented and needs to focus on outcomes, which would drive the agenda and would drive a programme of action. The process of social dialogue needs to be more proactive and anticipate issues rather than be just reactive to issues as they arise.

There needs to be more effort to achieve consensus. Government should commit to implement what is agreed upon among the social partners.

In summary, respondents appear to be expecting to be enabled to have more engagement in the social dialogue process and more participation in the national agenda than just be informed. The future of social dialogue in Malta is dependent on the extent to which it is able to move from information sharing to engagement.

8. Recommendations

The following are a set of recommendations that emerge from the findings of this report. The overall thrust of these recommendations is that the process of social dialogue changes from one based on information sharing to one based on engagement.

1. Social dialogue in Malta may be enhanced by having discussions on topics such as where Malta should be, say by 2030, what type of economy Malta should have, what impact would there be with the restructuring of the economy, how a transition would take place, how the international economic and political situation affects Malta, social inclusion, poverty, and the environment among many other areas. In effect the scope of what should constitute the agenda of social dialogue is what contributes to the well-being of the individual. For social dialogue to be effective it needs to be all encompassing because the economy and society are interlinked. Such a development would also allow for a more proactive approach in the process of social dialogue.
2. There are a number of formal and informal fora where social dialogue takes place in Malta. This requires that there is complementarity among these different fora. Expected outcomes need to be more specific. There needs to be better management of the process horizontally at a high level and the process of social dialogue needs to be more clearly defined.
3. Government needs to create further space for consultation. In some respects, it needs to appreciate that there cannot be the perception that consultation is taking place as a mere formality. The perception needs to be that the Government is embracing the notion of social dialogue based on consultation. The more consultation there is, the more relevant the social partners become, and the more beneficial social dialogue is seen to be. The Public Service has an important role to play in this regard.

4. The Employment Relations Board is seen to be functioning effectively. This was confirmed both by employer organisations and by trade unions. It is recommended that the Employment Relations Board discusses regularly any possible enhancements to the Employment and Industrial Relations Act, enhancements to Wage Regulation Orders, and having a proactive approach to labour market developments such as the evolution of the platform economy and the future of work.
5. The social partners may also be given a greater say in the allocation of resources devoted to social dialogue to enable them to conduct more research and thereby enhancing social dialogue.
6. The process of social dialogue in Malta already has a very broad remit. Given the experience of the last thirty years, it would be appropriate to have a meaningful debate as to whether it should be expanded further.
7. Social dialogue in Malta will become more effective if it is more results-oriented and focuses on outcomes. Such outcomes would drive the agenda and would drive a programme of action. The process of social dialogue needs to be more proactive and anticipate issues rather than be just reactive to issues as they arise.

9. Conclusion

The Director General of the International Labour Organisation described the Nordic labour model as, *"a problem-solver and adapts to new circumstances, while retaining its fundamental cooperation between the social partners"*. However, one needs to keep in mind that this has a history of over a hundred years. This has ensured that social dialogue is now ingrained in the country's culture and that the social partners remain engaged in it. It focuses mainly on broad wage settlements, skills and training, and having a sustainable economic policy that promotes growth to ensure higher employment.

By comparison, the Maltese tripartite social dialogue model has a history of around thirty years. It started from an agreement on an incomes policy and now the scope of social dialogue in Malta is broader as it includes civil society. However, there is still a learning process to be gone through to understand better the value of civil society in the process of social dialogue in Malta. Social dialogue needs to evolve from a model of information sharing to a model of engagement.

Whichever model a country adopts, all the social partners need to ensure that the model remains relevant in society in the future, as much as the present. Account needs to be taken of economic, social, technological, environmental and legislative developments. Social dialogue is a catalyst of change and is a most important platform to help in the process of transition not just of the world of work, but also of society in general.

In conclusion, **misco** International expresses its appreciation to SEM, the Norwegian social partners, the Chairperson of MCESD and the social partners for their contribution to the compilation of this report.

Resources

Zammit Edward L; Social dialogue and competence development: The role of Malta's social partners; Centre for Labour Studies, University of Malta

https://www.ilo.org/global/about-the-ilo/how-the-ilo-works/departments-and-offices/governance/dialogue/WCMS_709868/lang--en/index.htm

<https://www.eurofound.europa.eu/publications/report/2014/norway-role-of-social-dialogue-in-industrial-policies>

<https://www.regjeringen.no/no/dokumentarkiv/regjeringen-solberg/aktuelt-regjeringen-solberg/asd/taler-og-innlegg/minister/taler-og-artikler-av-arbeids-og-sosialminister-anniken-hauglie/2017/tripartism-part-of-the-same-future--experiences-from-the-norwegian-social-dialogue/id2555610/>

<https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/63364/61054/F-928324300/MLT63364.pdf>

https://www.ilo.org/ifpdial/information-resources/national-labour-law-profiles/WCMS_158914/lang--en/index.htm

<https://legislation.mt/eli/cap/452/eng/pdf>