



PROFESSOR EDWARD ZAMMIT

Honorary member, Centre for Labour Studies Board

From Confrontation to Dialogue

A speech delivered by Professor Edward Zammit on the occasion of the 40th anniversary of the foundation of the Centre for Labour Studies at the University of Malta.

When it comes to commemorating the planting of a seed and tracing its development over almost half a century, one might be tempted to indulge in feelings of nostalgia. Actually, it is not my intention today to indulge in such an exercise of sentimentality because I rather believe it is our duty to assess and evaluate objectively whether that original seed has actually grown into a healthy tree with strong roots and wholesome fruit. I believe that this would be a more useful exercise from which may emerge some lessons for the future. Hence, I would like to start by glancing at the original environment in which this Centre was conceived, its original aims, the way these aims were perceived and concretised over the years. Then one may look at the Centre's main achievements, what stage has been reached so far and look ahead at what

I personally regard as the challenges which the Centre is confronting now and in the foreseeable future.

At the time when the Centre was set up, dramatic changes were taking place in Malta on the social, political and economic levels. It was only two years after the end of the British military base on which the economy had been heavily dependent and so, for the first time in its long history, Malta had to fend for itself. As a result, the economy and many aspects of its society had to be restructured and these changes had a profound impact on the field of industrial relations. The two main trade unions did not see eye to eye, particularly in their relations with the Labour government of the time. These were the General Workers' Union (GWU) which was the biggest one and the Confederation of Maltese Trade Unions (CMTU) which embodied a number of other unions, mainly in the public sector. In fact, between them, there was a deep division, frequent criticism of each other's policies and downright antagonism. One main bone of contention was the statutory union between the GWU and the Labour Party which the government perceived as fundamental for the country's new economic development. This policy was not acceptable to the CMTU which upheld a very different policy.

Under these circumstances, the incidence of strikes was high, particularly in the public sector. As soon as the Labour government had been elected, ten years earlier, it adopted a policy of *workers' participation* at Malta Drydocks – between the government and the GWU. Many thousands of workers were employed in this public enterprise which, under the previous government, had been plagued by industrial strife. Under these circumstances, some drastic measures were required. The newly elected Labour government was determined to remedy this situation and it was for this reason that the first form of *workers' participation* was then adopted in Malta. As the new system led to an end of industrial actions and, for some time to financial viability, the government intended to extend the system to other sectors of the economy.

Let me at this stage, make some personal reflections. When I started working at the University, I was assigned to the Department of Economics.

There my superiors expected me to focus on the subject of industrial relations which was still new for Malta. For this reason, I encountered Gerard Kester, a visiting lecturer from Holland who had the same task and academic interests as me. The two of us started a programme of lecturing and research on workers' participation in Malta and overseas – a project which we continued to carry out in different contexts practically throughout the rest of our lives. We saw participation as an integral part and an extension of the democratisation process of industrial democracy. This is so because it's not enough to have a system which endows citizens with the right to vote once every five years. Democracy really ought to be a living experience at all levels – including at the level of work – from top to bottom.

It became clear from the start that despite the good intentions of the main protagonists, in Malta there was a lack of knowledge about the real meaning and practical implementation of workers' participation. Actually, the idea was not completely new as a number of international organisations had already been promoting it for some time. These included the International Confederation of Free Trade Unions (ICFTU) in which the GWU was listed and the World Confederation of Labour (WCL) to which the CMTU pertained. Likewise, the Young Christian Workers, an organisation which was active in Malta at the time, were inspired by the social teaching of the Catholic Church. But there were many others against it for various reasons. Both local and international research has concluded that the development of participation required an autonomous supporting structure. Such a structure was necessary to provide an action plan on different levels which included a legal framework, an ongoing research programme and above all an educational and training strategy of all the members of enterprises from top management to the shop floor. The conclusion reached was that the best location for the operation of such a project was at the university where there is a long tradition of autonomous research and the best persons to perform the required functions. It was for these reasons that the *Centre for the Development of Workers' Participation* was then established at the University of Malta – better

known today as the *Centre for Labour Studies*.

It's also worth recalling today what state the University of Malta was in at that time. There was a division between the so-called *Old University* and the *New University*. A number of faculties were suppressed whilst new ones were created. The idea of having an autonomous entity, as the Centre was being proposed, which did not fall under any faculty was a novelty. There were some who viewed this proposal suspiciously, as an attempt by the unions to dominate academia while others saw it as a Marxist idea. At this juncture, the efforts and diplomatic skills of the late George Agius from within the University Council and those of the late Salvinu Spiteri from outside were crucial for obtaining the Council's approval for establishing the Centre. After this, another battle had to be fought to obtain the necessary funds and other resources to enable the Council's decision to be implemented in practice. Unhesitatingly I can claim that bureaucratic challenges – by fair means or foul – were never lacking and these came both from outside and from within the University itself. The severe limitations of staff, finance, and even of physical space for the Centre to operate absorbed much of our energy. Some of these problems could be traced back to the fact that this was the first University structure with one leg inside the University and the other outside. One way of meeting financial shortcomings was through the possibility of generating and utilising funds obtained from outside the University. Financial matters were always carried out always according to the established procedures and following the Rector's approval. Nonetheless, there were stumbling blocks even to utilise the funds obtained from outside the University. In fact, if it were not for these outside sources of income – mainly from the unions – the whole project would have been stillborn.

During the first years, much of the Centre's work was focused on workers' participation at Malta Drydocks. The system there needed support for its further development. For this reason, together with my colleagues, we used to go there to teach and discuss the functioning of participation with the workers, the management and the members of the Council. I vividly

remember one worker protesting: ‘So do you mean that now, in addition to my own work, I am expected to perform the duties of management? Isn’t it better for everyone to do their own work?’ Clearly, a cultural change was required. For this reason, a number of short courses were being organised on the shop floor for small groups of workers in turn. These courses were designed on the basis of ongoing research. Simultaneously, at the University the first of a series of courses leading to an academic Diploma in Labour Studies was started. This course aimed to develop among the participants a critical view of workers’ participation. Among the first batch of students for the course – which was naturally open to all – a number of Drydocks’ workers were included who came to the University for the first time in their lives. Many of these, later on, became union activists and occupied vital roles in them. Some others today occupy important positions in the public sector or in private enterprise, while still others became active in the field of education. Participation necessitated changes in the traditional roles of both unions and management. Disagreements sometimes occurred among the union officials – particularly shop stewards – and the members of the workers’ participation committees. These were the subjects about which the Centre carried out programmes of teaching on the basis of surveys about concepts and expectations of workers from participation. Intensive studies were also carried out by local and international experts due to the financial losses which, in spite of participation, the Drydocks were still making. It became evident that the absolute reliance on Government subsidies was unsustainable in the long run. As we all know, the financial losses eventually brought about a drastic reduction in the number of workers, with the loss of all their skills and of the predominant role of the Drydocks as a leading industry in Malta. This was also a setback for those who like us firmly believe in the promotion of industrial democracy through workers’ participation.

At the same time, the Centre was carrying out other local educational activities and research on the international level. These included university courses on industrial relations and human resources, occupational health and

safety, career guidance and, a novelty for Malta at that time, the changing role of women at work and in society. On the international level, the Centre became actively involved in the work of the *European Foundation for the Improvement of Living and Working Conditions* years before Malta's application for EU membership. The information on industrial relations forwarded by the Centre is rated by the Foundation itself among the most valuable ones among EU correspondents. Additionally, the Centre played an active part in various other international research projects including the *International Centre for Public Enterprises* based in the former Yugoslavia and the Scenario 21 Project - under the auspices of the *Confederation Francaise Democratique du Travail*.

Under the political and economic circumstances which prevailed towards the end of the 1980s, and as a result of periodic evaluations carried out by the Centre, it was decided that it should throw its weight on the promotion of another form of participation, namely that of producer cooperatives. The cooperatives movement had been in existence in Malta for many years but had remained restricted to the agricultural sector. The need was felt for a radical re-organisation of this movement. This could only be achieved through a programme of educational activities, research, public promotion and consultation – along the lines of what was being performed at Malta Drydocks. In time, this work resulted in some important reforms of the cooperatives movement. In addition to a reform of the existing services cooperatives, a number of cooperatives were established in new sectors. A reform of the legislative framework for the regulation of the movement and of its central structures were implemented. An extensive educational programme for children, called *SCOOPS*, was launched which was intended to teach children about cooperatives and help them to become well-disposed towards working in them. The Centre is proud of its contribution towards an injection of new blood and new ideas in the promotion of the cooperatives movement.

The Centre has always maintained a close collaboration with the unions. As voluntary organisations which strive for the emancipation of workers, the unions embody the ideals of industrial democracy and workers' participation.

When performing their traditional roles – through negotiations with management about conditions of employment leading to collective agreements – the unions are *de facto* practising one form of workers’ participation. The main difference is that in the past, these relations were always conducted in an atmosphere of conflict with management and sometimes even with other rival unions. Such actions were often counter-productive and did much damage to the enterprise, the economy and sometimes even to the workers themselves. It was therefore a priority to find a way for the unions to collaborate with each other and start pulling the same rope. For these aims to be attained, from the 1990s onwards, the Centre started organising an intensive programme of residential weekend seminars for the union leaders. These used to meet periodically in a local hotel, together with their families, and in an informal, friendly setting to study and discuss matters of common interest. The discussions were normally animated with the help of foreign experts who were brought to Malta following the Centre’s invitation. This programme could be implemented thanks to the generous assistance of the *Friedrick Ebert Stiftung*. For this reason, we at the Centre are very grateful for the collaboration of the local representatives of this German foundation in Malta: principally of Rolf Nagel, Manfred Turlach and Ebba von Fersen Balzan. Although unfortunately these friends and benefactors are no longer with us, they are fondly remembered and will surely never be forgotten by us.

When we look back now and reflect on the achievements which have been implemented over the years – since the foundation of the Centre – it is clear that the industrial relations environment in Malta has taken a definite turn for the better. The former hostility between the unions and employers and even among the unions has definitely diminished. I do not claim that this change has come about exclusively as a result of the constant efforts of the Centre. But it is no exaggeration to claim that the Centre may have contributed towards this change of culture. The change started being felt towards the end of the 1980s with the setting up of the Malta Council for Economic and Social Development. Arguably, the biggest achievement was

the agreement reached among the social partners whereby the *income policy* henceforth became linked with the registered cost of living increase. It should be noted that this issue was periodically a bone of contention and the cause of industrial unrest. As the country came closer to EU membership, there was an increase of institutions with structures in which the social partners began to meet and discuss how to solve peacefully the problems arising from time to time. Thus it may be stated that participation is being widely implemented on a practical level through social dialogue. And although not much is heard about worker directors today, there are no fewer than four laws which establish different forms of workers' participation through information and consultation with worker representatives about matters of interest to them. It is highly satisfactory that the Centre has contributed – mainly through its educational programmes – towards the attainment of these goals. These changes are also reflected in the new name of the Centre which ensures that it is better understood by today's public. While remaining faithful to its original mission, the Centre is now called the *Centre for Labour Studies*.

At this stage, one may justifiably explore the challenges which the Centre is facing currently and in the foreseeable future. Despite the temporary setbacks caused by the recent pandemic and economic recession, the pace of rapid economic development here in Malta has been unabated. In addition to the traditional economic activities, the main expanding sectors are those of construction, pharmaceuticals, financial services, betting and tourism. There is full employment and the country has been experiencing an economic boom for the last few years. As a consequence, there is unprecedented prosperity, and this is visible in higher living standards, consumer spending and ironically, environmental degradation. Many youths with working-class backgrounds are now making considerable income and have turned into entrepreneurs and speculators. At the same time, there are many others who are finding it difficult to cope and, in addition to their main occupation, are constrained to perform second and third jobs. This endless work is tantamount to a new form of self-imposed serfdom. In this context, the Centre, in conjunction

with the unions, has an important mission to teach young workers the real values of life, the need for physical and mental health, relaxation with family and colleagues, self-expression and artistic creativity. Hence there is a need for the enforcement of laws regarding the balance between work and the rest of life and about the fruitful use of leisure time.

We are all aware of the big upheavals taking place in the world of work and in the economy which are threatening the loss of all the benefits and rights which were achieved by the workers over the years through heavy work and sacrifices. The largest industry is no longer that of manufacturing or of shipbuilding and repairing but the services industry. Through the development of information technology, many traditional trades and jobs have disappeared and are replaced by new occupations based on artificial intelligence and carried out by individual workers scattered in various places, working on their own or in very small companies. Under these circumstances, many unions are finding it difficult to organise the workers. Hence, in Malta as in other countries, they are in a state of crisis. This conclusion emerged from a scientific study carried out recently by the Centre. The value of solidarity which is the basis not only of unionisation but also of democracy is being eroded and replaced by individualism and hedonism. Everyone is on his own and a feeling of entitlement predominates for services to be furnished by others. The traditional proverb is highly applicable: *If I were an Emir and you were an Emir who will do the donkey work?* It is important for us to realise that we are all in the same boat and that we can only overcome the obstacles ahead of us if we all pull the same rope. I firmly believe that this ought to be one important political and educational message in today's world. Despite all the years gone by and all the past achievements, there is still a lot of work ahead of us so that the aims for which the Centre was set up may be accomplished.

Before ending these few words, I must mention at least some of our collaborators and colleagues over the years – along with others who have completed part of their studies at the Centre and today occupy important positions through which they may be putting into practice their learning

and experiences. Among these should be mentioned the former Minister of Labour: Hon Carmelo Abela, the former Admin Secretary: Mario Cutajar, Professor and former pro-Rector: Godfrey Baldacchino, the former President of the Malta Council for Economic and Social Development: James Pearsall, the current General Secretary of the GWU: Josef Fiorini. A special mention must also be made of Edith Rizzo, the Centre's secretary for many years who collaborated with the academic staff with great enthusiasm, efficiency and professionalism. To these must also be added a number of union officials and activists some of whom served periods as members of the Centre's governing board. Above all, I believe that a special commemoration must be made of three persons and friends who stood out as a source of great inspiration and assistance in various ways, particularly during the initial years of the Centre. Unfortunately, these persons have passed away but they are still very much alive in our minds and hearts. These are George Agius, ex-Secretary General of the GWU, Salvinu Spiteri, ex-President of CMTU and Professor Peter Serracino Inglott, ex-Rector of the University of Malta who was among the first persons who firmly believed, taught and practised the concept of workers' participation. Finally, on a personal note, I formally thank my dear wife Carmen and my sons David and Jonathan for the generous support that they've always given me through thick and thin over the years.

Note: Professor Edward Zammit served as the Centre's founding director and was Chairman of the Board from 1981 to 2008. In recognition of his professional activities and particularly for his contribution towards workers' education, in 2022 he was officially awarded membership of Malta's National Order of Merit.