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Media Release

MEA Director General stresses role of Social Dialogue to address Country's issues

In his address at the 100th session of the International Labour Conference, the Director General of the Malta Employers' Association, Mr. Joseph Farrugia, underscored the belief of Maltese employers in tripartite social dialogue, stating that tripartism between employers, workers and government has made a tangible difference in the world of work. However he warned against prescribing global solutions in a world where there are large variations between the economic and social conditions prevailing in different countries.

He rebutted claims that precarious employment is on the increase, stating that there should be a clear distinction between atypical work and precariousness. He said that the economy, workers and employers all stood to gain from flexible work organizations, *'as long as employees' rights are respected and that there are polices in place to enforce implementation and compliance of national labour regulations'*. On the situation at Air Malta, Mr. Farrugia said that: *'the restructuring of our national airline to steer it towards a sustainable and profitable path is inevitable and can have an impact on thousands of families in Malta'*. He added that through social dialogue, the social partners have the will and the ability to face this challenge and formulate a solution that works in the national interest.

He also spoke about the role of financial services, saying that good governance by the financial institutions in Malta had averted a collapse of the financial system as has happened in other countries. Mr. Farrugia agreed with the principle that the financial sector should be at the service of the real economy, not the other way round, by enabling an environment which sustains private enterprise, in particular small and medium sized enterprises.

On welfare, Mr. Farrugia stated that these *'can only be sustainable if they are managed efficiently, and funded through an expansion of the formal economy and private enterprise. Financing an inefficient public sector through increased taxation is a recipe for higher deficits and bears bitter fruit for all society in future'*.

He ended his address by urging the ILO to focus on its core mandate to address policy issues related to labour markets and the workplace, rather than involving itself in a wider range of issues which could dilute its influence.