

Malta Employers' Association

Position paper on status of MCESD

The scope of this document is to assess the effectiveness of MCESD and to propose any changes to improve its effectiveness.

Any evaluation about MCESD has to be conducted within the context of its objectives, since frequently statements are made, even by MCESD members themselves, which shed serious doubt about whether there is actual agreement about its functions. Examples are when there are public pronouncements that Government should not act on any issue unless there is agreement at MCESD, or that matters raised at MCESD should be subject to a vote.

Therefore, for the purpose of this paper, the MCESD's main role shall be taken to be that of a consultative body, in which the concept of tri-partite social dialogue is promoted and practiced.

There is no question that consensus on any issue has been a rare occasion, and this is the source of frequent misplaced criticism and disillusionment about MCESD. However, two questions arise on this matter:

1. Does the lack of consensus arise because of the MCESD structure?
2. Should the extent of consensus or otherwise be a yardstick with which to measure MCESD's effectiveness.

With respect to the first question, no structure in itself can guarantee consensus, since depends on the issue in question, and the disposition of the social partners to reach consensus. Therefore it is not believed that the failure to reach consensus emerge from the MCESD structure. Perhaps the biggest challenge in this respect was the issue of the social pact. The MCESD provided an excellent forum for discussion and debate to bring about a social pact. The fact that the talks were interminable, and ultimately, inconclusive, certainly cannot be blamed on the MCESD structure.

Secondly, it is clear and understandable that social partners, and indeed, different organizations within the same camp, may have their own agenda which make consensus unlikely on hot issues. If the MCESD's role is taken to be that of a consultative body, then consensus is not a necessary condition for its effectiveness. A more realistic approach will seek to achieve convergence among the social partners, not consensus. One can maintain that although consensus has indeed been lacking on most issues, the debates have managed to bring parties closer to each other. The outcome of this is that, even in disagreement, there is a mutual understanding of divergent positions. One may add that, as with the social pact, there was indeed consensus on many points, but not on the final package. Therefore, although there was no agreement at national level, this has had a considerable impact on negotiations of collective agreements at company level.

The above does not mean that the MCESD should be happy with a status quo, and the following are some recommendations to improve its effectiveness.

1. A defined procedural approach

Discussions need to be more structured to avoid having members shooting from the hip. For example, rather than having everybody commenting at the same time on budget proposals, each organisation can be allotted a 20 min. space to deliver a presentation with its proposals, and each presentation will be followed by questions from the other members, including government representatives and experts who may be present.

2. Position papers – commissioning of reports

Organisations should be encouraged to present position papers on issues that are going to be discussed at MCESD. These can be circulated and prove to be a better basis for discussion. MCESD should also commission reports by experts on specific issues. It is frequently the case that members speak emotively and utter statements that are not backed by any factual information. MCESD should allocate more resources to commission research where necessary.

3. Reports on outcomes

MCESD can prepare a report on the outcome of discussions. Even in case of lack of consensus, a report can be prepared that specifies the stand adopted by different organizations. MCESD members can be asked to sign such reports to endorse its contents, and the report can serve as a consultation document for government on which to base its decisions. Members can opt not to have a position on an issue, and this will also be stated in the report.

This would be a better alternative than deciding by vote. Voting on issues carries the danger of redefining MCESD's true role as that of a consultative body. MCESD's duty is to present opinions and recommendations (which may differ between different organizations, or groups of organizations) to government to consider in taking decisions. MEA believes that MCESD should not aspire to be accountable for government's decision making.

4. PR

MCESD needs to boost its public image. The media is only interested in MCESD when there is some form of national dispute and this has led to the perception that MCESD is a 'talking shop' and that nothing ever gets done at MCESD. Although it is true that at times there are protracted discussions that frequently lead to no solutions, a lot of good comes out of MCESD and its role as a forum for social dialogue is overshadowed by public perception that social partners never agree on anything, and that MCESD, through

such procrastination, hinders government from taking decisions. MCESD needs to live up to its role, and to be more effective by setting deadlines where necessary to present its recommendations to government. MCESD can also generate its own reports, consisting of its members positions papers on specific issues, and release such reports to the media where necessary.

5. Minutes and agendas should be available well ahead of each meeting.