



MALTA EMPLOYERS' ASSOCIATION

20 February 2012

Talking Point

A spade by any other name is still a spade!

Reading the various articles published last week in the local news on the topic of precarious employment one would think that Malta has slipped back into the dark ages. It also appears that all this started because Joe Farrugia in his capacity as Director General of the Malta Employers Association stated things as they are and said that there is no standard definition of precarious employment and that Unions should stop creating confusion on the matter with a view to push forward a different agenda.

I want to state from the onset that as an Association we are against any form of abuse and illegal activity and we have no qualms in challenging anyone who engages in such practices. On the other hand we cannot agree with the Unions who see precarious employment in anything which does not fall within a traditional definition of employment i.e. full time employment with an indefinite contract with one employer. Such a stand by trade unions demonstrates that they are still not aligned with the realities of the market. The Malta Employers Association makes a distinction between traditional forms and more flexible forms of employment. In today's society different forms of employment relationships need to exist as the requirements of both employers and employees are different to what existed in the past. The fact that things change and society develops seems to be a point the Unions fail to understand.

The Malta Employers Association reiterates that it has never and will never support any form of relationship between an employer and an employee which is deemed illegal under Maltese law. At the same time it has difficulty understanding how the Unions are defining employment on a definite contract or part-time employment - just to give two examples - as precarious employment.

To add insult to injury we have now also been presented with a piece of legislation to regulate the use of self-employment. While the MEA agrees and accepts the fact that any form of abuse should be controlled and eliminated, it disagrees with the method adopted. We continue to state that this legislation is wrong and the action taken to address an issue created by a minority is equivalent to an army general deciding to carpet bomb a city just to capture a single individual.

As an Association we call on the Unions to stop their adverse campaign on employers with the aim of painting a negative image of those who at the end of the day are giving employment to their members and providing the reason why Unions exist. They should stop implying that the only reason why employers exist is to exploit their employees. We also want to remind the Unions that One of the reasons why Malta is not facing the levels of unemployment faced by other countries is thanks to the social conscience of employers who prefer to increase their operating costs thus eating into their profits and only make people redundant as a measure of last resort. Defining employers as exploiting their workforce shows that the Unions are still not understanding the value employers attach to their human resources and instead prefer to adopt a blinkered approach placing everyone

in the same basket without making any distinction. The Unions would have all our support if instead of making generic statements about illegal employment practices they provide evidence to the Authorities about such practices. The Malta Employers Association reiterates that it is against any form of illegal practices that may unbalance the market and give unfair advantages to those adopting such practices.

Instead of launching an unjustified personal attack on Joe Farrugia who was highlighting the views of the Association he represents the Unions would be better off if they answer the following questions:

1. If they disagree with what we say about precarious employment they should publicly tell us how they are defining it?
2. How according to them is their definition of precarious employment different from illegal employment?
3. If they are aware of companies engaging in illegal practices we ask them to name these companies.

At the same time we call upon the Authorities to take this issue seriously and protect the thousands of genuine and honest employers on the Island.

Mr Joshua Zammit
President