

2nd March 2015

Media Release

MEAs 50th Annual General Meeting

MEAs says that union rivalry is destabilising economy.



From left to right: Mr Joseph Farrugia, Director General, Mr Arthur Muscat, President and Mr Marvic Fenech Adami, Hon Treasurer

In his address to MEAs members of the occasion of the Association annual general meeting, the president Mr. Arthur Muscat spoke at length about union rivalry and urged that this issue needs to be addressed urgently.

‘Currently, we are very much concerned about the state of industrial relations in Malta, not as much by the relationship between the employers and unions, but by the manner in which unions are treating each other. Conflict within the trade union camp is of no benefit to anybody, including employers. This concern is very much summed up in a public statement which was issued this week, and I quote:

‘Unions are ending up negotiating according to what other trade unions are offering, and not in accordance to what employees deserve. They also often attempt to reach out to members of the opposing union, rather than employees who are not registered with any of them.’ This is a frank, and

I must say sincere, admission not by an employers' association, but by none other than Josef Vella, the General Secretary of the Union Haddiema Maghqudin, the second largest union in Malta. Mr Vella is here lamenting Union rivalries on recognition claims.

The Malta Employers' Association is insisting that these adversarial union verification confrontations need to be addressed because this state of affairs is threatening the competitiveness of many companies in Malta. The fact that unions themselves now have the courage to admit that the collective bargaining exercise has become a matter of self-preservation, with a disregard to what employees actually deserve in return for their productivity and the company's performance, is alarming and government should take such statements very seriously. What is implied here is that the current state of collective bargaining, with a background of intense union rivalry, can drive companies out of business and that the same workers, who are aspiring for better conditions of employment through a collective agreement, may risk losing their livelihood as a result of these wars between unions. It is no surprise, in face of this severe inter Union strife, that Her Excellency the President has opted to set up the President's Forum to promote better relationships and ethical behaviour between unions.'

He referred to a recent statement by Mr. Josef Vella – the UHM General Secretary – that unions are negotiating on the basis of what other trade unions are offering rather than on the basis of productivity, and stressed that this is creating dangers for the sustainability of many businesses and also to the livelihood of employees. He also reiterated that the government took a wrong decision to set up a board to determine union recognition which is separate from the Department of industrial and Employment Relations, and that the MEA has presented concrete proposals – through changes in the Employment and Industrial Relations Act (EIRA) - how union recognition issues can be resolved in an objective manner. With respect to other proposed changes in the EIRA, Mr. Muscat stated that the Association is motivated by responsibility, not popularity.