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One of the buzz-words frequently used today is the 'new normal', which assumes that following a period of crisis, the world will settle at some form of stability. Yet the experience of the past years points towards an ever-shifting environment with change being the only constant. The human experience across the globe is becoming increasingly interconnected, with developments in one area sending ripples across the economic, socio-political and natural environment that connects all of us.

Malta has weathered the brunt of the COVID crisis through well-designed fiscal interventions that managed to retain people in employment. This resulted from a successful tripartite effort that minimised the adverse impact of the pandemic on workers, enterprises and society in general. Social dialogue will continue to play a key role in addressing many issues arising in the labour market, amongst them a shortage of labour in many sectors, the need for economic transformation, digitalisation, emerging forms of employment relationships and work organisation. Also, our governance structures have to be supported by strong enforcement.

Social partners need to share a common effort to ensure that these transitions work in the mutual interests of employees and companies. One of the immediate threats currently facing our economy is inflation. Although the full inflationary pressure of increases in the price of energy and basic commodities is being suppressed through government subsidies, enterprises are still being affected by rising costs of material and wages. The strengthening of social dialogue, through free association and capacity building, is paramount in designing growth pathways that reconcile economic imperatives with well-being. This is a great challenge in a small island economy with a high population density and limited natural resources.

The success of such dialogue strongly depends on having a global perspective, given the openness of the Maltese economy and its exposure to international events. The Sustainable Development Goals set up in 2015 by the UN General Assembly, together with the ILO Centenary Declaration, provide optimistic and interlinked goals that shine against a bleak backdrop of contemporary 5/1, South Street,



realities. More people in the world are living in extreme poverty and experiencing hunger, than there were a few years ago. Such developments cannot be perceived to be just regional issues, as their ramifications are experienced everywhere. We see them in Malta through the migration flows across the Mediterranean.

The Russian invasion of Ukraine, besides being an existential threat to Ukranians, is a humanitarian disaster that has disrupted supply chains everywhere, presenting the danger of a food crisis that may result in inflationary effects in some countries, and famine in others.

Looking at this dreary scenario, one cannot help but support the appeal made by the ILO Director General in his report when he states that: 'the intent must be to rescue the sustainable development goals, not to abandon them'. Inasmuch as one can draw parallels between the current global crisis and the image of the apocalyptic horsemen spreading war, famine, death and pestilence, the SDGs offer a beacon of hope for all humanity to achieve a better and sustainable future. The declaration of Philadelphia, signed in 1944, which establishes that: 'poverty anywhere constitutes a danger to prosperity everywhere' perhaps rings more true today than it ever has. The ILO's relevance is as strong as ever, as it stands for a tripartite effort aimed at creating an enabling environment that generates decent work as a means of eradicating poverty and conflict. In conclusion, I would like to thank Mr. Guy Ryder for his strong leadership during the past ten years, and wish Mr. Houngbo a successful tenure as ILO Director General.