

## **Department of Industrial and Employment Relations**

(Period Covered: 1<sup>st</sup> January, 2001 to 31<sup>st</sup> December 2001)

### **1. Introduction**

#### **a) Functions**

The Principal functions of the Department of Industrial and Employment Relations are:-

- The protection of interests of workers who are on employment contracts, particularly with regard to conditions of employment.
- The provision of support services for the Industrial Tribunal, Wages Councils, National Employment Authority and co-operatives Board.
- The safeguarding and promotion of Occupational Health and Safety in Malta and Gozo.
- The provision of effective mediation and conciliation in order to reduce industrial actions and trade disputes.
- The promotion of good relationship between employers' and workers' representatives.

#### **b) Employment Protection**

Consideration continued to be given to various proposals to improve the conditions of employment including those relating to hour of work and overtime, employment of women and maternity, part-time work, contract of service for a specified time and termination of employment. Concrete proposals have been made and draft Employment Relations Act, supplemented by draft Legal Notices, have been prepared.

As part of the government policy to join E.U., the Department's Officials contributed to the E.U. accession process by participating in tripartite discussions at M.U.E.S.A.C. and also took part in the negotiating process by

clarifying its local position vis-à-vis the Organization of Working Time Directive and various Occupational Health and Safety Directives.

The Department supported the participation of the tripartite delegation at the I.L.O. General Conference, which was held in Geneva between the 5<sup>th</sup> and 21<sup>st</sup> June, 2001. Two of the Department's senior Officials took an active part in the Conference, which was addressed by the Deputy Prime Minister and Minister for Social Policy.

In Order to up grade its services to its clients a Quality Service Charter was launched on the 30<sup>th</sup> April, 2001. This committed the Department to meet our obligations efficiently and effectively in a service friendly atmosphere.

A link for the Department was developed in the website of the Ministry for Social Policy. This site offers extensive information about the different functions and services offered by the Department. It includes transcripts of the relevant Labour Laws and the possibility to contact the Department by E-Mail. The latter initiative has been welcomed well by the general public, especially from employers, through this medium.

As part of TAIEX- Malta Bureau Week held between the 3<sup>rd</sup> and 6<sup>th</sup> December 2001, the Director and Senior Staff attended a one-day Seminar on E.U. Labour and Social Policy. The Director, Mr Frank Pullicino, Department of Industrial and Employment Relations, addressed the Seminar.

The Labour Board was convened and made recommendations to the Minister of Social Policy for the issue of two National Standard Orders to implement the wage increase announced in the budget for 2002. The Wage Increase (Employee) National Standard Order and the National Minimum Wage National Standard Order were published in the Government Gazette of the 18<sup>th</sup> December 2001.

The Department with the collaboration of the Staff Development Organisation, organised a two-day training programme on EU Directive 97/81/EC on

the Framework Agreement on Part-time Work and EU

Directive 96/71/EC on the Posting of Workers in the Framework of the provisions of Services. This Seminar was sponsored by the French Government and the Centre for European Studies based in Strasbourg. This Seminar was attended by the Department's Employees and representatives of the social partners.

Steps were taken to enforce the Department's working compliment to meet today's needs vis-à-vis employee/employer relationship.

### **c) Occupational Health and Safety**

The Occupational Health and Safety Unit which was part of the Department of Industrial and Employment Relations tenders advice to employers, trade unions, Government Departments and other entities as well as to other interested parties, including workers, on matters related to occupational health and safety. Occupational Health and Safety Inspectors also investigate complaints, occupational accidents and diseases, and carry out routine workplace visits. The Unit maintains and regularly updates on electronic database of chemicals imported into Malta, and solicits and vets reports by Engineers regarding the safety of lifts and lifting machinery, boilers and other industrial equipment. Inspectors also deliver and participate on media programmes aimed at promoting Occupational Health and Safety.

An in-house training programme for Occupational Health and Safety Inspectors was initiated during the year, while several Inspectors, and another member of the staff had the opportunity of attending and participating at a number of seminars, workshops or conferences abroad – the majority of these activities were sponsored through TAIEX funds.

The greatest achievement of the Unit during 2001 was the finalization of a project document, later accepted by the EU Commission, relating to a 15 month project. The project will start during the beginning of 2002, and was given an unconditional approval by Brussels. It will have as its main components the building and strengthening of

those institutions responsible for OHS in Malta, increasing awareness amongst the social partners, in particular with regards to their understanding of the requirements under the EU acquis, and the acquisition of monitoring equipment and IT software and hardware for use by the OHSA. The total cost of the project shall be of around 1 million euros, of which 700,000 euros shall be paid by the EU.

Another project has been made possible through a bilateral agreement with the United Kingdom, which shall sponsor half the expense required in developing Malta's capability to implement the so-called Seveso directive, dealing with the emergency preparedness of several installations considered as being at high risk to workers, third parties (including the general public) and/or the environment.

The Unit was instrumental in soliciting participation by the social partners in organizing a number of activities related to the European Health and Safety Week. The highlight of the European Week in Malta was the launch of the OHS Awards. The launch was attended by the EU Commissioner Ms Anna Diamantopoulou.

As from November 2001, the Occupational Health and Safety Unit was under the guidance of the newly appointed CEO of the Occupation Health and Safety Authority.

## **2. Settlement of Trade Disputes**

The Department continued to take proactive approach towards the settlement of trade disputes and this has contributed positively to a more stable industrial action climate.

During the year 2001, the Department intervened through mediation/conciliation on sixty eight (68) occasions in an effort to bring an amicable settlement of trade disputes between employers and Trade Unions. At the stage of intervention nineteen (19) disputes were unsolved out of which only one was referred to the Industrial Tribunal. It should be noted that most of the mediation/conciliation meetings were convened on the initiative of the Department in an effort to

settle disputes at the earliest stages of conflict, thus avoiding escalation of industrial unrest.

### 3. Industrial Tribunal

The Industrial Tribunal is an Independent Tribunal made up of a Chairman from a panel of Chairmen, members from a panel representing employers' interests, and members from a panel of persons representing the trade unions. The Tribunal hears and decides trade disputes referred to it by the Minister at the request of one or both parties in dispute. The Tribunal also decides cases of alleged unfair dismissal

The Department provides support services for the Industrial Tribunal in that it provides Secretaries for each Chairman and all the clerical and office facilities to operate this service.

During the year 2001, the Industrial Tribunal received eighty seven (87) new cases of alleged unfair dismissals, twelve (12) new cases of Trade Disputes and one (1) interpretation.

The Tribunal dealt with eighty three (83) cases of alleged unfair dismissals and thirteen (13) Trade Disputes. It gave also eight (8) decrees and four (4) preliminary decisions.

The Industrial Tribunal held seven hundred and twenty seven (727) sittings of which two (2) were on site inquiries.

### 4. Industrial Actions

During the year 2001 there were fourteen (14) industrial actions which resulted in a total of two thousand seven hundred and ninety two (2792) days lost. These actions involved one thousand eight hundred and fifty nine (1859) workers. The Department of Industrial and Employment Relations took an active part to conciliate both parties during industrial actions. On various occasions, the Department was instrumental to the achievement of an amicable settlement and consequently the termination of the industrial action.

The table below shows the number of industrial actions by sectors.

	No. of Strikes	Workers Involved	Man-Days Lost
Public Sector	5	284	313
Independent Statutory Bodies	8	1515	2468
Banking Sector	0	0	0
Private Sector	1	60	11
Total	14	1859	2792

### 5. Collective Agreements

A total of seventy (70) Collective Agreements entered into by Industrial Establishments and Trade Unions were registered during this period in terms of Section 10 (2) of the Conditions of Employment (Regulation) Act.

### 6. Inspectorate Section

#### a. Malta

The Inspectorate Section caters for those employees who require assistance whilst still in employment. The Inspectors carried out one thousand six hundred and thirty nine (1,639) inspections. These inspections covered six thousand eight hundred and seventy four (6874) employees of whom two thousand three hundred and ten (2,310) employees were interviewed. Out of these inspections three hundred and forty seven (347) irregularities were found. Seventy one (71) claims, amounting to Lm123,496. were issued.

Personnel in this section also deal with an average of nineteen thousand six hundred and ninety six (19,696) enquiries, regarding conditions of employment, on the phone and personal calls from persons still in employment. In most cases of arrears of wages and other irregularities concerning contract of service, rectification was effected through the Section personnel's direct effort.

Eighty (80) copies of Wage Regulation Orders, twenty six (26) copies of the Conditions of Employment (Regulation) Act and two (2) bound copies of Wage Regulation Orders were sold to the public. The revenue collected from these sales amounted to Lm72.50.

## **b. Gozo**

This Section carried out one hundred and sixty four (164) routine inspections which covered six hundred and seventy (670) employees. During these inspections four hundred (400) employees were interviewed and thirteen (13) irregularities were noted. Action from this end was taken to rectify these irregularities. One hundred and fifty three (153) follow ups/special visits were undertaken.

Twenty four (24) claims amounting to Lm14,328 were issued in respect of arrears in wages, wages below the Wage Regulation Orders/National Standard Order, vacation leave, bonuses, overtime remuneration, and weekly allowances not granted. Two Officers from this section attended forty (40) court sittings/perizias.

Twelve (12) applications for new or transfer of licences were received from the Police. These were all inspected and reports sent to Gozo Police Office. Thirty four (34) visits in connection with Occupational Health and Safety were also carried out.

## **7. Enforcement**

The Enforcement Section of the Department is mainly responsible for dealing with cases of termination and the referral of cases to Court. Members of the public, including employees, call at this Unit to discuss employment problems, including cases of termination of employment, terminal benefits, and other matters falling within the Conditions of Employment (Regulation) Act. This Section dealt with an average of thirteen thousand, nine hundred and seventy (13970) enquiries regarding conditions of employment.

A total of one hundred and seventy nine (179) claims were served by Officials of this Unit, during the period under review, against employers in

Malta. These claims amounted to an aggregate of Lm100,251. On the other hand Lm58,670 were settled by voluntary agreements out of court as a result of the efforts by the Section's Officials.

Charges referred to the Police for prosecution totalled eighty (80). Court hearings totalled six hundred and eighty eight (688) in Malta. There was one (1) hearing before the Court of Appeals. No cases were heard by Legal Referees. One hundred and fifteen (115) cases were settled out of Court.

The Enforcement Unit issued renewals of licensed as follows:-

Projectionists licenses	4
Engine drivers/ Electrical motor drivers licenses	552

The sum of Lm 430 was collected from the issue of these licenses and Lm 6,732 as miscellaneous revenue. The latter figure was registered due to steps that were taken against defaulters in the Self-Employed (Loan) Scheme. Two judicial letters were issued through the A.G.'s office. Monitoring of payment continued and defaulters were reminded to effect payments by installments.

## **8. Occupational Health and Safety**

The Occupational Health and Safety Unit is made up of a Specialist in Occupational Health, the newly appointed CEO of the Occupational Health and Safety Authority, an Occupational Hygienist, a Senior Occupational Health and Safety Inspector, eight Occupational Health and Safety Inspectors and five supporting member staff.

The Unit carried also the following activities: (figures for 2000 are shown in brackets; N.A.: figures are not available):

Workplace inspections: 995 (919);

Applications for Police Trading Licences processed: 134 (147);

Import licences for chemicals processed: 8874 (8376);

Import licences for Radio-active chemicals processed: 92 (134);

Import Licences for Pesticides processed: 194 (116);

Import licences for Asbestos products processed: 1(6);

Medical Examinations carried out: 121(543);

Hours of lectures given: 114 hrs. (227 hrs);

Certificates relating to equipment/machinery received and processed: 2402 (2069);

Requests for information or complaints handled by telephone: 2701 (N.A.).

During the year, there were seventy (70) reports of serious industrial injuries notified to the Director of Industrial and Employment Relations. Most of these were investigated by Inspectors.

## **9. Expatriates**

During the year 2001, the Expatriates Unit dealt with one thousand six hundred and ninety three (1,693) new applications and nine hundred and sixty nine (969) renewal of applications for work permits. Thirty one (31) spot inspections were carried out by personnel of this Unit.

Applications for work permits/renewal of work permits are processed by an Inter-Departmental Committee, chaired by the Director of Citizenship and Expatriate Affairs. This Committee held seventy nine (79) sittings during the year under review, where over three thousand, two hundred and twelve (3,212) applications (new and renewals) were discussed.

## **10. Employment Agencies**

In terms of the Employment Agencies Regulation, 1995, which came into effect on the 1<sup>st</sup> January 1996, every person who carries out employment services requires a licence issued by the Director of Industrial and Employment Relations, except when

the services are provided by an employer for his own firm. The exemption applies also to a partnership, of which the person carrying out the service, is an active partner and to a holding Company vis-à-vis employment by any subsidiary in which it has a controlling interest.

The regulations also regulate the publication of advertisement for the filling of vacancies. Any employer may place an advertisement for the filling of any vacancy in his establishment if his identity is clearly shown on the advertisement. Any employer who does not wish to disclose his identity must resort to a Licensed Employment Agency. The regulations prescribe procedures to be followed for applying for a licence. They also prescribe procedures to be adhered to for ensuring professionalism, protecting the confidentiality of information and for protecting the interests of applicants for employment and other users.

The number of Licensed Employment Agencies at the end of December 2001 was thirty three (33).

During January – December 2001, three (3) new Employment Agencies were granted a licence to operate, whilst thirty one (31) Employment Agencies renewed their licence. The revenue collected by this Department as Licence Fees was Lm5,100.

This Section also vetted over four hundred and fifteen (415) advertisements by the Licensed Employment Agencies which appeared in the local press as job vacancies and /or recruitment.

## **11. Registrar of Trade Unions**

During the year 2001, one (1) new trade union and one (1) new employers' association were registered. On the other hand five (5) Trade Unions were cancelled from the Register as they failed to submit to the Registrar complete returns as required by the Industrial Relations Act.

The report by the Registrar of Trade Unions was published in the Government Gazette of the 14<sup>th</sup> December 2001. As on the 30<sup>th</sup> June 2001, there were thirty three (33) Trade Unions with an overall membership of eighty seven thousand , one hundred and fifty eight (87,158) and twenty four

(24) Employers' Association with membership strength of eight thousand, five hundred and forty seven (8,547).

At the end of 2001, there were fifty nine (59) organisations on the register, made up of thirty four (34) Trade Unions and twenty five (25) Employers' Associations.

## **12. I. L. O. Annual Conference**

Two Officials of the Department took an active part in the 89<sup>th</sup> Session of the International Labour Conference held in Geneva during June. The other members of the Maltese delegation came from the GWU, CMTU, MEA and from the FOI.

This year the major items on the Agenda were:

- . Safety and Health in Agriculture
- . Promotion of Co-operatives
- . Social Security – issues, challenges and prospects.

The Malta delegation's visit to Geneva was organised by Officials of this Department with the Permanent Mission of Malta in Geneva.

**F. PULLICINO  
DIRECTOR OF INDUSTRIAL AND  
EMPLOYMENT RELATIONS**