

The Social Dialogue Process and Koperattivi Malta

The current global credit crises, trade liberalisation, privatisation, technological advancement and global competition necessitated major restructuring exercises at EU level, and Malta could not be impervious to these changes.

As a consequence the Maltese economy's restructuring process tended towards a major shift in the services industry, an enhanced focus on SMEs and a privatisation policy. Koperattivi Malta identified these initiatives as a potential niche and as an opportunity to promulgate its principles and force its way within the country's social dialogue process with persistent determination. Simultaneously, Koperattivi Malta - which is a member

of Cooperatives Europe - has been, together with other members across the EU, participating actively to develop a case for the recognition of Cooperatives Europe within the social dialogue framework at EU level.

Effective social dialogue at national level had not been Malta's forte and a change in this trend was only brought about recently with Malta's adoption of the Acquis Communautaire and eventual

EU membership in 2004. Unlike other countries, the general public in Malta is not cognisant of co-operatives as an alternative economic model. Unfortunately many of those who are aware of this model consider the co-operative philosophy to be outdated. Yet, in the EU-27 alone, the co-operative movement boasts of a force of 107 million members, owning 147,000 co-operative enterprises, employing 4.4 million people.

The declaration of principles of the Constitution of Malta states that, "The State recognises the social function of co-operatives and shall encourage their development". This notwithstanding, to date the country's commitment to this statement has been imperceptible.

Only a handful of consultants and legal advisors have the co-operative structure in their knowledge cache and few are proficient advisors in co-operative models.



In October 2009, Mr Rolan Micallef Attard, Secretary General of Koperattivi Malta addressed a conference entitled “Co-operatives consolidation of the social dialogue process” and exposed the national achievements of Koperattivi Malta in its effective representation in the Maltese social dialogue process. This conference was part of a project which was supported by the DG Employment, Social Affairs and Equal Opportunities of the European Commission and was launched by Cooperatives Europe to improve the participation of co-operatives in the European Social Dialogue process. The conference was addressed among others by Dame Pauline Green, the newly elected President of the International Co-operative Alliance, Mr. Etienne Pflimlin, co-President of Cooperatives Europe and Rainer Schluter Director of Cooperatives Europe. Conclusions of the conference are reproduced in a document published by Cooperatives Europe entitled “Co-operative Characteristics within the Social Dialogue in Europe”.



Consequently, there are very few existing, active co-operative societies in Malta and social co-operatives, co-operative banks and consumer co-operatives are inexistent.

No national collaborative effort was being made by legislators and policy makers to include co-operatives in their plans because the social partners within the social dialogue process were either unaware of the existence of the co-operative movement or tended to disparage and marginalise the role of co-operatives in society. Anomalies of negative discrimination situations disallowing trade by co-operatives within specific sectors were allegedly unintentionally designed when drawing up laws and regulations, yet no effort from the legislators has as yet been forthcoming to rectify and sanitise these situations.

In 2008, the newly appointed Council of Koperattivi Malta embarked on an ambitious project for the benefit of all its member co-operatives, its grass-roots, their families and potential co-operators, which strategy had two objectives: to increase awareness of the co-operative movement in the public opinion, among

professionals and among government officials, and to increase the co-operative movement’s participation in the country’s social dialogue process.

In order to increase co-operative awareness Koperattivi Malta embarked on a nation-wide publicity campaign using various promotional techniques and

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covering all broadcasting channels. Koperattivi Malta is also actively participating in the project ERASMUS for Young Entrepreneurs, organised under the auspices of the European Commission’s Director for Enterprise and Industry with the scope of increasing exposure with the general public at national and international level.

Koperattivi Malta is aware that the road to forming an integral part of the social dialogue process shall be a slow one, yet it is determined to significantly influence government’s decision-making process and opinion through

various strategies. In line with Cooperatives Europe’s initiative, Koperattivi Malta is now active in the social dialogue processes within the Maltese economy through its participation in the sectoral committees of the Malta-EU Steering and Action Committee (MEUSAC). Koperattivi Malta has partnered with Union Haddiema Maghqudin (UHM)

which, through its Secretary General, is a member of the Malta Council for Economic and Social Development (MCESD) and is highly committed to being the voice of the Co-operative Movement within the MCESD.

The intervention of the UHM within the social dialogue arena has induced government to set up a Commission with the specific aim to study ways of strengthening the co-operative movement in Malta and recommend concrete initiatives for its advancement and proliferation. Koperattivi Malta has now an open

dialogue channel with the Permanent Secretaries within all the Ministries wherein various topics are discussed for the direct or indirect benefit of the co-operative movement.

The EU social partners have declared their commitment to addressing the effects of European integration, globalisation and climate change, in the current financial and economic crisis and are planning to develop a number of actions to promote sustainable development and economic growth, to improve competitiveness, productivity and flexicurity, in order to achieve high levels of employment and social progress and to enhance environmental protection. On this EU initiative, the Maltese government ought to continue guaranteeing a well-developed and constructive social dialogue process that provides a significant contribution to the socio-economic performance of the country.

Koperattivi Malta with its stronger voice in Malta and with its strong alliances in the European Union is now in a better position to play a key role in the social dialogue decision-making process at national and European levels. ●