

Malta Council for Economic and Social Development

16th January 2006

MCESD

- The Maltese Council is established by the act of law no. XV of 2001.
- Through this law, the state recognises the role of MCESD as being that of:
 - Promoting social dialogue,
 - Obtaining consensus of the Social Partners and Civil Society members on issues of economic and social development related to the country's development.

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- The Maltese council has its roots in the Malta Council for Economic Development (MCED) founded approximately 16 years ago. Today it is enforced by law.

Composition of Council

- Chairman
- Vice Chairman
- Government Representatives
- The Governor of the Central Bank
- Employers' Organisations
- Workers' Organisations

The Council has a Consultative Function

- The Council advises the government, through the Prime Minister, on sustainable economic and social development matters. Its functions are clearly specified in the law:
 - a) Promote social dialogue and consensus among the social partners on issues relating to sustainable economic and social development;
 - b) Propose targets to give effect to the strategic economic, financial and social development objectives of the Government;
 - c) Make recommendations to Government in respect of changes in the direction or terms of economic and social policy;

The Council has a Consultative Function

- d) Make recommendations to Government regarding the elaboration of national plans for economic and social development and implementation thereof;
- e) Submit opinions and recommendations on matters referred to it by the Government or on matters that the Council deems as having national economic and, or, social relevance;
- f) Upon request by Government, examine, assess and make recommendations regarding draft legislation related to the objectives of the Council;

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- In order for the Council to operate well, the reconciliation of sectoral and national interests is important in order to:
 - a) Attain the highest possible levels of sustainable employment for all at adequate rewards, with due consideration to productivity levels;
 - b) Eliminate all structural constraints which impede the achievement of overall economic and social national objectives;
 - c) Obtain the highest rate of sustainable economic growth;

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- d) Obtain a fair and equitable distribution of the income and wealth of the nation;
- e) Ensure reasonable price stability and long-term equilibrium in the balance of payments;
- f) Understand the social implications of economic growth, including the need to achieve social inclusion in all its perspectives particularly equality between women and men in the mainstream of development, and the protection of the environment.

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- Social dialogue and the achievement of consensus is very delicate and occasionally difficult to obtain.
- That is why it is vital to have the resources, personnel, academic preparation, research, as well as a healthy dialogue present.
- Bilateral contacts are also important both locally as well as abroad.
- The Council participates in the reunions organised by the European Economic and Social Committee (EESC) and also those of the International Association of Economic and Social Councils and Similar Institutions.

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- Although Civil Society is not directly represented on the Council, it still has a very important role in the consultation process.
- Civil Society has a permanent committee which is specified by the law that established the Council.
- Together with Civil Society there is the possibility of discussing issues which are of interest to the citizens. Within this forum, the possibility of reaching a consensus is a reality.

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- The Council has the possibility of setting up sub-committees. Until today, four of these have been set up, namely:
 - National Competitiveness
 - Reforms in the Public Health Service
 - The Role of the Government in the Economy
 - Pensions Reform

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- In November 2003, the Council hosted the Euro-Med conference for Economic and Social Councils and Similar Institutions of European and Mediterranean countries.
- In September 2005, a conference of the European Economic and Social Committee (EESC) entitled “The Role and Involvement of various Civil Society players in achieving a balance between the three pillars of the Lisbon Strategy: Economic, Social and Political” was held in Malta.
- Social Dialogue – The Luxembourg Experience was the title of a half day seminar organised by the Council and addressed by the President and Secretary General respectively of the Luxembourg CES.
- The Council was involved in the discussions of the National Reform Programme which is the result of the Summit of the Heads of State in March 2005.
- The Government has also committed itself to discuss issues related to the pensions reform within the Council before any adjustments are made.

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- In the future, the Council will consolidate the work it did not only over the past four years but also what has been done since 1989, both on a national as well as international level.
- The Council's *raison d'être* will remain that of obtaining a healthy social dialogue and also understanding the new realities facing Malta as an EU member state in the heart of the Mediterranean Sea.

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- In the future, the Council must be proactive in order to anticipate the problems and challenges that will gradually change the economic and social aspect of the country. This will allow the Council to change such challenges into opportunities, thereby improve the country's competitiveness.