

Malta: Turning the electoral programme into social policy changes

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In March 2022, general elections were held in Malta. The programmes of the two main parties, the Labour Party and the Nationalist Party, both included extensive considerations on the social policy sphere, with many “social proposals”. The Labour Party won the elections with a landslide. The proposals made in the manifesto have now become commitments to be implemented in the new legislature.

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Description

Malta is currently striving to overcome the negative effects of the COVID-19 pandemic and, in parallel, to address the very high inflationary trends brought about by the Russia-Ukraine war. At the same time, social policy needs to continue to address the novel needs created in all sectors of society as a result of modernisation and new ways of life, and to ensure that long-standing needs are met.

In this context, the measures proposed by the new government are primarily focused on major investments in three main areas: children, workers (particularly those earning minimum wages), and the elderly.

A number of the proposed improvements will consist of redistributive measures involving cash transfers. These should translate into better children's allowances, and more cash subsidies to cover specific educational activities for children. If implemented, these may increase substantially the purchasing power of families, as the expected increase in the Children's Allowance amounts to €90 every year for the next five years, doubling the existing flat rate amount of €450 per child by the end of the legislature. Workers, particularly those on minimum wages, should benefit from increased net earnings resulting from better cost of living adjustment mechanisms and the provision of wage supplements if businesses are impacted by future “international events”, as was the case with the pandemic and as is now being experienced as a result of the Russian invasion of Ukraine. Given the many unknown factors, no figures have

been published on these future supplements. The new government is also promising “substantial advantages” to companies bidding for public contracts if they pay more than the minimum wage, thus directly pushing down the incidence of precarious work. Similarly, better pensions have been announced through annual increments, as has been done over the last few years, as well as more generous direct monetary support to persons requiring long-term care. Other, hitherto unspecified, direct fiscal measures in favour of the elderly, aimed at compensating for the current low pension structures and improving the quality of life of older people have also been proposed. So far the expected cost of these measures has not been announced.

Another important social policy area to which the new government is committed to is to support young families in their efforts to cope with the rocketing costs of establishing a home. New initiatives such as cash grants for first-time buyers and promises to reduce stamp duties on property values are important measures if implemented. Social housing provision is bound to receive a much-needed boost to help meet existing demands for housing in all sectors of the Maltese population.

Beyond the cash transfers, there is also a clear commitment to improve the quality of existing services and introduce new ones. These are services provided to people with special needs, the elderly, and the sick. Workers have been promised legal protection through compulsory unionisation and the abolition of zero hours work contracts.

The Malta Labour Party insists that its commitment to strengthen Malta's social policy is built on a vision that seeks to promote social justice and solidarity in a holistic way. The party promotes its vision

as one that is meant to provide an opportunity for Malta's citizens, irrespective of their state in life, to improve their quality of life and be able to handle, through societal support, the difficulties of their lives as they arise.



Outlook and commentary

If implemented by the new government, the Labour Party's electoral proposal may effectively help to address some of the gaps in the current provision. They will improve the quality of life of many citizens, particularly young households with children, workers (including migrants) at the bottom end of the income scales, and the elderly.

Implementing these measures will involve substantial public cost, largely unknown at this stage. The signs of a post-pandemic economic recovery are quite positive, but the high inflationary trends resulting primarily from the Russia-Ukraine war may prevent the government from implementing all the commitments made, at least in the short term.

In view of the persistent strong views among the Maltese at large against abortion, euthanasia and more liberal attitudes to prostitution (for some references,

see "Further reading" below), concern was raised among some segments of the population by the reference in the social policy proposals of the new government to the start of a national discussion on certain issues. The introduction of voluntary euthanasia and, to a lesser extent, the proposals that give an indication of more liberal policies on prostitution, drug use and reproductive rights, alerted some to the possible future legalisation of abortion. On the very last issue, it should be noted that Malta is the only EU country where abortion is illegal under any circumstances, except when the twin ethical principles of "double-effect" and the "totality principle" apply, i.e. it may be permitted to perform an abortion if the mother's life or health is at stake.

In general, it can be stated that the Labour Party manifesto reflects the wider shifts in the Maltese conception of who should provide for persons requiring care. The traditional "neighbourly care" of the Maltese is increasingly being taken on by the welfare state and to a lesser extent by the "welfare society". This clearly reveals a wider acceptance of a post-modernist mentality among the Maltese, manifested in the supremacy of the private sphere in areas that had previously been considered taboo.

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