

JOINT REPORT ON TELEWORK IN MALTA

A. INTRODUCTION

The Lisbon Strategy has set out specific employment targets which have to be reached by 2010. How does Malta compare?

- Overall employment 70%
 - **Rate in Malta 53.7%**

- Women employment 60%
 - **Rate in Malta 33.7%**

- Older workers' employment 50%
 - **Malta 32.6%**

As a member of the European Union, Malta's aim is to achieve these objectives. Telework could become one of the contributing factors to achieve these goals.

B. TELEWORK IN MALTA – WHERE DO WE STAND?

Telework is not really present in many Maltese companies and there has been no real implementation of the Framework Agreement. The Employment Barometer carried out by Employment and Training Corporation (ETC) every 6 months asked 2 questions on telework to employers between Winter 2004 and Spring 2005. Out of 1,118 employers who replied, only 43 said that they have some form of telework in their companies. This makes up for 3.8% of respondents.

Teleworking is indeed still far from becoming the order of the day. The main reason is the cultural and mentality change needed before such an arrangement is accepted. The majority of Maltese businesses are run in a traditional way, mainly because they are family run businesses - traditionally described as 'paternalistic'. Within large companies, there are no defined work criteria for using telework. Few organisations think that telework is a type of work, not a way of doing work. Others associate telework with only one aspect (for example telework equals call centres) and do not consider its executives that work from home, outside normal office hours, using a

laptop, modem or cell phone as telework. It is apparent that there is a growing thirst for knowledge about telework and how it could help companies achieve competitiveness.

Despite the low proliferation of telework in the Maltese islands compared to other countries, the concept is being embraced more readily, but unfortunately the uptake is still slow. Teleworking in Malta exists in an unspecified amount, as the National Office of Statistics, trade unions or other research centres do not have registers of teleworkers. However those who do telework are found mainly in areas such as:

- (i) Highly qualified professionals (academics, researchers, journalists, accountants, publishers, consultants, translators) who as part of their main job, or as part-time work, work from home using IT equipment provided by themselves or the organization they work for.
- (ii) Highly qualified professionals (IT Software developers or designers, researchers, academics, sales persons, consultants) who are self-employed, on a full time or part-time basis, usually on contract work, working from home or other mobile locations, by offering their services locally and abroad.
- (iii) Workers in a dependent labour relationship, but outside the formal labour market, usually female, or persons entitled to an invalidity pension, who offer services to the private sector on a cash basis. They may also have a semi-regularised position, whereby one person performs the work, and the spouse or next of kin receives the payment as the 'legal' part-timer. In these particular cases, the service may also be offered to the public sector. The equipment may be provided for by the employer (especially if the employer is a relative) or may be purchased by the user. This type of work usually consists of translations, word processing including proof reading, secretarial work, data entry, telesales and forms of book-keeping. These people also use IT to obtain and deliver their work, thus remaining faceless.

It must also be borne in mind that this sector of the labour market includes Maltese as well as foreigners, who may or who may not have a working permit.

Various barriers of entry may be mentioned with regard to the lack of a 'formalised' telework acceptance:

- Traditional management practices in Malta are still based on the physical presence of the employee at the workplace.
- Work is usually controlled by a hierarchy of personal contacts in the workplace. Access to work resources and information is sometimes also controlled through gatekeepers.
- Maltese society remains predominantly individualistic; there is still no real culture of knowledge-sharing. Telework could inhibit knowledge-sharing, creativity and innovation which is produced as a result of combined synergies.

C. CASE STUDIES

A number of local case studies were presented during a national conference on the challenges and benefits of telework in Malta organised recently by ETC and the Ministry for Investment, Industry and Information Technology (MIIT). Representatives from employers and workers' organisations were also present.

The case studies presented showed that when employees are trusted, they tend to become more productive in their work. Secondly, employers can shift focus (and save time) from overseeing their staff to overseeing their staff's outputs. The employer can also save money using teleworking since the costs of lighting, heating, rental of office space, etc. are dramatically reduced.

From the employee's point of view, employees are in control and can adjust their work-life balance based upon their specific needs (small children, sick dependents, etc). Employees who are physically challenged can lead a normal working life from their homes, while only going through the burden of going to work a few times per week. In general, employees will also save time commuting, thus reducing their stress levels and allowing them to utilise that time in a more productive way.

(i) SAGA HOLIDAYS (MALTA OPERATION)

SAGA Holidays (UK) is an International Tour Operator, based in Folkestone, England. It specialises in holidays for the over 50's to over 30 different countries. Malta is one of the destination countries and British and American tourists are offered

the chance of coming to Malta and staying here at a number of different hotels or resorts. They may also use Malta as a starting or ending point for Mediterranean cruises.

Saga Holidays carries out most of its operations using teleworking. Agents are constantly on the move using information updated in real-time. For these employees, even though they have an office, staying in a fixed location is simply not convenient.

(ii) MITTS

MITTS, which provides ICT services and professional project management and consulting services to the government of Malta, was one of the first in the country to take advantage of these benefits. Currently it has 11 teleworking employees. Most are technical personnel with a few others employed in support functions. In most cases the employees keep in touch via a PC or a laptop, a secure internet connection, remote access to company servers and a telephone line.

(iii) MALTA COMMUNICATIONS AUTHORITY

The Malta Communications Authority is the National Agency responsible for the regulation of the telecommunications sector. It was established on 1 January 2001. A formalised telework policy has not been implemented; however an ad hoc type of telework is being used by the senior workers at MCA. This has come about due to two factors:

(a) Senior management, due to work exigencies, may be away from the island or may need to work from another office building or may also need to work from home. This means that staff members needed hardware, software and connectivity to enable them to work from outside the main office.

(b) The old office in Valletta had become too cramped for the number of employees that had to be taken on due to an influx of work. So the idea of hot-desking had been introduced on a trial basis because of the office space limitations. This meant that senior staff could utilise any desk in their offices as they are all supplied with laptops instead of cumbersome PCs which they could plug into the intranet and internet system. The hot-desking system was not liked, as most people prefer to have their own desk, their own space in the office.

In the present offices now, the organisation itself uses hardware and software that is of a high standard, all the staff are well trained in the use of this technology and this means that it is in fact geared for telework on an IT and skills level, should it wish to introduce it formally.

At present telework is mainly used when:

- Staff are working abroad
- Staff need to go into work at the Valletta office
- Staff work at home
- Outside normal office hours
- When they are too ill to go into the office but well enough to work on their laptop
- Family crisis such as when other family members are ill and need to be cared for at home.
- Need time off during normal office hours and then it can be made up for by working at home, usually at the weekend
- To help out the company if there is an emergency that crops up during non-standard time working hours.

(iv) MALTA COUNCIL FOR SCIENCE AND TECHNOLOGY (MCST)

The Malta Council for Science and Technology is the national advisory body to Government on science and technology policy. The MCST is responsible for identifying and addressing major science and technology challenges and issues of strategic importance for Malta, thereby contributing to the development of coherent and sustainable policy visions and initiatives. The MCST's main remit is to encourage investments and capacity building in science and research, with a view to promoting a culture for science, technology and innovation across the public, private and education sectors.

The management hierarchy is flat and the style is quite informal. This is especially evident amongst the senior and executive levels as they have significant levels of autonomy. Staff is obliged to fill out a timesheet, however this is used as a tool for project management and to a lesser degree as a mechanism to check on workload and attendance.

With reference to the researchers, each one is responsible for organizing his/her working methods and work pace. This is especially relevant as large parts of the work takes place abroad, as well as after 'regular' office hours. The tendency is that mainly the more experienced (senior consultants) who uses this option

At MCST there is no formal programme for telework although in practice it is being used. Informal telework exists especially when researchers and other executives are out of the main office and are continuing with their work at the home office or in offices or hotels abroad (mainly in other EU countries). The drivers for telework are the actual need to be able to continue working when one is out of the office in Malta.

D. CONCLUSIONS

The Maltese Government has expressed its commitment to the Lisbon Agenda and has also embarked on the National Action Plan for Employment. All these are highly commendable as telework and new forms of work organisation have become important aspects of the drive to create employment in Europe and elsewhere as well as a means to achieve a better quality of life.

A definition of *telework* is also necessary in Malta as this will form the basis of all legal and working documentation. The labour relationship between the parties has to be redefined for legal purposes. For example, at the moment according to the Work Place (Minimum Health and Safety Requirements) Regulations, 2002¹, "*for the purposes of these regulations, a homeworker shall be considered a self-employed person*"². and "*these regulations shall not apply to (...) temporary or mobile work sites*"³. The same applies in the case of the Maltese Legal Notice implementing the EC Directive on the protection of workers with regard to visual display units⁴. Consequently, most homeworkers are also essentially not legally protected from the point of view of health and safety. Furthermore telework, together with other forms of atypical forms of employment (outwork, homeworking), may need to be brought in line with the regulatory framework, particularly with regard to issues such as social insurance and working conditions.

¹ Legal Notice 44 of 2002 of the Occupational Health and Safety Authority Act, 2000 (ACT NO. XXVII OF 2000)

² Section 2(3)

³ Section 3(b)

⁴ Legal Notice 43 of 2002 on the Minimum Health and Safety Requirements for Work with Display Screen Equipment

Besides, the challenges for employers, the introduction and growth of teleworking will certainly pose challenges to trade unions both at organisational⁵ as well as at the logistical⁶ levels. However unions are also aware that new forms of working (including telework) can be beneficial to both employers as well as employees, and that telework will increase and grow as it has done in other parts of the industrialized and knowledge economies.

⁵ For example, it may be more difficult to recruit or maintain traditional types of communication with members.

⁶ For example, it may be more difficult to organise industrial action