

# Increasing the Employment of Women through Flexible Work Arrangements

Statements and Comments - Malta

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## 1. Maltese Context

The recently published Gender Equality Action Plan 2005-2006 of the Maltese Public Employment Service (the Employment and Training Corporation) clearly states its commitment to promote opportunities for women to enter, to remain or to re-enter the labour market, as well as to promote a healthy work-life balance. It emphasises the importance of more flexible work arrangements and affordable childcare services, both of which are areas covered in the Norwegian paper.

There have been various measures taken recently to attempt to increase women's participation in the labour market, since Malta is characterised to date with a very low female activity rate (37%<sup>1</sup>). These measures have been fuelled by a growing awareness of women's rights, including the right to employment outside the home and an independent income, as well as the impending pensions' time bomb.

With life expectancy increasing (male: 68 in 1980, 76 in 2000; female: 73 in 1980, 80 in 2000<sup>2</sup>), and fertility rate decreasing (3.62 in 1960; 1.99 in 1980; 1.72 in 2000; 1.46 in 2002<sup>3</sup>) we will soon not have enough 'workers' to support our pension scheme. With a higher proportion of the population now being older (17% aged 60+ in 2003<sup>4</sup>) this group is increasing in terms of importance due to the number of votes that they represent in the national electorate, and therefore the potential political pressure they may bring to bear. Although our pension system is currently under review, it is clear to all sides that increasing the female participation in the labour market will go at least some way towards addressing this problem.

Notwithstanding the growing awareness of women's right to equality, the general expectation still tends to be that the care and wellbeing of children (as well as elderly and other relatives with support needs) is mainly women's responsibility, who as a result end up leaving the labour market, or do not join it in the first place. The role (and responsibility) of the main 'breadwinner' tends to be taken on by the men. Abela's (2000: 109) study confirms that gender stereotypes on the respective roles of women and men, however much challenged, seem to be still alive in Maltese society. The dominant discourse in Malta, strongly influenced by our specific brand of Catholicism, until recently would 'allow' women to leave the home to seek paid employment mainly if it is financially necessary to do so, and on condition that the children's wellbeing is not affected (Abela 1994; Tabone 1994). One of the effects often attributed to the Catholic Church is the strong emphasis on 'traditional family' and 'family values'. Abela (1994a) points out that Malta

<sup>1</sup> Labour Force Survey October-December 2004 (NSO 47/2005).

<sup>2</sup> Eurostat population Statistics 2004.

<sup>3</sup> Eurostat Population Statistics 2004.

<sup>4</sup> Eurostat Population Statistics 2004.

remains one of the most family oriented countries in Europe, with the family still being very much at the heart of personal and social life.

Society seems to be still expecting women to shoulder the responsibility of caring within the family whilst at the same time increasingly accepting that they work outside the home, without the corresponding support structures in place to facilitate this process. Although 69.4% of women aged over 15 years are currently inactive, a study<sup>5</sup> carried out in 2004 found that 44.8% of inactive women would consider working under certain conditions such as family friendly hours, further training opportunities and favourable fiscal measures in respect to National Insurance and tax rates.

A look at education finds that whilst the number of those going on to post-obligatory education in Malta is increasing (4,571 persons in 1980; 16,284 in 2002), the rate is still well below the EU average. The female share has however risen to approximately half (23.2% in 1980; 49.8% in 2002) of the total, and women in tertiary education account for 56.9% of the students<sup>6</sup>. Whilst female university students are still over-represented in the fields of Education and Healthcare, gender desegregation has started to occur in the professional groups of Law, and Medicine and Surgery, where women constitute just over half of the students. This suggests that there are increasingly more women who have invested in their training and education and who therefore may be less willing to abandon employment/ careers. However, to do so without the corresponding family support policies in place may imply less child bearing.

The Labour Force Survey covering October to December 2004<sup>7</sup> shows that women make up just under one third of the labour force (31.44%), and slightly less of the total employed persons (30.59%). The largest age group of employed women is now 25 to 35 year old (30.6%), which would normally be the age where women would be having children (mean age of women at childbearing 2002: 29.2<sup>8</sup>), and often where they would require most support. The bulk of all employed women, 79.3%, have fulltime jobs (men 96.2%), with a further 2.6% working full-time with reduced hours (men 0.3%), and 18.1% working part-time as their main occupation (men 3.5%). If we specifically consider mothers however, we find that fewer work fulltime (63%; fathers 99%) and a larger percentage (37%; fathers 1%) work part-time<sup>9</sup>. Women overall make up 69.67% of all persons employed part-time as their main occupation, which means they are disproportionately affected by part-time work regulations. Women also make up 38.18% (which is a higher percentage than the female employment rate) of those employed in Government departments and ministries, where increased family friendly measures are in place, but still only constitute approximately one third of employed women<sup>10</sup>. In other words, 2 out of every 3 women in employment are in the private sector and therefore unable to profit from these increased family friendly measures.

The Equality for Men and Women Act (2003) and the Employment and Industrial Relations Act (2002) lay out conditions regarding discrimination in advertising of posts, selection, training and promotion opportunities, working conditions, harassment, equal pay etc. Part-time employees working 20 hours or more have pro rata entitlement of vacation and special leave as well as bonuses (part-timers working under 20 hours have no entitlement), and employers are duty

<sup>5</sup> Research and Development Unit, ETC 2004 'Work Aspirations of Inactive Women'.

<sup>6</sup> NAPemp 2004.

<sup>7</sup> Labour Force Survey October-December 2004 (NSO 47/2005).

<sup>8</sup> Eurostat Population Statistics 2004.

<sup>9</sup> NSO 18/2005.

<sup>10</sup> ETC 2003 Gender Equality Action Plan 2003-2004.

bound to inform them of full-time opportunities. Persons who have a part-time job as their main occupation still have to pay National Insurance contributions equivalent to the minimum wage, even if they are not earning it. Family-friendly measures covered by law include: 'urgent family leave' (sickness etc of immediate family member, minimum 15 paid hours per year, deducted from leave entitlement); 'parental leave' (3 months unpaid on birth, adoption or legal custody until the age of 8, may be taken on a full-time or part-time basis, piecemeal or time-credit); and 'maternity leave' (13 paid plus 1 unpaid week)<sup>11</sup>. The government service has many additional family friendly measures, such as 1 year unpaid parental leave, three years unpaid career break, and one year unpaid responsibility leave option. A recent study carried out by the then Department for Women in Society (2003) found that over 98% of those in public employment who availed themselves of parental and career break leave from 1997 to 2001 were women. Furthermore, the two government ministries (out of 14) with the highest number of workers who availed themselves of this leave were Education (34% of total) and Health (33% of total) both of which are traditionally considered as areas of 'women's work', and therefore where more women tend to be employed (reminder as above: only one third of all employed women in public sector).

Although work is in hand to increase childcare facilities in Malta, affordable childcare services are currently rare. Facilities within schools (during school hours) are available for children between 3 and 6 years old (6 years is the start of compulsory schooling). Outside of daily school hours, and holiday periods however are not covered. Facilities for younger children are very few, and currently unmonitored and therefore unquantified. The Employment and Training Corporation (ETC) has led by example in offering all year round care from August 2004 to their workers' children aged 3 months and over. The ETC has also been part of a technical committee for Child Day Care which was set up to produce National Standards on Child Day Care Standards and Childcare Regulations. The latter were launched for consultation in July 2004. It is also involved in a project for training workers of childcare centres and in managing a packet of incentives for employers to start and run childcare services<sup>12</sup>.

Facilities for elderly and disabled people include residential care, respite care, and day centres, as well as some other community services such as 'home help', 'meals on wheels' and 'handy man service'. These go some way towards alleviating the task of the carer, often a female member of the family (mother, daughter, sister).

Fiscal incentives for women to remain within or return to the labour market are currently few, and very recently introduced. They include a one-year off tax holiday in the first year of full-time or part-time employment for those women returning to the labour market after at least 5 years' absence. Another tax incentive is aimed at those women working part-time whose spouses work full-time, entitling them to be taxed at a flat rate of 15% on earnings up to LM3000 (7000 euros) on joint computation, with the spouse retaining the preferential married rate. Spouses may currently opt for joint or separate computation of household based income tax. Individualisation of taxes is still not on offer.

## 2. Relevance and Transferability

Whilst Malta's current situation is very different from that in Norway in terms of female activity rate and women's employment, one similarity is the focus on 'the family', though expressed differently. As referred to above, the primacy of the family in Malta is very strong and children are still seen

<sup>11</sup> ETC Unpublished report 'Modern Man in Enlarged Europe'.

<sup>12</sup> ETC 2005 Gender Equality Action Plan 2005-2006.

as the fulcrum of the family. Traditionally, married women working outside the home were considered as creating a threat to family stability in terms of marriage fidelity, and the overall welfare of the family, particularly regarding small children. Tabone (1995) found that this general attitude could still be said to be strong (61.4% holding it strongly) 10 years ago. Abela (2000: 67) confirms part of this by stating that Maltese men and women hold stronger views on traditional motherhood than their European counterparts do. He found that many men, though fewer women, hold that being a 'housewife' is just as fulfilling as working for pay, and that preschool children are likely to suffer if their mother goes out to work. The implication is that if the woman works in paid employment then the domestic sphere is going to be neglected, since in the main the woman still bears sole responsibility for it.

As such, then, the Norwegian policies that allow women to care for children (and other dependents) as well as participate in the labour market would be particularly relevant to Malta. As it is, it would appear that women in Malta are choosing to have fewer children (declining fertility rate), and this could be connected to having to choose between having several children and paid employment (or a career) since it is very difficult to achieve both in the current climate. Many working mothers suffer from guilt feelings whenever anything goes wrong at home, such as ill health in the children, poor academic performance, or delinquency of any kind. Since our society still tends to place responsibility for family wellbeing on mothers (as seen above), then they also tend to be blamed if anything goes wrong. This feeling is easily internalised and turned to guilt feelings because they have 'neglected' their children's welfare through taking up paid employment. Better flexible working time arrangements allowing for parents' quality childcare would go some way towards addressing this. The difference between the right to leave of absence if a child is ill (15 hours per year in Malta, 10 days per parent per child in Norway) is particularly striking. Sufficient childcare facilities which are both affordable (state subsidised) and monitored for standards would similarly help. Better policies allowing more parents (in reality, mothers) to spend more time at home, especially when they have young children, whilst not losing touch with the workplace may further act as inducement to remain in the labour market.

The laws and regulations covering part-time work too require improvement. Although part-time work in Malta is protected, and part-time workers entitled to pro-rata benefits, this only applies to those working 20 hours or more a week. In principle, lowering of the minimum required hours for entitlement would be of benefit to many women, since they are disproportionately represented within this sector. Reduction of the minimum National Insurance rate, experienced as exorbitant to those part-timers who do not work many hours, would also help in bringing women in from the informal economy, into the formal labour market.

The argument presented in the Norwegian paper that several of these measures may, in reality, have negative effects on women's income and career progression is a relevant one, since even though both men and women are eligible, women are the ones who tend to avail themselves of them. With traditional gender roles being probably stronger in Malta, the 'father's quota' could be particularly effective in encouraging more fathers to make use of 'parental' leave. As is seen above, within the public service where a year's unpaid parental leave is on offer, the male take-up rate is abysmally low. Steps need to be taken to attempt to address this imbalance. The ETC is currently looking at ways to increase men's take-up rate, through public media information.

Other policy measures mentioned in the Norwegian paper include: an individual tax based system, which does not exist in Malta (household based); child benefit which does exist ('children's allowance') but is much more restrictive both in terms of amount and eligibility; and state support to child care centres, where locally we are still working towards regulation and

monitoring. The ETC have however recently acquired funds through an EU project to help set up childcare centres in places of employment.

### 3. Conclusion

With Malta having worked towards becoming, and now being, part of the EU the issue of gender equality is no longer a case of a few voices crying in the wilderness. It has finally attained almost mainstream status. Provision of childcare, increasing women's participation in the labour market, anti-discriminatory laws etc have taken on greater political importance. This augers well for women generally. The seriousness of the demographic implications of people living longer and having fewer children, as is seen above, is also gathering impetus, with pension reforms currently being discussed in Malta. One way of alleviating the impending problem of having sufficient workers to support the pensions system is by inducing more women into the labour market. Another way is to increase the fertility rate. Both these issues are at the heart of the Norwegian policies under review, increasing their relevancy for Malta.

One final comment I would like to make is about the question of direction of causation in relation to policy and labour supply, as referred to in the Norwegian paper. With Malta having a shorter history of gender equality being on the agenda, and with some still strongly traditional attitudes towards the gender roles in general, I would advocate for a policy-led strategy in our case. Changes in policy towards more 'family friendly' working conditions should go a long way towards making both employment and mothering (or parenting?) possible. Making this possible in the first place increases the chances of it becoming probable. Once we have achieved a critical mass of women active in the labour market then it should lead to the increasing political demand for further improving conditions. This critical mass will not be achieved in Malta without the changes in policies and working conditions.

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