

MEMORANDUM FOR THE CABINET
BY THE HONOURABLE PRIME MINISTER

Customs Federation's Claim

On the 5th May, 1967, the Prime Minister discussed with a delegation from the Malta Customs Federation the offers made in respect of salary anomalies. The Federation stated that the offers made fell far short of the Federation's aspirations and asked that further improvements be offered before the salary lists were referred to the Independent Commission. The Federation were advised that:

- (a) the position of the members will not be prejudiced as Government was free to improve upon its original offer before presentation of the case to the Independent Commission;
- (b) Government would also study, independently of the relativity exercise, the feasibility of either (i) incorporating the Customs Officer grade into the General Service or (ii) the unification of the Landing and Warehousing Branch and the Customs and Excise Branch of the Department.

The delegates then requested that another meeting should be held by the end of May so that they could be informed of the outcome of Government deliberations on the point at (b) above.

2. The meeting requested was not held and as a consequence on 21st July, 1967, a delegation of the Federation met Officials from Establishments Division and asked that the following two decisions taken by the Federation be conveyed to Government:

- "A. In May, the Prime Minister had promised a reply on the two points raised by the Federation, viz: either the absorption of the Customs Officer grades into the General Service or the unification of the outdoor branches of the Customs Department. If no reply is given by the 29th July, the Federation reserves the right to take industrial action."

- "B. If, as a result of the discussions which are being held with the Customs Assistants (G.W.U.), any duties hitherto performed by staff in the Landing and Warehousing Branch be allocated to the Customs Assistants, the Customs Federation will consider such a step as an infringement of their rights, and will take industrial action."

It will be noted that in neither of these decisions did the Federation make a reference to salary anomalies nor to their claim for improvement in the Officers.

3. Following consideration by Cabinet a reply to the Federation (cf. Appendix A) was sent in reply to point (A) of paragraph 2 above. The industrial action threatened with regard to point (B) in the same paragraph was avoided as the General Workers Union's claims were satisfied without impinging directly on what the Federation consider to be their right.

4. Following the reply referred to in the preceding paragraph, the Federation wrote to the Administrative Secretary on the 9th August, 1967 (cf. letter at Appendix B) making a number of requests relating to salary improvements and to enhanced promotion openings. In brief the requests are:-

- (a) for the abolition of the Junior Officer grade;
- (b) for an increase in the complement of the Senior Officer grade to 22 posts i.e. an addition of 7 posts, and linkage of the salary scale of Senior Officer to that of the maximum of Administrative Officer;
- (c) the creation of 4 additional Chief Officer posts;
- (d) the creation of a new grade of Assistant Senior Officer with a salary equal to the minimum of Administrative Officer, the complement of the grade to be equal to that of Senior Officers.

The Federation demanded that these claims be met either by the 31st August, 1967, or before the date when the Independent Commission was to start work, whichever date came first.

5. The claims submitted by the Federation under threat of industrial action relate mainly to matters of organisation. There is worldwide acceptance that organisation is a matter on which management must have the final say and that, while it is proper for consultations to take place with staff interests on such matters, it would be an abdication of the right of management were Govt. to give in

to reorganisation of a particular branch of an organisation to meet the demands of staff under threat of strike action. It is therefore proposed to reply in this sense to the Federation.

6. Honourable Ministers are asked to state whether they agree to the proposed reply at Appendix C.

26th August, 1967.

1st August, 1967.

Sir,

I am directed to refer to the Federation's request for a decision on the absorption of Customs Officers into the General Service or on the unification of the Customs Outdoor Service.

Very careful consideration has been given to the two alternatives. Absorption into the General Service is a matter which, you will appreciate, requires the closest examination and, it is regretted that, at this stage, the Government is not in a position to take a decision one way or the other.

As regards the proposed unification of the Outdoor Service I am to inform you that the Government consider that it is a workable solution and that it is accepted in principle. In view of the task which the Independent Commission is due to carry out, however, it is desirable that the mechanics of unification should only be worked out after the Commission will have reported. When the Commission's recommendations are available consultations will take place with your Federation as to the manner in which unification is to be effected.

I have the honour to be,
Sir,
Your obedient servant,

(Sd) J. Carabott
f/Administrative Secretary.

The General Secretary,
Malta Customs Federation,
37 Anglu Mallia Street,
B'Kara.

MALTA CUSTOMS FEDERATION

MCF/65/26
OPM/507/66/1

August 9, 1967.

The Administrative Secretary,
Auberge d'Aragon,
Independence Square,
Valletta.

Sir,

I am directed to refer to your communication of August 1 on the absorption of the Customs Officer grades into the General Service, and on the unification of the Customs Outdoor Service.

A careful study of your communication and my Federation's resolution of May 5, copies of which were forwarded to the Honourable the Prime Minister, the Honourable Minister of Labour, Employment and Welfare, and the Honourable Acting Minister of Finance, Customs and Ports - 'Appendix "A"' - compels my Council to make important observations.

Although the question of absorption of Customs Officer grades into the General Service is admitted to be a matter which requires "the closest consideration", however, my Federation cannot accept the statement that "the Government is not in a position to take a decision one way or the other", especially when one takes into account the Honourable the Prime Minister's declaration that he was to study "most sympathetically" the question of absorption after admitting that it was "high time that the Higher Grades of the General Service lose some of their one thousand and one opportunities in favour of Departmental Grades which employees were heading towards a narrow cul-de-sac!" If anything, Government was expected to declare its policy on the matter.

With regard to the "proposed unification of the Outdoor Service", it is to be stressed that never in the course of any discussions had my Federation proposed to unify the Outdoor Branches; the proposal being in fact, officially submitted by Government on January 23. It follows, therefore, that Government's declaration that it had accepted in principle the unification that it had itself proposed does not suggest anything new and as such, warrants no comments.

It seems that one has inadvertently forgotten the spirit of the Honourable the Prime Minister's promise to my Federation to study "most sympathetically" either the absorption or the unification on the pattern drawn up by the Anomalies Sub-Committee which was to accept one way or another the Federation's claim on salary anomalies. In fact, my Federation's resolution of May 5 endorsed the four promises of the Honourable the Prime Minister which he had so solemnly made in the presence of the Honourable Minister of Labour, Employment and Welfare and the Honourable Acting Minister of Finance, Customs and Port.

Whereas the one and only intention of the Honourable the Prime Minister was to meet the Federation's claim on salary anomalies, contrary to all promises, your communication evaded the question of salary adjustments and avenues of promotion and shifted these over to the Independent Commission.

Under the circumstances, my Federation would want to question the interpretation given to the Honourable the Prime Minister's intentions and promises when submitted his proposals to the Federation, which proposals were later endorsed in a resolution carried at an Extraordinary General Meeting.

To add insult to injury, when creating a new grade between the Customs and Excise Assistant class and the Officer class - and this without any consultations with my Federation - and declaring the status quo of the Officer grade, Government disturbed further the Officer grades salary relativities, prejudiced the Federation's case before the Independent Commission, and downgraded the Junior Officer and consequently, the Officer grades.

To heal injuries sustained, and in conformity with the Federation's repeated generic claims for better avenues of promotion, a detailed specification for immediate settlement is now being submitted:

- i) that the Junior Officer grade be declared abolished and the present complement be promoted to the Officer grade as from July 1, 1967;
- ii) that the present complement of the Senior Officer grade be increased to twenty-two (22);
- iii) that four (4) additional Chief Officers be created;
- iv) that a new grade of "Assistant Senior Officer" be created;
- v) that the complement of the newly created "Assistant Senior Officer" grade be equal to the number of Senior Officers; and

- vi) that the salary scale of the Senior Officer class be related to that of the Administrative Officer at the "maximum", whereas that of the Assistant Senior Officer grade be related to that of the Administrative Officer at the "minimum".

It is earnestly expected that Government would negotiate and finalise the Federation's long outstanding claim for better avenues of promotion with the same speed as it had lately negotiated and finalised the General Workers' Union's claim for better prospects of promotion in the Customs and Excise Guard and Assistant classes. However, if a favourable settlement is not reached by August 31, or before the Independent Commission has started its work, whichever of the two comes first, my Federation would feel justified:

- i) to make public its resolution of May 5;
- ii) to issue a detailed statement of facts; and
- iii) to resume industrial action suspended earlier at the expressed wish of the Honourable the Prime Minister.

I have the honour to be,
Sir,
Your obedient servant,

(Sd) Alfred Cachia
General Secretary

OEM/507/66/1

August, 1967.

Sir,

I refer to your letter No. MCF/65/26 dated August 9, 1967, enclosing a copy of the resolution taken by your Federation on the 5th May, 1967, in reply to my letter of the 1st August, 1967.

My letter under reference was written after a careful study of the claims of your Federation, and of the assurances given to you by the hon. Prime Minister when he met delegates of your Federation on the 5th May, 1967. Incidentally, the resolution which your Federation took on the same day does not reproduce faithfully the assurance given by the Hon. Prime Minister in so far as (a) of paragraph 3 of the Resolution is concerned.

In formulating my letter of the 1st August, account was also taken of the view expressed by the Federation during a meeting held under the chairmanship of the Comptroller of Customs on the 14th July, 1967, when your Federation was consulted on a matter pertaining to Departmental organization, which the Ministry was discussing with another Union. At that meeting, your Federation had stated that "there should be no organizational changes before the report by the Independent Commission".

In paragraph 6 of your letter under reference, you state that my letter of the 1st August "evaded" the question of salary adjustments. You seem to have overlooked the fact that my letter was written in reply to your verbal request made at an urgent meeting with the Establishments Division of this Office on the 21st July, 1967, when you asked for a decision either on the absorption of the Customs Officer grades into the General Service or on the unification of the outdoor Branches of the Customs Department. No request regarding salary adjustments was made at that meeting. This does not of course mean that there will be no improvements in the salaries of the grades represented by the Federation when the final salary lists are drawn up for the consideration of the Independent Commission.

The allegation made in paragraph 8 of your letter that "Government disturbed further the Officer grades salary relativities" by the recent creation of new junior posts in Customs grades not belonging to your Federation is not understood.

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The General Secretary,
Malta Customs Federation,
37 Anglu Mallia Street,
B'Kara.

The main purpose of your letter under reference appears to be the submission of the claims listed at paragraph 9. In this connection I have to point out that claims (i) to (v) are all matters which are of a purely organizational nature and, as such, can be discussed but not "negotiated" with the management of the Department and the Ministry. It has to be recognised that organization is a subject concerning management and that it must have the final say on how to organize. There is therefore hardly any place for reference to threats and time limits in similar cases.

As regards your claim (vi) concerning the salary of the Senior Officer grade, this is a matter which should properly be put before the Independent Commission by your Federation.

I have the honour to be,
Sir,
Your obedient servant,

Administrative Secretary.