

Malta: the time for political alternation?

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Analysis

Abstract :

"I have fulfilled my constitutional duty and have advised President George Abela to dissolve parliament on 7th January and to convene general elections for 9th March," declared Prime Minister Lawrence Gonzi (Nationalist Party, PN) on 11th December last after the collapse of his government, following the rejection of the budget by MPs.

The most recent polls forecast the Labour Party (MLP), led by Joseph Muscat as the winner on 9th March next with 49% of the vote, 47% for the Nationalist Party and 4% for Democratic Alternative, an ecologist party led by Michael Briguglio. Prime Minister Lawrence Gonzi is however considered more able than the opposition leader to govern the country, which reflects a similar situation to the one in the previous elections on 8th March 2008 when the nationalists just beat Labour (1,580 votes out of 294,214, i.e. 0.53% of the vote).

332,000 Maltese are being called to ballot on 9th March. 19,000 people will be voting for the first time. Local elections will take place on the same day in 34 towns in the archipelago.

The electoral campaign is going to be unusually long: it will last two months whilst in 1987 it did not exceed 4 or 5 weeks.

The Collapse of Lawrence Gonzi's Government

On 10th December last the budget put forward by Prime Minister Lawrence Gonzi was rejected by one parliamentary vote. Since the budgetary vote in Malta is always a vote of confidence the government, finding itself in a minority, was forced to resign. Nationalist MP Franco Debono voted against the text in expression of his discontent about the reforms undertaken by the Transport Minister Austin Gatt (PN), notably against the government's decision to grant the management of the archipelago's bus services to a German operator. The young nationalist MP has been a thorn in the side of the nationalist parliamentary group since the beginning of the legislature with the latter only enjoying a weak majority in the Chamber. Franco Debono has threatened on several occasions to throw his party into the minority so that he could gain the upper hand in several debates.

On 6th January 2012 he called on Lawrence Gonzi to resign saying that the appointment of three parliamentary secretaries to ministerial posts was "a further error" on the part of the government. He joined the Labour Party to ask for a vote of confidence in par-

liament indicating that he intended to vote against Gonzi's team. Twenty days later he preferred to abstain. On 30th May the government's failure during the confidence vote led the Interior Minister Carm Mifsud Bonnici (PN) to resign (Franco Debono voted against the minister with the opposition). On 4th June he issued a warning to the government and indicated he would grant it his support "as long as it implemented the reforms that were vital for the country." On 18th June Prime Minister Gonzi suffered another defeat when another MP Jeffrey Pullicino Orlando (PN) spoke in support of a motion presented by the opposition for the resignation of Richard Cachia Caruana, Malta's permanent representative with the European Union. The next day Mr Orlando left the nationalist group. Now an independent MP he says he is in coalition with the party in office but thereby deprives the Nationalist Party of its only majority vote.

"The ministers who made mistakes in the reforms they put forward should resign," repeats Franco Debono, who maintains that the Nationalist Party no longer resembles a political party. He announced that he would not be standing in the general elections on 9th March. "The Maltese political system is sick. Since the country's

independence one party governed for 25 years whilst the other led for 16 consecutive years. "There is no alternation because the party in office does everything it can to retain power," he maintains. "Labour must also assume its responsibility for the state of democracy in Malta because they have never offered an alternative position from that of the Nationalist Party over the last 25 years," he said. The MP indicated that Joseph Muscat's party suggested he be its candidate in the general elections. "I have always been a man of principle and I shall never change," answered Franco Debono.

"Ironically several reforms and ideas that I have promoted will be part of the party programmes," he declared adding that he ruled out abstention in the election on 9th March. Franco Debono is fighting for a change in the Constitution in which he hopes to see the inclusion of the principles of the financing of political life for which Malta has no legislation at present.

The MP also criticises the weak fight brought against corruption whilst Malta has regressed in the ranking established yearly by the organisation Transparency International.

A review of Lawrence Gonzi's 8 years of government

The Prime Minister likes to highlight Malta's financial health and the decrease in taxation that his government has enabled. *"Fiscal pressure is lower than in 2008. We have reduced income tax significantly and introduced specific measures to bring women back into the labour market and to grant families with fiscal rebates,"* declared Lawrence Gonzi. He added that the policy undertaken over the last five years as well as the country's 'healthy' financial situation has led to the creation of 20,000 jobs and to the maintenance of the free healthcare system in Malta.

GDP growth is due to rise by 1.6% this year. Unemployment totals 6% and is one of the lowest rates in the EU. However the country's debt has risen to 75% of the GDP.

On 4th December last the European Council concluded the excessive debt procedure against Malta. In 2010 the country's deficit lay at 3.6%, it is therefore above the 3% allowed by the EU's Growth and Stability Pact. In 2012 it is due to rise to 2.3% (2.9% anticipated in 2013).

"Joseph Muscat has accused me of being incompetent whilst he urged me to copy Cyprus on financial matters. Everyone knows that Nicosia is facing a massive hole in its finances and is knocking on the door of the IMF to get a loan. But it will only be able to get this if it makes cuts in the civil service, retirement pensions and by making savings in areas such as education and healthcare. The Cypriots have to make a significant effort whilst our healthy financial policy has preserved us from all types of austerity policies," declared Lawrence Gonzi.

On 16th January last the ratings agency Standard & Poor's took Malta's sovereign rating down a notch from A- to BBB+. The Prime Minister said that this downgrading was the result of the labour opposition's decision to vote against the 2013 budget. *"Standard & Poor's was categorical: our country's rating was downgraded because the budget was not approved by parliament, which has led to instability,"* maintained Lawrence Gonzi. According to the Prime Minister the downgrading was also motivated by a 300 million € increase in Enemalta's debt (the country's main energy supplier) over the last three years and by the twofold increase in the deficit since 2008.

Standard & Poor's also pointed to the financial sector, which in Malta represents seven times the national GDP. In the agency's opinion the archipelago absolutely needs fiscal consolidation, notably because of its demographic trend (the Maltese population is ageing rapidly).

Lawrence Gonzi's second mandate as head of State (2008-2013) has been a difficult one and not only because of the international economic crisis. His authority has often been challenged by some MPs in his camp. The Maltese did not really like the fact that the head of government voted against the law authorising divorce in 2011 – thereby going against the wishes of the people: in a referendum on 28th May 2011 which Lawrence Gonzi convened himself, the electorate approved the law by 52.60% (turn out totalled 72%). The divorce bill was approved by Parliament on 25th July 2011 and entered into force on 1st October 2011.

Another event which caused discontent was when Lawrence Gonzi increased ministers' remuneration whilst the economic crisis was in full swing.

In 2012 the Maltese Prime Minister was admonished by the European authorities during the presentation of the country's 2013 budget. Brussels insisted on the need to reduce spending by 40 million € notably in the areas of healthcare, education and social services. But Lawrence Gonzi did not want to take these warnings on board. *"We shall continue to do how we have always done,"* he declared. The head of government says that he is confident that Malta has the means to maintain its healthcare system and stresses that La Valette has invested heavily in the healthcare sector over the last five years and that it has even managed to reduced its budgetary deficit more than other European countries.

Lawrence Gonzi promises in 2015 that there will be a balanced budget and debt below 60% of the GDP. He wants to abolish income tax on people who earn the minimum wage and to create a solidarity fund that will enable each taxpayer to choose the associations to which he/she wants to attribute 0.5% of his taxes. The Prime Minister is promising to pay 1000€ to each family in which there is a birth. The Nationalist Party hopes to introduce a civil partnership for people of the same sex and include a clause in the Constitution banning discrimination against homosexuals. . He says he supports a decrease in the voting age to 16 in local elections and wants to encourage private businesses to appoint at least 40% of women on their administrative boards.

Labour Opposition running Favourite

The labour leader who is campaigning with the slogan *Malta Taghna Lkoll* (Malta for All) insists that he wants to unite all the Maltese. Whilst the nationalists have been governing the archipelago for 15 years the alternation that is now looming might in fact scare some of the electorate. *"The general elections will not take the country from blue to red, but it will paint it in the colours of the Maltese flag,"* declared Joseph Muscat. In the message he issued at the New Year he recalled that he wanted the 10th March – the day after the election – *"to be one like any other, not a day when half of the country feels victorious and the other half defeated,"* adding *"We must look at what brings us together,"* and *"we are too small to be divided."*

Joseph Muscat highlights the challenges – not just the economic ones – that Malta faces. Hence he speaks of the presidency of the European Union that will be handed over to La Valette in the first semester of 2017. The deadline seems far off but the event is vital since this period has been set aside by British Prime Minister David Cameron – if he is re-elected as head of the British government in 2015 - for the organisation of a referendum on the exit of his country from the EU. Ironically the UK is the country that should take over from Malta as head of the EU. The referendum on the exit of the UK – if it goes ahead – is due therefore to take place under the authority of La Valette.

Labour leader Joseph Muscat is critical of the vulnerability of the Maltese economy as well as the low employment rate of women, and says he does not believe the government's forecasts about the deficit and explains that the downturn in the public debt is due to the debts of businesses in the private sector. He is planning to create a new power plant using private investments which in his opinion will enable a 35% reduction in electricity prices as of 1st March 2014 and a 5% decrease in water prices. The price of these two facilities will then be set for the next ten years. Finally he has suggested a modification to the Constitution to include amendments that come from civil society. *"We want to involve civil society in the revision of the Fundamental Law,"* he indicated saying that the changes put forward will be subject to a referendum.

The Labour leader presented his special plan for Gozo. Amongst the measures put forward is the possibility for the island's inhabitants, who work in the civil service on Malta, to return to live in (and work) in Gozo if they so wish. The plan also aims to help employers who want to set up business on the island offering them a tax rebate of 50,000€ or aid representing 25% of the total investments they make and on salaries they pay in the first two years following the creation of any business. He is offering to reimburse 5000€ (via the State) on every employee's wage for each company that takes on one person on an unlimited contract or for more than three years. Joseph Muscat hopes to modernise and give autonomy to the hospital on Gozo, and is exploring the possibility of developing tourism with private operators on the island and to establish a faster ferry link

between the two islands for the 3000 people who live and work on Malta during the week.

The last time the Labour Party won the majority in Gozo dates back 58 years. The Nationalist Party has lost ground however on the island since the last elections. During the most recent local elections on 10th March 2012 Lawrence Gonzi's party lost ground in Malta but maintained its ranking in Gozo.

Democratic Alternative (AD), an ecologist is putting 9 candidates forward in the general election. The party's programme is divided into 27 parts. It anticipates an increase in the minimum wage and allocations for the handicapped, the implementation of socially fair economic policies, the taxation of vacant housing and the free provision of early childhood services, the extension of maternity leave to 20 weeks and finally the introduction of two week's paternity leave.

Democratic Alternative is fighting for equal rights between hetero and homosexuals (the party supports marriage between people of the same sex), the defence of minorities and the decriminalisation of drug consumption. Michael Briguglio's party would like to see MPs exercise their mandate full time and wants them to give up all activities in the private sector during the legislature. Finally Democratic Alternative supports the bill on the funding of political life and is suggesting that parties be obliged to declare any donation over 5,000 € and that all donations over 40,000€ be made illegal. The ecologist party want the State to participate in the funding of political life and is suggesting that each party receive 3€ per vote won in the general and European elections. Finally Michael Briguglio supports giving voting rights to Maltese living abroad, so that they can vote in their place of residency, in embassies or consulates – thereby relieving them of the obligation to return to the archipelago to vote during an election.

The Maltese Political System

In the past, Malta had several political parties. Since the 1970's the political scene has been dominated by two parties however: Labour and Nationalist, who oppose each other over Europe taxation and privatisation. Partisan divisions are very much alive in Malta, which does not have any extremist movements and

where the electorate's party allegiance is strong.

Finally the Maltese are by far the most motivated Europeans: turnout rates are always very high. In the last general elections the difference between Labour and Nationalists was very low.

Parliament is unicameral; the House of Representatives comprises 65 MPs elected within 13 constituencies for five years maximum according to a complicated voting system (a multi-seat list elected by proportional representation otherwise known as the single transferable vote) that the country has only shared with two other countries since 1921: Ireland and Australia. Several reforms have been planned to simplify this voting method – but to no avail. In 1987 and 1996 several amendments were approved to guarantee the achievement of a majority after the election.

The voter receives an alphabetic list of candidates from which she/he chooses those he/she wishes to vote for by order of preference. Hence he writes the figure 1 in front of the candidate who is his/her first choice, then 2, 3, 4 in front of the other candidates on the list. The first round of counting comprises the calculation of the electoral quota, (the Hagenbach-Bischoff method) i.e. the minimum number of votes that a candidate has to win to be elected. This quota matches all of the votes cast divided by the number of seats available (variable according to the constituency) plus one. Any candidate who achieves this number of votes is declared elected. His surplus votes are then distributed between any candidates who were selected as second choice.

Anyone who wants to stand in the general election must have the support of at least four people in his constituency and settle a 90€ deposit which is reimbursed if the number of votes is above 1/10 of the electoral quota.

The Maltese living abroad have to return home to fulfil their civic duty. Air Malta is about to bring back these voters on a series of special flights. The number of flights seems inadequate however and some people have not been able to buy tickets to return to the island.

The Nationalist Party wants to put an end to this situation by enabling Maltese living abroad to vote in the country where they are living – a suggestion that is also on the Democratic Alternative programme.

In Malta donations to political parties and for electoral

campaigns are anonymous (in Europe only Denmark and Andorra still guarantee anonymity). There is no law to oblige the political parties to publish their accounts. The Nationalist Party has however said that it will publish its legislative campaign accounts but that it would keep secret the identities of donors who wanted to remain anonymous. Labour, which publishes its accounts every year, has been asking Lawrence Gonzi to publish his party's annual accounts since 2004 – the year in which he was appointed Prime Minister.

Finally the Maltese Parliament elects the President

of the Republic for a five year mandate – he has few powers and his function is essentially an honorary one. The present head of State, George Abela (MLP), was elected on 1st April 2009.

Since Malta's independence on 21st September 1964 only two political parties have entered parliament:

- the Nationalist Party (PN), a Christian-Democratic Party founded in 1880 and led by outgoing Prime Minister, Lawrence Gonzi, with 35 seats;
- the Labour Party (MLP), a Social Democratic Party created in 1920 and led since 2008 by Joseph Muscat, with 34 MPs.

Reminder of the general election results on 8th March 2008 in Malta

Turnout: 93.30%

Political Parties	No of votes won	% of votes won	Nombre de sièges
Nationalist Party (PN)	143 468	49,34	35
Labour Party (MLP)	141 888	48,79	34
Democratic Alternative (AD)	3 810	1,31	0
Others	5 048	0,56	0

Source : (<http://www.electoral.gov.mt/electionindex.aspx?x=%2bhwnTRj%2bVUDkx2NPVja%2b9zHVnk83fIx74lj8m7aJER2MKh%2bGnlSye64X891La0DkbFxEoO3JD6/BIXr4t7gfI8AnMZtnRdI6Dyt8YdNFNKSKN0kBBNQxWw%3d%3d>)

The Left achieves a landslide victory in Malta

Abstract :

The Labour Party (LP), led by Joseph Muscat, achieved a landslide victory in the general elections that took place on 9th March in Malta. It won 54.83% of the vote and 38 seats in the Chamber of Representatives (Il-Kamra Tad-Deputati), the only chamber in Parliament (ie +4 in comparison with the previous election on 8th March 2008). This is the biggest majority ever won by a party since the country's independence in 1964. It came out ahead of the Nationalist Party (PN) of outgoing Prime Minister, Lawrence Gonzi which won 43.34% of the vote and 29 seats (- 6).

Democratic Alternative (AD), an ecologist party led by Michael Briguglio, which put nine candidates forward in the general elections, won 1.8% of the vote, the highest score ever achieved by the party but not enough to be represented in Parliament.

Turnout, which is high in Malta, lay at 93.10%, which was almost the same as the rate recorded in the last general election in March 2008 (0.20 points less).

Results

General Election Results 9th March 2013 in Malta

Turnout: 93.10%

Political Parties	No. of votes won	% of votes won	No. of seats
Labour Party (LP)	161 479	54.83	38
Nationalist Party (PN)	131 004	43.34	29
Democratic Alternative (AD)	5 471	1.80	0
Others	22	0.01	0

Source : <http://www.maltastar.com/dart/20130311-first-count-votes-of-the-13-districts>

"I was not expecting such an overwhelming victory for the Labour Party," declared the Labour leader, Joseph Muscat when the results were released. "The sun did not just rise on one half of Malta but over the entire archipelago, for those who voted for change and for those who didn't," he added after demanding during his entire campaign for the end of "tribal politics" - taking up the slogan *Malta Taghna Llkoll* (Malte for All).

"The Maltese chose to reject the policy of the past. It is the message that they have sent and that we have to bear in mind. Our goal is to show that there is another way of life," said Joseph Muscat. During his campaign he promised to reduce electricity tariffs by 25% and those set on water by 5% as of 1st March 2014 (the prices of both of these utilities are then to be set for the next ten years) and to build a new gas power station with the use of private capital to a total of 425 million €. Joseph Muscat has said that he will resign if he does not manage to implement these two measures over the next two years. He has also promised to reduce income tax and to counter corruption.

Lawrence Gonzi, who as running for a third mandate as the head of government, acknowledged defeat. "I personally take all the blame for this result and I shall not try to be re-elected when the party chooses to take a new direction," he indicated.

Aged 39 years and from Pieta, Joseph Muscat will become the second youngest Prime Minister in Malta's history. A graduate of public policy, European studies and literature he started his career as a journalist on the radio and then in the written press. Elected MEP during the June 2004 elections he left his seat four years later after being elected to lead the Labour Party following the defeat of his party in the general elections in March 2008 (with 66% of the vote he ran ahead of George Abela, who is now the President of the Republic of Malta). In 2008 Joseph Muscat replaced Joseph Cuschieri in Parliament and became the opposition leader. "The most important moment is the approval of the budget. We shall work together with the opposition and with those who did not vote for our party because it is in the interest of our country," stressed the future Prime Minister.

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