

**Investing in Social Cohesion –
Investing in Stability and Well-being of Society
26 – 27 February 2009**

Contribution by the Malta Delegate.

Introduction

Mr Chairman, excellencies, colleagues, it is an honour for me to speak at this distinguished conference on behalf of my Minister for Social Policy who sends his greetings to all and apologises for being unable to attend personally due to unforeseen circumstances.

May we congratulate the Council of Europe and the Government of the Russian Federation for the bold step to take the lead and organize the first ever conference of Ministers responsible for Social Cohesion.

Moreover our gratitude goes to Mary Daly and her team whose report presented this morning is a milestone in the development and management of social cohesion in Europe as its analysis and strategic direction has assumed greater importance in the light of the current general mistrust and Global recession.

However I have to make a special mention and acknowledge the vision that the Committee for Social Cohesion of the Council of Europe had even before 2005 where the idea was first floated; about producing a high level report on the changing societal conditions and the impact that these would have on our way of life and shared values of Human Rights, Democracy and the Rule of Law. The committee was truly visionary at the time and hence its important role today and for the foreseeable future.

When in 2005 our Heads of Governments met in Warsaw and decided on appointing a High Level Task Force to review the Council of Europe Strategy for Social Cohesion for the 21st century, no one had imagined financial turmoil and the global recession, that the world would have to go through in the space of a few months, since last September.

However with the benefit of hindsight the mere fact that the member states felt at the time, that there was the need for review of our strategy, was indicative that the 21st century was going to present new challenges and that the policy responses of the so called classic social policies would not serve us well enough under the new conditions and that Governments needed to look closely at their policies and re-orient them in the face of emerging needs and new economic realities.

Timely Report

Therefore this report *Towards an Active, Fair and Socially Cohesive Europe* could not have come at a better time when the current financial crisis and the global economic recession have compelled most Governments to introduce measures that up to some

months ago were unthinkable. Meanwhile people's trust plummeted, business activity slowed down, jobs are lost, while Governments' revenue is down and the costs are up in the likes of stimulus packages for businesses and social assistance to the unemployed and those at risk of social exclusion. Never in recorded history has there been a situation where such a high monetary cost had to be paid for lack of trust and to buy trust back, in business and in institutions. Moreover one would be justified to ask what it would take to get the people to trust their own abilities again and that they will, bounce back, at least to the same position they were in up to some weeks ago.

Under the circumstances, the draconian measures taken by almost all Governments come as no surprise. The report states that the stability and achievements of Europe are at stake if Governments take no action. However I will not dwell on arguments that you are already familiar with. I will instead share with you my Government's policy in the wake of the current economic reality but also in its unwavering commitment toward social cohesion generally and social inclusion in particular.

Social wellbeing is a societal thing and the concern of everyone. This is not to say that Governments should abdicate their responsibility to ensure the well being of society especially those at risk of social exclusion. However it is a growing feeling in most of our societies that citizens increasingly want to determine their own future while having a stake in the management of their environment whether that is the physical or social environment. They look at the role of Government as a facilitator in their quest to realize their life and community projects.

While the importance of private entrepreneurs and enterprises are undisputable and therefore attracted many incentives for growth, Governments have often overlooked the capacity of civic society generally and individual citizens in particular to generate social cohesion and even wealth. Instead Governments tended to pursue policies that made citizens dependent on the State as opposed to empowering them to forge an independent future. It had to take the phenomenon of Globalisation, demographic change and migration to make us realize that Governments cannot do it all by themselves and that many solutions can be found within civic society itself.

In this respect my Ministry is actively seeking partnerships with non Governmental organisations and incentives were introduced to enhance their capacity. A new law was enacted to strengthen their status and funds allocated to a number of projects. Other strategic partners are private service providers and insurance companies who also share the responsibility for the well being of society. A new policy for local governance was recently published that places democratic management and effective community solidarity as a priority for community development.

Shared Responsibility

Furthermore we are reviewing policies to ensure that on one hand, service users are not mere recipients of benefits and services but active partners in the type and quality of the service delivered and on the other responsible partners who are accountable for the

support that society gives them. This is done through empowering the individual to take control of his or her life project and forge a good and independent future.

In this respect, the employment and housing policies are currently under review and the new community work scheme within our public employment service and the white paper for a new rent law are two such examples. These two measures are meant to enhance social mobility through active involvement of the individual benefiting from these measures.

This is why we applaud the Task Force for its emphasis on the notion of activation and societal integration. Having said this, we are also aware that often, the notion of activation is promoted for its economic benefits however we are also strong believers that the notion of activation can have much broader positive impact. Activation denotes responsibility for oneself and for others and therefore activation is a function of empowerment both for self and community development.

So at a time when we are infusing billions into our economies to get the wheels of success turning again, we should not overlook the potential of the capacity of individuals and communities to;

- 1 build social capital by synergizing competencies for innovation,
- 2 create social cohesion by building relationships and capitalizing on diversity,
- 3 generate wealth by nurturing micro enterprise and sustainable new initiatives.

The economic recession may have slowed productive activity and may be a psychological downer but this has not affected the competencies of our workforce neither their resilience to adjust in order to sustain an acceptable living standard. This is social capital of the best kind that may prove to be very effective in recovering from recession. There is nothing toxic about it but genuine drive and motivation of individuals and communities that want to make a living. Investment in people is sound and sustainable investment and therefore deserves attention. This is an excellent opportunity to bring Government, institutions and citizens more in sync with each other.

The Management of Change

Conscious of these facts, our Ministry is committed to deliver the real needs and not perceived needs with emphasis on quality and cost effectiveness. In the past, service development may not have always followed a strategic plan and to address the situation we embarked on an operations audit of the health sector that will look into the demand for services and how well these are being met and at what cost.

This information will help us to re-structure the health and social services. We are paying particular attention to develop the critical mass of qualified human resources. Continuous

professional development, opportunities for research and improved conditions of work were all measures taken and intended to upgrade the quality of the service provision.

Our Ministry is also heavily committed to deliver value for money. The right balance needs to be struck between high quality service and cost effectiveness. In this respect Good Governance is called for in the likes of Service Leaders. I say leaders because even in public services we need people who are able to go beyond mere managing and into inspiring. As much as we need high calibre Medical Consultants whose reputation is enough to inspire trust and confidence, we also need Managers whose ability to look ahead and implement timely changes, is critical for sustainability on one hand and to prevent hardship on the other.

Institutions and services that do not change do not make good return on investment and we have no space for waste. Constant change and concerted adjustment are to our institutions what agility is to an Olympian. As in a relay race, our services and institutions need to be integrated and synchronized to perfection. Gone are the times when for the sake of convenience social policy was sector led rather than person led. Our health, social welfare, social security, housing , employment and education policies are not an end in themselves but meant to develop and assist the person holistically in order for him or her to forge a meaningful and rewarding future.

As a policy measure Government launched in 2002 a pilot project ACCESS, a one stop shop of social welfare services which reflected the policy document of the Council of Europe *Access to Social Rights*. This project was very successful and this year our Ministry will extend this project to three new localities. It is a project that is based in the community, for the community, and heavily influenced by the community to respond to their immediate and real needs.

This is what our citizens want. They want to take control of their life project and therefore demand services and institutions that respond to the changing realities and to find assistance in time and of the quality that bridge their predicament fast and effective. Trust cannot be bought or sold, it can only be earned through the full and effective involvement of all. User involvement is central to building trust and credibility. Allowing mistrust is not an alternative as it is too expensive to manage. It slows us down and compels us to introduce more rules that are too costly to enforce.

Therefore we note with satisfaction the emphasis on shared responsibilities between citizens, institutions and Government. We also acknowledge the importance of a social rights based approach to ensure the full participation of all in the democratic process, the pivotal role that public authorities play in sustaining social cohesion and the direct relationship that this has in generating greater social solidarity and creating innovation and stability in an ever increasing complex society.

Our Vision of the Future

Our Government takes up the challenge by counteracting suspicion and cynicism and replacing it with measures that garner the effective contribution of all, promoting values of integrity and trust and upholding high ethical behaviour in public life.

Our policy measures shall continue to prioritize, heavy investment in education and training with particular attention to those who may find it difficult to compete on the labour market, institutional reform particularly those in social security, housing and health, and innovation such as investment in micro enterprise and diversity management. These measures all have one thing in common – greater empowerment to the people to realize their potential and make a difference to their lives.

We believe that the value of trust gives us the speed that we require to change the current situation into a new paradigm of shared responsibilities, equal opportunities and solidarity and well-being. It is the key factor that will give us confidence to face the future. Rupert Murdoch of News Corporation said that big will not beat small anymore but it is the fast beating the slow.

Therefore, we believe that transcending values like trust and integrity will literally translates into revenue, profits and prosperity. We contend that the ability to establish, grow, extend and restore trust is not only vital to our personal and interpersonal well-being, it is that key leadership competency of the new global economy.

Thank You.

26th February, 2009