CHAPTER 431

MALTA COUNCIL FOR ECONOMIC AND SOCIAL DEVELOPMENT ACT

AN ACT to provide for the establishment of the Malta Council for Economic and Social Development and for other matters related thereto.

1st August, 2001

ACT XV of 2001, as amended by Legal Notice 426 of 2007, and Acts IV of 2012 , V of 2017 and XIX of 2025.

Short title.

1. The short title of this Act is the Malta Council for Economic and Social Development Act.

Interpretation.
Amended by:
V. 2017.2;
XIX.2025.2.

2. In this Act, unless the context otherwise requires -

"civil society" includes all those organizations of persons established to seek the common good and whose main aims are neither to generate profits nor to seek executive power;

"Chief Executive Officer" means the Chief Executive Officer of the Council appointed in accordance with article 7;

"Committee" means the Civil Society Committee established by virtue of article 6;

"Council" means the Malta Council for Economic and Social Development established by virtue of article 3;

"Forum" means the Young Shapers Forum as established by article 6B;

"Malta" has the same meaning as is assigned to it by article 124 of the Constitution of Malta;

"Minister" means the Minister responsible for Social Dialogue;

''social partners'' means representatives of the Government, representatives of workers and representatives of employers.

Establishment of the Council.

3. The Malta Council for Economic and Social Development is hereby established as an advisory body in order to provide a forum for consultation and social dialogue between social partners and, where necessary, with organisations of civil society, and is entrusted with the task of advising Government on issues relating to the sustainable economic and social development of Malta.

Composition of the Council.
Amended by:
IV. 2012.2;
V. 2017.3;
XIX.2025.3.

4. (1) The Council shall have a distinct legal personality, shall be appointed by the Prime Minister and shall be composed of the following members:

(*a*) a chairperson who shall be appointed after consultation with the organisations referred to in paragraph (*c*);

(*b*) a deputy chairperson who shall be the appointed by the Prime Minister from amongst members of the public service;

(*c*) twelve persons, nominated as follows:

(i) ten persons nominated by representative national employers' and workers' organisations constituted bodies; and

(ii) the Chairperson of the Gozo Regional Committee, *ex officio*; and

(iii) the Chairperson of the Civil Society Committee, *ex officio*.

The organisations and constituted bodies referred to in sub-paragraph (i) shall be listed in a Notice published in the Gazette, which Notice shall also indicate the number of members representing each organisation and constituted body;

(*d*) two representatives of the Government, one representing the Minister responsible for Finance, the other representing the Minister; and

(*e*) the Governor of the Central Bank of Malta, *ex officio*.

(2) (*a*) For each of the members nominated in accordance with subarticle (1)(*c*) and (*e*), there shall be an equal number of substitute members representing those same sectors, organizations or committees and who shall have the right to attend meetings in the absence of the nominated members.

(*b*) For each of the members nominated in accordance with subarticle (1)(*d*), there shall be an equal number of substitute members, sohowever that the said substitute members may represent other Ministries.

(3) The term of office of the members shall be of one year.

(4) Without prejudice particularly to sub-article (2), to the provisions of this Act, and to any regulations made thereunder, the Council may direct that every time it convenes to carry out any of its functions in accordance with article 5, substitute members appointed by virtue of sub-article (2)(*a*) and (*b*) may attend together with members appointed in accordance with sub-article (1)(*c*), (*d*) and (*e*).

(5) The Council may act notwithstanding any vacancy amongst its members, provided there is a *quorum* present at the meeting.

(6) The Minister may, after consultation with the Council, make regulations regarding the procedures to be adopted by the Council, including the quorum for meetings, the filling of casual vacancies, loss of mandate and substitution of members.

(7) The Chief Executive Officer shall attend for all Council meetings in his capacity as Chief Executive Officer and shall also act as secretary of the Council, and shall have the duty to ensure that a record of all minutes and decisions taken during such meetings is kept, which minutes shall be drafted by the Chief Executive Officer or a person delegated by him:

Provided that the Chief Executive Officer shall not have the right to vote during such meetings.

Functions of the Council. *Amended by: V. 2017.4.*

5. (1) The Council shall be a consultative and advisory body with the function to advise Government, through the Minister, on issues relating to sustainable national economic and social development and shall be competent to -

(*a*) promote social dialogue and consensus amongst all the social partners on issues relating to sustainable economic and social development;

(*b*) propose desirable and feasible goals and targets to give effect to the strategic economic, financial and social development objectives of the Government and to recommend measures which would further their attainment;

(*c*) make recommendations to Government in respect of changes in the direction or terms of economic and social policy that it may deem appropriate;

(*d*) make recommendations to Government regarding the elaboration of national plans for economic and social development and the implementation thereof;

(*e*) submit opinions and recommendations on matters referred to it by Government or on matters that the Council deems as having national economic and, or, social relevance; and

(*f*) upon a request by Government, examine, assess and make recommendations regarding draft legislation related to the objectives of the Council;

(*g*) submit within a time-frame agreed upon by the Minister and the Minister responsible for Finance, an annual detailed plan of activities, wherein the Council explains how it will implement its functions and the initiatives which it will take within the parameters of the execution of its functions as defined in sub-article (2), the spirit of this Act and regulations made thereunder:

Provided that the Council may, without prejudice to the provisions of this Act and to any regulations made thereunder, take initiatives which are not specifically mentioned in sub-article (2), which initiatives may be taken after consultation with the Minister and the Minister responsible for Finance.

(2) In discharging its functions, the Council shall reconcile individual sectoral interests in order to achieve overriding national interests, and shall have regard, *inter alia*, to -

(*a*) the attainment of the highest possible levels of sustainable employment for all at adequate rewards, with due consideration to productivity levels;

(*b*) the removal of structural constraints which impede the achievement of the overall economic and social national objectives;

(*c*) the achievement of the highest sustainable rate of economic growth;

(*d*) the fair and equitable distribution of the income and wealth of the nation;

(*e*) reasonable price stability and long-term equilibrium in the balance of payments; and

(*f*) the social implications of economic growth, including the need to achieve social inclusion in all its perspectives particularly equality between women and men in the mainstream of development, and the protection of the environment.

(3) The Council shall act on specific requests submitted to it by the Government through the Minister or on its own initiative.

(4) The Council may, in the implementation of its functions under this Act, with all means after presenting a plan of activities for consultation to the Minister responsible for Finance and to the Minister, embark on a strategy for external communications for the building of interactive networks and exchange of resources and knowledge with other entities and individuals who can contribute in the implementation of the functions of the said Council as prescribed in this Act:

Provided that, without prejudice to the provisions of this Act and to any regulations made thereunder, the Council shall adopt rules of procedure which shall regulate every stage of its operations, as well as the procedure of access of the press to its meetings in the plenary, and for all the meetings held by its respective organs:

Provided further that, without prejudice to the provisions of this Act and to any regulations made thereunder, the Council shall regulate the internal relations between the different organs within the Council, and its procedures including, but not only, those concerning internal communications between the organs within the Council referred to in article 5A.

(5) The Council shall determine the place from which it shall carry out its operations and all of its functions, as it deems fit and convenient, without hindrance and as long as no conflict ensues with any functions listed under sub-article (1) particularly in paragraph (*a*) and unless falling within the parameters of the budget established for the Council.

Bodies within the Council. *Added by: V. 2017.5.*

5A. Without prejudice to the provisions of articles 3 and 4(1) and any other provision of this Act or to any other regulations made thereunder, the Council shall include within it:

(*a*) the Plenary which shall be constituted from members eligible to attend for the meetings of the Council;

(*b*) the Bureau which shall constituted from the legal representatives and, or experts engaged by the organisations; and

(*c*) the Working Groups which shall be constituted by the social partners subject to what is just and necessary:

Provided that no communication to the general public and,

or the media, shall be issued by the Bureau or Working Groups, in the name of the Council without approval subject to a unanimous vote of the Plenary:

Provided further that, without prejudice to the provisions of this Act and to any regulations made thereunder, the Council may appoint sub-committees, and generally, shall regulate its own proceedings.

Civil Society Committee. *Substituted by: IV. 2012.3. Amended by: V. 2017.6.*

6. (1) There shall be a standing Civil Society Committee which shall, as much as possible, be representative of Maltese civil society and which shall be consulted by the Council on all those issues which the Council may, in its discretion, refer to it.

(2) The members of the Committee shall be appointed by the Prime Minister upon the advice of the Minister and the Chairperson of the Council and shall be listed in a Notice issued by the Prime Minister and published in the Gazette. Appointments shall be made for a period of two years which shall commence on the date of appointment.

(3) The Chairperson of the Committee shall be elected by the members of the Committee from among themselves by simple majority, for a period of two years.

(4) The Chairperson of the Council shall convene the first meeting of the Committee no later than fifteen working days following its appointment with the election of a Chairperson of the Committee as its sole purpose. The Chairperson of the Council shall carry out all preliminary and necessary acts to ensure the orderly election of a Chairperson by the members of the Committee.

(5) The Chairperson of the Committee shall be an *ex officio* member of the Council.

(6) The Committee may act notwithstanding any vacancy amongst its members, provided there is a *quorum* present at the meeting.

(7) The Council shall adopt rules of procedure which shall regulate the proceedings of the Committee and establish the *quorum* at meetings thereof.

Gozo Regional Committee. *Added by: IV. 2012.3. Amended by: V. 2017.7.*

6A. (1) There shall be a standing Gozo Regional Committee which shall, as much as possible, be representative of the island of Gozo and its community, employers' and workers' organisations, civil society organisations and local councils whose purposes focus on Gozo affairs in their areas of interest. The Committee shall be consulted by the Council on all those issues which the Council may, in its discretion, refer to it.

(2) The members of the Committee shall be appointed by the Prime Minister upon the advice of the Minister and the Chairperson of the Council and shall be listed in a Notice issued by the Prime Minister and published in the Gazette. Appointments shall be made for a period of two years which shall commence on the date of the appointment.

(3) The Chairperson of the Committee shall be elected by the members of the Committee from among themselves by simple majority, for a period of two years.

(4) The Chairperson of the Council shall convene the first meeting of the Committee no later than fifteen working days following its appointment with the election of a Chairperson of the Committee as its sole purpose. The Chairperson of the Council shall carry out all preliminary and necessary acts to ensure the orderly election of a Chairperson by the members of the Committee.

(5) The Chairperson of the Committee shall be an *ex officio* member of the Council.

(6) The Committee may act notwithstanding any vacancy amongst its members, provided there is a quorum present at the meeting.

(7) The Council shall adopt rules of procedure which shall regulate the proceedings of the Committee and establish the quorum at meetings thereof.

Young Shapers Forum. *Added by: XIX.2025.4.*

6B. (1) There shall be a Young Shapers Forum which shall, as much as possible, be representative of children aged between eleven (11) and (15) years, in order to promote the active participation of the said children in relation to issues of sustainable national economic and social development for future generations**.**

(2) The Forum shall be composed of five (5) members, appointed by the Minister upon the advice of the Commissioner for Children and shall be listed in a register held by the Commissioner for Children.

(3) The members of the Forum shall consist of children aged between eleven (11) and fifteen (15) years, representing all schools in Malta, provided that where possible these children shall represent the island of Gozo and various demographies.

(4) The Forum shall have the following functions which shall be carried out in relation to the sustainable national economic and social development for future generations:

(*a*) assist and provide its views to the Council in the promotion of active civic engagement of children aged between eleven (11) and (15) years and the well-being of future generations;

(*b*) provide its views to the Council in those issues which are referred by the Council to the Forum;

(*c*) facilitate intergenerational dialogue and cooperation to address issues which are of interest to children aged between eleven (11) and (15) years and the Council.

(5) Appointments of all members to the Forum shall be made for a period of one (1) year which commences on the date of appointment, and members may be reappointed.

(6) The Forum shall be invited by the Council at least five (5) times a year, to present the views of the Forum and to discuss matters referred to it by the Council.

Chief Executive Officer. *Amended by: V. 2017.8. Substituted by: XIX.2025.5.*

7. (1) The Minister shall appoint a Chief Executive Officer, who among his responsibilities shall be responsible for the implementation of the objectives of the Council in the exercise of its functions and without prejudice to such generality shall:

(*a*) assume full responsibility for the exercise of his powers under the direction of the Permanent Secretary of the Ministry responsible for social dialogue;

(*b*) assume full responsibility for the administration and organisation and the administrative control of the officers and employees of the Council and for such purpose, assign to each officer or employee such duties as may be required;

(*c*) direct and assume final responsibility for any logistics relating to Council meetings and events;

(*d*) assume responsibility for all operations relating to external communication and public relations in connection with the work being carried out by the Council, provided that the consent of the Council shall be obtained prior to the publication of any statement on behalf of the constituted bodies of the Council;

(*e*) develop the necessary strategies for the implementation of objectives of the Council and the Committee and take the necessary actions for the implementation of such;

(*f*) provide the necessary support, being both administrative and secretarial, required by the Council, the Committee or any subcommittee that the Council may appoint from time to time;

(*g*) ensure the provision of all information required by the Council and, or the Committee, as may be required, for the effective carrying out of their functions;

(*h*) provide information and carry out preparatory work for the purpose of the Council's budget proposals, accounts and activity reports of the Council, and oversee and assess the execution of these tasks;

(*i*) ensure that the Council and its committees operate in adherence to the Government financial regulations;

(*j*) advise the Council on any matter that it may refer to him or on any matter which he considers necessary or expedient;

(*k*) ensure that as far as possible, the Council and the organs under its remit are provided with accessibility to the research and resources necessary for them to perform their duties;

(*l*) draft the agenda of the Council in accordance with the guidance and requests of the members of the Council, in conformity with article 5(3);

(*m*) ensure the maintenance of direct communication between the members of the Council and the officers or employees of the Council.

(2) The appointment of the Chief Executive Officer shall be for a period of three (3) years which may be renewed, and under such terms and conditions as the Minister may establish.

(3) In the case that the Chief Executive Officer is a public officer seconded from the Government, the officer shall have the right, on the termination of secondment, to revert to the former post without any loss of rank or seniority.

Information to be made available.

8. The Government shall ensure that the Council will have reasonable access to available statistical, economic or social data which may be required for the Council and, or, the Committee to be able to execute their functions as specified in this Act.

Financing of the Council.
Amended by: V. 2017.9.

9. *Deleted by Act XIX.2025.6.*

Expenditure to be according to approved estimates.
Amended by: V. 2017.10; XIX.2025.7.

10. (1) *Deleted by Act XIX.2025.7.*

(2) *Deleted by Act XIX.2025.7.*

(3) Cheques drawn on, and cash withdrawals made from, any bank account of the Council shall be effected in accordance with the Public Procurement Regulations in force.

S.L. 601.03.

(4) *Deleted by Act XIX.2025.7.*

(5) The Council and all the bodies mentioned in articles 5A to 6A, including Committees and sub-committees, shall operate in accordance with the financial laws applicable to the Government.

Contracts of supply of works and services.
Amended by: L.N. 426 of 2007.
Substituted by: XIX.2025.8.

11. The Council and all bodies mentioned in articles 5A to 6A, including Committees and sub-committees, shall comply with all the applicable laws in respect of public procurement and public contracts.

Staff appointments. *Amended by: V. 2017.11.*

12. (1) The Council may, with the approval of the Minister, appoint such officers as may, from time to time, be necessary for the due and efficient discharge of the functions of the Council. The terms and conditions of employment shall be established by the Council with the approval of the Minister.

(2) The Prime Minister may, at the request of the Minister, from time to time, direct that any public officer shall be transferred for duty with the Council in such capacity and with effect from such date as may be specified in the Prime Minister's direction:

Provided that the period during which a direction as aforesaid shall apply to any officer specified therein shall, unless the officer retires from the public service, or otherwise ceases to hold office at an earlier date, or unless a different date is specified in such direction, cease to have effect after one year from the effective date of such direction unless the direction is revoked earlier by the Prime Minister.

(3) Where any officer is transferred for duty with the Council such officer shall, during the time in which such direction has effect, be under the administrative authority and control of the Council but shall, for other intents and purposes, remain and be considered and treated as a public officer.

(4) Without prejudice to the generality of the foregoing, an officer transferred for duty as aforesaid -

(*a*) shall not during the time in respect of which the officer is so transferred -

(i) be precluded from applying for a transfer to a department of the Government in accordance with the terms and conditions of service attached to the appointment under the Government held by the officer at a date on which the officer is so transferred for duty; or

(ii) be so employed such that the remuneration and conditions are less favourable than those which are attached to the appointment under the Government held by the officer at the date aforesaid or which would have become attached to such appointment, during the said period, had such officer not been transferred for duty with the Council; and

(*b*) shall be entitled to have the service rendered with the Council considered as service with the Government for the purpose of any pension, gratuity, or benefit under the Pensions Ordinance and under the Widows' and Orphans' Pensions Act and of any other right or privilege to which the officer would be entitled, and liable to any liability to which the officer would be liable, but for the fact of the officer being transferred for duty with the Council.

Cap. 93.
Cap. 58.

(5) Where an application is made as provided in subarticle (4)(*a*)(i), the same consideration shall be given thereto as if the applicant had not been transferred for service with the Council.

Accounts and audit.
Amended by: V. 2017.12.
Substituted by: XIX.2025.9.

13. (1) The Chief Executive Officer shall ensure that proper accounts and other records in respect of the operations of the Council are kept, and shall ensure that a statement of accounts in respect of each financial year is prepared.

(2) The accounts of the Council shall be audited by an auditor appointed by the Chief Executive Officer:

Provided that the Minister responsible for finance may, after consultation with the Minister, require the books and other accounts of the Council to be audited or examined by the Auditor General who shall, for this purpose, have the power to carry out such physical checking and other verifications as may be deemed necessary.

(3) After the end of each financial year and in any case not later than the date on which the estimates of the Council are forwarded to the Minister, the Chief Executive Officer shall ensure that a copy of the statement of accounts duly audited be transmitted to the Prime Minister, to the Minister responsible for finance and to the Minister, together with a copy of any report made by the auditors on that statement or on the accounts of the Council.

(4) The Minister shall, as soon as possible, and in any case not later than eight (8) weeks after receiving a copy of every such statement and report, or if at any time during that period the House of Representatives is not in session, within eight (8) weeks from the beginning of the next following session, cause a copy of every such statement and report to be laid on the Table of the House of Representatives.

(5) The financial year of the Council shall commence on the 1st January and shall end on the 31st December of every calendar year:

Provided that the accounts of the Council for the year 2025, shall cover the period from September 2024 to December 2025.

Annual report.
Amended by: V. 2017.13.

14. (1) The Council shall, not later than six weeks after the end of each financial year, make and transmit to the Prime Minister, to the Minister, and to the Minister responsible for Finance, an annual report on its activities during that year.

(2) Each annual report shall include a general report of developments during the period to which it relates in respect of matters falling within the scope of the mandate of the Council.

(3) The Minister shall, at the earliest opportunity, and not later than eight weeks after receiving a copy of every such report, or if at any time during that period the House of Representatives is not in session, within eight weeks from the beginning of the next following session, cause a copy of every such report to be laid on the Table of the House of Representatives.

15. The Minister may make regulations generally so as to give effect to the provisions of this Act, and for the better carrying out of any of the provisions of this Act including regulations establishing the criteria to be used for the composition of the Civil Society Committee and the Gozo Regional Committee, the number of members and any other matter for the proper functioning of such Committees.

Power to make regulations. *Substituted by: IV. 2012.4; V. 2017.14.*