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18th June, 2009

Media Release

The Country's Priority is Job Retention in the Private Sector, not increasing wages in the Public sector – MEA Director General

In his annual address at the plenary session of the International Labour Conference held in Geneva, the Director General of the Malta Employers' Association, Mr. Joseph Farrugia stressed that: **'Trade unions must realize that rather than spending money on increasing wages to employees holding public sector jobs, which are virtually recession proof, any government stimulus through increased expenditure should be channeled towards protecting jobs in the private sector which are more exposed to the ravages of the global crisis'**.

In his speech, Mr. Farrugia also referred to the time lag between a possible economic recovery and a recovery in job creation, and said that this highlights the need for policies that are specific in their objective to safeguard existing jobs, and to generate productive employment opportunities to absorb the jobs that have been lost in the shortest time possible. He added that this is clearly no easy task and such policy responses have to be country specific in their design.

Mr. Farrugia praised the government interventions to assist companies that are being negatively affected by the international recession. During this year's International Labour Conference, through an initiative of the International Organisation of Employers, a substantive debate was held on the impact of the global economic crisis and how the employment lag traditionally associated with a recovery can be shortened. This debate culminated in the unanimous adoption of a text entitled 'Recovering from the Crisis: A Global Jobs Pact'. The Pact underlines the key role that the private sector will play in any recovery and policies that support and promote sustainable enterprises, entrepreneurship SME development, infrastructure development as prerequisites for job creation in the recovery.