



MALTA EMPLOYERS' ASSOCIATION

35/1, South Street, Valletta VLT 11, Malta.

Tel: (+356) 21 237585, 21 222992

Fax: (+356) 21 230227

E-mail: mea@maltanet.net

Web Site: <http://www.maltanet.net/mea>

13th October 2004

Press Release

MEA Officials Meet Minister for Competitiveness and Communications

The Minister for Competitiveness and Communications, the Hon. Censu Galea, met representatives of the Malta Employers' Association to discuss the current economic situation and ways in which Malta can become more competitive.

The President of the MEA, Mr. Arthur Muscat, explained the position adopted by the Association on issues that are affecting the country's competitiveness. He mentioned the report submitted by the Association to the MCESD – Generating Productive Employment – A National Priority, and highlighted the need for government to cut inefficient expenditure and implement the necessary reforms to make the country competitive. He said that many of these are covered in MEA's report. Port reform is definitely a priority, and the country also needs a coherent wages policy to make its labour costs attractive to foreign investors.

The public sector should be more efficient through a planned and phased reduction in extra manpower, and control of expenditure in order to address the fiscal deficit. Government expenditure should focus on what is affordable. For example, with respect to student stipends, the MEA said that the issue is not whether they are desirable or not, but rather whether the country can afford them, and whether there are important priorities on which to spend LM10 million per annum, even within the educational sector. The Association expressed its view that initiatives such as the Convergence report and the National Action Plan on Employment are positive steps that need to be translated into concrete action to make the targets set in these reports a reality.

The MEA pledged its commitment to continue with its work to initiate and support any initiatives that lead to enhanced competitiveness in the country.