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Media Release

MEA satisfied that Malta has been pulled out of the Excessive Deficit Procedure

The Malta Employers' Association expressed its satisfaction at the news that the Council of the EU took Malta out of the excessive deficit procedure. The Association stated that this was a cardinal point on which it based its Memorandum to Political Parties before the last elections. This memorandum placed fiscal consolidation, through a reduction of the deficit and the public debt, as a key priority. It is also positive that this development occurred without the need to resort to austerity measures as happened in other economies.

The MEA said that this must be a sustained effort, through building a competitive economy and proper management of the country's finances. It said that it agreed with the EU's recommendations to persist in reducing the deficit further in the coming years, and to address skills mismatches and pension reform. The Association said that there are also challenges in the financing of health care and free education. It added that government must ensure the long-term sustainability of public finances, and take measures to control unnecessary expenditure such as the rapid increase in public sector employment which, in many cases, is causing a drain on human resources from the private sector.