

29<sup>th</sup> September 2015

## **MEA calls for the urgent implementation of an SME test for all regulations and legislation**

In an address during a business breakfast which was organised by the Malta Employers' Association as part of the SME week, Mr. Arthur Muscat, President of the Malta Employers' Association, urged government to implement the idea of an SME test which would ensure that any legislation or regulations do not have an adverse effect on small and medium sized enterprises. He said that if economic growth and job generation depends strongly on SMEs, and that one of the main priorities concerning SMEs, even at EU level, is the reduction in excessive regulation and bureaucracy, then the idea of the SME test should be applied. He mentioned as an example the idea being debated in the Employment Relations Board whereby any group of seven persons could form a distinct collective bargaining unit, meaning that a company employing fifty persons can potentially end up negotiating six separate collective agreements. Mr. Muscat warned that such a provision would make such companies unmanageable and therefore such regulations would certainly fail the SME test.