

MEA National Conference:

**Balancing Sustainable Economic Growth with Quality of Life –
A National Challenge**

Friday, 18th June 2021

Address by Ms Joanne Bondin, MEA President

Good morning. I welcome you to this conference organised by the Malta Employers' Association, which aims to address a theme which cuts across fundamental aspects of our socio-economic development – the way we live, the way we work, the manner in which we spend our leisure time, our values and aspirations. The title of the conference refers to a balance between what many may perceive to be conflicting goals. The title may also be controversial – coming from an Employer Body – but this is merely a reflection of the maturity, objectiveness and forward-looking attributes of the MEA and our members.

The main question we are posing today is whether the pursuit of economic objectives has overshadowed quality of life in Malta, and whether it is possible to reconcile GDP growth with well-being. Basically the key questions are: 'What are we giving up in our drive to be more productive, what are we getting in return? And most importantly, Is the situation sustainable in the long-term?' The answers to these questions are complex as they touch on many dimensions in our lives that may not be measurable in monetary or quantifiable terms, but which still have a lot of value. What makes the question even more challenging is the time dimension, since the effect of certain activities and practices such as how we treat the environment today, might not be felt immediately, but will impact our wellbeing in the future.

This is not just a national concern. The global dimension of the issues that we raise today has been expressed in the United Nations' Sustainable Development Goals which were set up in 2015. The seventeen interlinked global targets, highlight the need for a concerted effort by all nations to address facets of well-being ranging from quality education to sustainable cities and from clean energy to good governance amongst others. The development goals also tell us that we are on a clock, with targets expected to be achieved by 2030. Many decisions and actions cannot be postponed indefinitely despite the continuous political temptation to do so.

Many countries and regions are also taking initiative to establish strategies that effectively measure well-being. Even small countries, like Iceland, have identified indicators for well-being that are linked to the Sustainable Development Goals. In 2019, Iceland established 39 indicators of prosperity and quality of life on which to set targets and measure progress. This inevitably gives direction to the country to work on policies to achieve such targets.

Malta is no exception, and to a certain extent, may be more subject to numerous constraints due to its limitations. Even from the point of view of business and employers we face the pressures caused by economic growth. The increased demand for labour has resulted in a higher participation rate amongst women and also amongst persons who reach pensionable age. In addition, figures of non-Maltese employees have escalated during the past decade. This has had an impact on various aspects of quality of life indicators: lost time and reduced air quality due to traffic congestion, pressures on individuals and families to balance work with family responsibilities, an increased demand for building which has placed pressure on property prices and rents, a contraction in open spaces, noise pollution, rising income inequalities and rising personal debt levels – the list goes on. Some challenges are sector specific and are also the direct result of economic success. Waste management is becoming an issue, fish stocks in the Mediterranean are endangered, tourism and construction may have conflicting goals due to land scarcity. The issue of stress and mental well-being is one that affects all strata of society.

It is hardly ever mentioned that even employers are exposed to stress, even employers have family issues; they also yearn for a healthy work life balance, and to have the right to disconnect. What's more, many employers have their personal properties pledged as collateral to create employment. We fully

sympathise with the hardships many companies, small businesses in particular, faced during the Covid crisis when their businesses were closed. The well-being of society is interlinked with the well-being of its enterprises. Therefore, societal well-being is also of interest to employers.

The challenges that we are facing cannot be resolved by enterprises working in isolation. In essence, with this conference, the MEA is taking the bold step to set the scene for an informed and open discussion about the state of affairs, and to offer solutions and actions to make economic growth and quality of life complementary, rather than competing opposites. This is certainly a daunting and ambitious task, and can only be accomplished with the participation of all stakeholders. One of our major obstacles is the belief that somehow, these issues will resolve themselves on their own. A status quo is not an option. We need to make some serious choices which may entail elements of sacrifice by enterprises, government and citizens to further the common good. This may entail forfeiting short term gains in favour of a longer term, sustainable vision for our society.

However, I believe that we can approach these problems with a sense of optimism, in the conviction that a calibrated and structured approach will enable us to identify economic niches with growth potential that also respect the parameters of societal well-being. It involves creating multidimensional dialogue which will strengthen our society. It is a network that will involve the upskilling of our labour force, utilising technology and digitisation to enhance productivity and competitiveness, the promotion of positive values and health, the strengthening of our governance and the protection of our natural environment.

Therefore, this conference is not meant to devalue the relevance of GDP as a measurement of economic well-being. What is being promoted is that the concept of GDP needs to be supported with a wider range of metrics to have a more comprehensive picture of the functioning of our society by identifying key issues that influence our well-being which will guide decision makers.

It is encouraging to note the strong attendance for this conference, together with the diversity of participants, because this is, in itself an indicator that this is an issue that resonates with the concerns of all Maltese society. Today's event will certainly not be conclusive. My ambition is that it should spark an ongoing debate among all stakeholders to determine the level of economic and social transformation that is necessary to channel the benefits of economic growth into sustainable activities that will maximise the well-being of our society.

I am certain that you will find the presentations informative and the discussions stimulating. So, I invite you to participate fully and enjoy the conference.