



## **MALTA EMPLOYERS' ASSOCIATION**

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### **Media Release**

## **Malta Employers' Association calls for Proper Consultation on Revised Water and Electricity Tariffs**

The Malta Employers' Association has called for the spirit of social dialogue to be respected if the Government expects the social partners to participate in finding solutions to the country's problems. The Association expressed disappointment at the poor consultation on government's intentions to revise the water and electricity charges to households and industry. The Association stated that the social partners have been completely left in the dark about the developments, which, if not amended, will have serious repercussions on companies, particularly manufacturing and hotels and may result in a significant loss of jobs.

The MEA objected to the fast retroactive timing of the change in tariffs and the removal of the capping, and insisted on immediate consultation to explore alleviating measures to mitigate the serious negative social and economic impact of the revised tariffs. The Association added that, given the current state of affairs in the international scenario, this certainly is not the right time to add to the existing level of uncertainty in the economic environment. The economy cannot afford sudden shocks such as those that were thrown on the table during the MCESD meeting of the 1<sup>st</sup> October without conducting a comprehensive socio-economic impact assessment and to seek a packaged solution. While the principle of a level playing field with competing manufacturers abroad is acknowledged, it must also be understood that Maltese employers face numerous drawbacks when compared to their counterparts in other EU countries. For example in spite of supposed reforms and promises to the contrary, port charges have remained much higher than that paid in mainland Europe.

The Association proposed that the social partners be given adequate time to formulate a reaction to the planned measures to prevent an economic slowdown, and to start immediate discussions at MCESD to seek a solution to this worrying situation.