

# General Workers' Union Pre Budget 2024 Proposals



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## **Economic Note**

#### Economic challenges

Despite the fact that the Maltese economy is going through difficult times, especially after the large investments made by the government during the Covid 19 period and the subsequent invasion of Ukraine, it is encouraging that the Maltese economy grew at a healthy rate of 6.9% in 2022. This was the result of strong local demand and the large investments in the economy so the economy could continue to grow. At the same time, the large investments in the tourism sector continue to add more value to our economy, securing thousands of jobs in the sector.

#### Economic growth

The government's vision to invest in the Maltese economy has resulted in our country having one of the best GDP per capita compared to the European Union average. In fact, our country produces more per capita than the European Union average. This is a result of the foreign/local investments that our country has continued to attract, especially after the strengthening of the financial sector, which was necessary for the modernization of the Maltese economy.

Within this economic framework, GWU remains vigilant to the challenges that we continue to face in sustaining this economic renewal. With a slowdown in economic growth which is projected to be 3.9% in 2023, the biggest challenge always remains related to the management of direct energy costs, which can have a significant negative impact on the cost of an industry that ultimately leads to more inflation in the country. Managing inflation remains a priority to both support economic growth and ensure that the living standards of our workers and pensioners/retirees are not eaten up. The challenge in this sector can only be overcome if our country continues to attract sound foreign investments that create greater value at national level.

Government investment should lead to more innovation and research, but above all we should focus the country's resources not only on a mass industry such as tourism, but on niche economic sectors that leave a strong added value to our country. At the same time, this should lead to better quality of life by focusing on new industries that have less negative impact on the

environment of our small island and, above all, less pressure on the country's general infrastructure.

#### Inflation

Managing inflation remains one of the biggest challenges for the country, especially since the projected inflation of 5.4% in 2023 is higher than the projected average in the European Union of 3.2%.

The increase in demand in the country, as explained above, continues to be a major contributor to keeping inflation at high levels. It is therefore very important that the additional liquidity that is injected into the economy goes into new investments that create greater value in the economy. Only then will we be able to make the large investments by the Government in the Energy sector, which investments could have never materialised if the economy did not support the economic growth that has occurred in recent years.

GWU will continue to be vigilant about the negative impact of inflation on the nation's vulnerable, including our workers and pensioners/retirees. Above all, GWU will continue to insist on updating the COLA mechanism to measure the country's price level that truly reflects the average necessary expenditures that workers and pensioners/retirees make on ours.

The strengthening by the Government in the fiscal sector remains a great encouragement for the GWU, because only in this way can full financial resources be directed towards vulnerable sectors and work sectors in the country. The GWU maintains that no required investment in the country including direct resources in energy management will occur if the fiscal tightening is not carried out.

#### Price Stabilization Scheme

The GWU is proposing the launching of a scheme whereby importers of food stuffs are given the opportunity to apply for a soft loan. The soft loan is to be financed by the Malta Development Bank and the interest rate subsidised through the National Development and Social Fund. This

will give importers the opportunity to buy in bulk and thus prices are capped and stabilised. The scheme is to be managed by Malta Enterprise in collaboration with the Malta Development Bank.

#### The level of work

GWU expresses great satisfaction that those gainfully occupied continues to increase at a rapid pace. Given the great economic challenges, it is very positive that the unemployment rate in the country has remained below 3%, while the average European unemployment rate is 6.6%. At the same time, labour force participation is above the European average at almost 78%.

While GWU stresses the importance of maintaining economic growth, it is important that the government continues to improve the quality of life by investing more in the country's overall environment and infrastructure. At the same time, workforce empowerment must prioritize an important increase in social inclusion for vulnerable sectors of society, including the integration of women, young people, migrants, and other disadvantaged groups, which will be a key objective for employment growth.

On a more macroeconomic level, GWU notes that the government is providing large incentives in the SME sector and self-employed to support them in their production. Incentives for the workers' reskilling, training, and continues development in the new world of work, subsidized loans from the National Bank for Development, programs financed by the Structural Funds of the European Union, have continued to provide greater incentives in the field of labour. At the same time, these programs should lead to more innovation and new ideas in the field of labour, which is very important for the revitalization of our economy.

The GWU also proposes the following measures to facilitate an increase in quality jobs;

 Reduce all types of bureaucracy that can hinder economic growth and above all hinder the support and growth of quality jobs. Every administrative and regulatory obstacle towards entrepreneurs and small businesses discourages investment and innovation with very negative effects in the world of work.

Strengthening of the country's infrastructure including better management in the energy sector to limit the 'Government Induced Costs' on our industries. It is clear that the strengthening of the

general infrastructure of the country has a direct impact on the competitiveness and productivity of our Economy.

More investment in the country's vocational sector to provide more human resources as required by the evolution of the country's general industry. This is how we close the skills gap which is a key challenge for more productive jobs. At the same time, we must ensure more social inclusion as explained more above.

#### Public Debt

GWU recognizes that the stimulus investment in our economy during the COVID-19 pandemic period, the subsequent international challenges, and the invasion of Ukraine, have led to significant increase in the government deficit and debt in recent years. Although public debt is expected to reach 59.1% of GDP in 2023, this is still much lower than the European average, which exceeds 88% over the same period. The deficit, which is expected to reach 5.5% in 2023, is also among the highest in the European Union.

GWU takes a very positive view of the update of the Finance Minister's Financial Stability Program for 2023 to 2026, which should lead to a reduction in both the deficit and the public debt of our country, so that in 2026 the deficit is projected at 2.4%, while at the same time the public debt should fall below the mark of 55% of GDP in the same period.

The GWU will continue to support measures to strengthen our country's finances, including;

Increasing efficiency in the collection of the country's taxes. GWU remains opposed to any kind of tax evasion and any form of shadow economy. GWU believes that more efficient enforcement in this area should lead to a natural growth of our economy, and thus a lighter burden on our workers and pensioners/retirees.

Greater rationalization of public spending by prioritizing investments that add more value to the economy. GWU believes that no rationing should be directed at our country's health and education sectors. At the same time, greater priority should be given to more targeted investment in the environment and infrastructure, as discussed above.

Growth can only happen if structured reforms are really implemented, they support economic growth, competitiveness and economic resilience which is very much necessary in a period of international challenges. This resilience will only be achieved if the Government together with the social partners address all kinds of challenges in the world of work as already explained above.

GWU recognizes that the economic growth that our country has experienced over the past decade has helped our country to address the challenges that we have experienced over the past years. Only this way, our country has survived these challenges with the lowest unemployment rate, with a standard of living that can continue to be supported by our labour force. GWU will be at the forefront of giving the government the support it needs to meet any challenge in the best interest of the economy and, most importantly, by supporting the interests of our workers and pensioners/retirees.

# Tax Evasion & Compliance

Tax evasion is an unacceptable betrayal of societal responsibility. It enriches the few while burdening the many. We must determinedly oppose this deplorable act, holding those who evade taxes accountable for undermining public services and social welfare. By tackling tax evasion head-on, we safeguard economic equality, foster trust in governance, and we can invest in vital infrastructures and programs. A fair and progressive tax system is the bedrock of a just society, and we must work tirelessly to close loopholes, enforce penalties, and promote transparency. The GWU has always advocate against those who evade tax or undeclare their income. Together, we can build a more equitable future where everyone pays their fair share to support the collective wellbeing.

We are proposing better and rigours enforcement of laws to reduce corruption, tax evasion and undeclared income. We commend the strategy adopted by the Ministry of Finance to collect what is due, to perform inspections, and to conduct financial audits. The amalgamation of the Customs, Tax and VAT data should provide a clearer picture of individual's wealth and lifestyle. Those who have unexplained and undeclared wealth should face prosecution and their assets repossessed.

We congratulate the action taken by the Ministry for Social Policy and Children's Rights to recover misallocated social benefits and prosecute fraudsters. Between 2012 and 2022 the Government saved around €41 million after identifying fraudsters.

We propose enhanced and constant monitor, inspections to ensure that social security benefits are paid to those entitled to and the most vulnerable in our society and ensure that fraud is eradicated.

We are proposing the increase of earnings by all professionals as in the past few years certain services have been increase substantially.

## **Energy Prices**

Subsidies are intended to protect consumers by keeping prices low. The General Workers' Union applauds to no small measure the current policy adopted by the government of not increasing energy, fuel and cereal prices. Latest inflation statistics issued by the National Statistics Office show that inflation is not fuelled by government induced costs.

Government's priority should remain keeping energy prices for consumers including businesses, stable. This policy, while expensive is fundamental to keep cultivating economic growth and keep fighting inflation.

## **Tourism**

Tourism is of paramount importance to the Maltese economy. As an island nation in the Mediterranean, Malta's natural beauty, rich history, and cultural heritage attract millions of visitors annually. The tourism industry contributes significantly to the country's GDP and employment. It supports various sectors such as hospitality, transportation, food and retail, creating numerous job opportunities for locals and foreigners.

In order to sustain this economic pillar, we need to emphasize responsible and sustainable tourism practices, ensuring the long-term preservation of our unique resources and maintaining

the nation's competitive edge in the global tourism market. Thousands of employees are either directly or indirectly dependent on the hospitality sector.

Tourism depends on the quality of the service. In order to reach optimum quality of service, employees need to feel empowered and motived, they need to feel appreciated and well paid. Unfortunately, it is to be noted that the working conditions and pay in the Hospitality and Entertainment Sectors are one of the lowest in all Maltese economic sectors.

In this regard, we are proposing that the skills passport is introduced immediately. The skills passport in the tourism industry, can serve as a comprehensive record of an individual's qualifications and competencies. By showcasing a person's relevant skills, certifications, and experience, the skills passport fosters a standardized framework for recruitment, enhances industry professionalism, and promotes lifelong learning. Moreover, it facilitates workforce planning, addressing skill gaps and matching talents to job opportunities. In a rapidly evolving sector like tourism, a skills passport empowers professionals to adapt to changing demands and ensures a skilled and diverse workforce that ultimately contributes to the industry's sustainable growth and competitiveness.

Niche tourism presents a unique opportunity to cater to the diverse interests and preferences of modern tourists, and its promotion and advertisement hold the potential to revolutionize the tourism industry. By showcasing specialized and distinctive experiences, niche tourism captures the attention of a niche-specific audience, encouraging tourists to explore beyond conventional destinations. For example, religious tourism can be promoted more, and it will attract a very distinctive tourist. Many activities carried out by volunteers are free, such as festivals, processions during Holy Week, village feasts and fireworks, which can be interesting for tourists coming to Malta.

Through targeted marketing campaigns, social media engagement, and collaborations with travel influencers, promoting niche tourism can create a buzz and intrigue among potential travellers. Highlighting the various niches such as religious tourism, real village life, culinary tourism, scuba diving, heritage tourism, wellness retreats, and cultural immersions, among others, will resonate with individuals seeking authentic and immersive experiences.

Collaborating with local communities and small businesses is essential to cultivate genuine and sustainable niche tourism. By emphasizing responsible and ethical practices, travellers are more likely to be drawn to these unique offerings, knowing they contribute positively to local economies and preserve cultural heritage.

#### Health

The health crises that engulfed the whole world during the COVID-19 pandemic showed how resilient is our health system. The GWU applauds the Government for the huge investment done to safeguard and protect the health of all citizens. After the COVID-19 pandemic, the invasion of Ukraine created global uncertainty and unprecedented inflation, still the Government continued to invest in new equipment and in the regional health clinics.

Projections show that health expenditure will increase significantly over the next generations — one that is driven by Malta's aging population. The 75+ population cohort is expected to increase by over 100% by 2030 over the 2010 baseline. The related health costs of a 70-74 year when compared to a 50-74-year-old increases by a factor of 100%; for a 75-79 year, old by a factor of 150%; an 80-84-year-old by a factor of 250%; and an 85-year-old by a factor of 350%.

The likelihood is that as Malta ages the health care entitlement system, as we know it today will face significant pressures. The GWU is of the view that action must be taken today to ensure that current entitlements are safeguarded not just for this generation but also for future ones. An important measure for the Heath Care System to make it sustainable, is an aggressive sustained programme to eradicate waste, improve effectiveness and increase efficiency so that for every euro invested in the health care system, the optimal return possible is achieved.

The key weakness in Malta's health system is that it is institution driven. Consider what happens when there is a flu outbreak. Mater Dei Hospital breaks down as everybody goes directly there. Health centres are by passed. Even in instances where clinic services are decentralised to health centres, such as for example, anticoagulation, a sizable number of persons continue to go to MDH phlebotomy clinic for bloodletting and monitoring.

Ensuring that healthcare entitlement as we know it today is safeguarded for current and future generations, the GWU believes a bi-partisan approach is necessary to adopt an integrated health care framework that is based on the principles presented here:

Prevention, too, spans a person's life journey across different age profiles which result in different medical conditions. Prevention is necessary not only for a person to avoid incurring a medical condition at the first instance but as importantly for a person to manage that condition once it occurs so there is no relapse or degeneration of the condition, consider Diabetes II, this can be prevented if the condition is detected early, and it can be managed. If it is not managed it can get bad. Progress is made in instilling a prevention culture in Malta. This is evidenced by the increasing number of gyms, health centres, healthy food outlets, etc. More, however, is required. More can be done, in particularly with the use of my-health and e-health/care technology for more effective prevention and management of conditions.

In an integrated health care framework Mater Dei Hospital, will become what is should be, an acute hospital. Ensuring that Mater Dei Hospital truly become an acute hospital, all day and non-acute services, certain types of emergencies, certain clinical services, etc. residing today in Mater Dei Hospital are migrated to the regional health centres like the one being built in Paola and the strengthened Health Centres and Lifestyle Clinics.

Health Centre should continue to constitute the point of first contact for emergencies and walkins and a point of reference for community care through the services of different clinics. Health Centres will continue to provide Specialised Clinical Service. Strengthened Health Centres and instil a new culture that patients don't need to go the MDH's A&A. Health Clinics should be available 24 hours a day to reduce the pressure on Mater Dei Hospital.

Lifestyle Clinics are strengthened so that they become the main community service provider for public primary health care. The Clinics will be responsible for providing comprehensive general health checks to patients including chronic conditions management and education relating to prevention. The Clinics will also provide community after care services.

While huge investment in ICT, more needs to be done to integrate a health system that is patient centric which captures patient data recorded by all public and private operators in the health care

sector. Such a patient centric system ensures a networked environment with private sector health care providers thereby ensuring that a patient receives a 360 multi-disciplinary care approach.

The inability to enable patients, particularly elderly patients, to re-integrate within the community results will increase induced public health costs, as patients inevitably will become institutionalised. Although investment in rehabilitation increased over the years, there remains an absence of an institutional rehabilitation framework that encompasses respite care provision, and community outreach services that supplement institutional care to prevent and reduce hospital admission.

The GWU proposes a strengthening in human resources in all aspect of our Health eco system with the aim of providing an increased quality service in the provision of services.

## New World of Work

#### **Working Conditions**

The world of work is a dynamic and ever-evolving landscape that plays a pivotal role in shaping the global economy. As economies grow and societies progress, the nature of work undergoes significant transformations. The fast pace of technological advancement, the COVID-19 pandemic changed the world of work. We need an in-depth discussion on the intricate interplay between labour markets, technological advancements, and policy frameworks, shedding light on the challenges and opportunities that characterize modern employment.

Within this realm, rapid technological innovations, such as automation, artificial intelligence, and the rise of the gig economy, have profoundly impacted job markets, altering traditional employment structures and skill demands. Various factors are contributing to this fast-evolving world of work among which are policies promoting inclusive growth, social protection, equality and fostering a future-oriented human resources, skills demographics, education, and workforce mobility. All these factors influence economic productivity and competitiveness.

We are proposing that all work performed on a Sunday should be paid at double time irrespective of the economic sector.

We are proposing that the amount of Social Security Contributions to be paid should be calculated from the age of 16 years onwards. Currently between the age of 16 to 18 years of age are not calculated as part of the individual contribution.

We are proposing that all disciplined forces officers' treasury pension is increased with COLA every year as from 2024 and adjusted according to the collective agreement and the basic salary of the rank and scale in which that employee was on the day previous to his retirement.

We are also requesting the immediate implementation to last budget measure that those officers who opt to continuing serving our country after they have given 25 years of service. This initiative will give members of the Disciplinary Forces the opportunity to improve their pension by 23% after four years of additional service.

We are also requesting the implementation of last year budget measure that introduced the concept of service pension for five years to the widows of Disciplinary Corps officers who pass away before they complete 25 years of service or during the period between the end of service and retirement age.

#### **Labour Legislation**

We are proposing the revision and updating of the current employment and industrial relations laws to cater for an ever-changing economy. We are proposing:

The revision of the main labour legislation which was enacted in 2003

The streamlining of the Wage regulation orders.

The introduction of new legislation to name and shame employers that abuse employees.

The signing of a number of conventions and recommendation by the International Labour Organisation.

#### Legal Framework of Telework, Remote Work

We are proposing a robust legislative framework to cover remote working and teleworking. The only coverage and protection is very minimal by the Telework National Standard Order. S.L.

452.104. We believe that it is the opportune time to update the current telework legislation and introduce new legislation to cover remote working to cater for the new world of work.

We are also proposing that both remote and teleworking are promoted with employers and encouraged to be taken by employees. Incentives can be given to promote and encourage take up.

#### **Definite Contracts**

We are proposing that the government legislate so that in the event that a worker on a definite contract has his contract not renewed, if the same workplace wants to employ another employee in the same position, they should send for the same employee whom the contract was not renewed. This principal already exists for those who are made redundant. This way the experience and knowledge of the employee are not lost.

#### Mental Health & Mental Health First aiders

For many of us, work is a major part of our lives. It is where we spend much of our time, where we get our income and often where we make our friends. Having a fulfilling job can be good for our mental health and general wellbeing. All of us have times when life gets on top of us — sometimes that's work-related, sometimes it's our health, our relationships, or private circumstances. It is important that employers take care of the well-being of all employees by addressing mental health at work for those who are facing difficult times or are at risk. We believe in workplaces where everyone can thrive. We also believe in the role of employers, employees, and trade unions in creating thriving workplaces.

Every year several employees experience mental illness. Many people are not knowledgeable or confident to help. Physical first aid is legally obliged in our workplaces; however, most do not cover mental health problems. Mental Health First Aid (MHFA) teaches people the skills to help someone who they're concerned about. Good mental health at work and good management go hand in hand and there is strong evidence that workplaces with high levels of mental wellbeing are more productive. When we enjoy good mental health, we have a sense of purpose and

direction, the energy to do the things we want to do, and the ability to deal with the challenges that happen in our lives.

Awareness of mental health is increasing, but we still face a world where people with mental health problems face discrimination and can face challenges getting the help they need. Many people try to conceal their feelings hidden because they are afraid of other people's responses. Fear of discrimination and feelings of shame are among the top reasons people give for not telling their colleagues about their mental health problems. The GWU is proposing that a new legislation/regulation is enacted to make it compulsory to have a mental health first aider in every workplace.

Mental Health and Support for LGBTIQ+ Youth. We are proposing an increase in allocation of funding for initiatives that provide mental health support and create safe spaces for LGBTIQ+ youth, who often face unique challenges related to mental health and discrimination.

During the Covid period, due to the extraordinary demands of that time, the mental health unit of Mater Dei Hospital was closed to be used for emergency purposes. For this reason, patients in need of treatment had to go to the Monte Carmel Hospital. Due to the negative stigma attached to this hospital, it is not a pleasant situation for many patients suffering from mild and non-acute mental illnesses to go there. Therefore, it is proposed that the mental health unit be reopened in Mater Dei as soon as possible.

After a careful evaluation, employees who work in stressful jobs that involve high mental stress must be given access to free psychiatric care or counselling.

## Equal Pay for Job of Equal Value

Equal pay for equal work should apply for subcontracted employees. While the Public Administration is currently paying the same basic pay for equal work and double rate for work on Sunday, these employees are not paid the same benefits and are not entitled to any increments as public officers. In the private sector the situation is even worse as sub-contractor employees are only paid the minimum wage unless they are organised with a trade union, and they are covered by a collective agreement. The GWU has been advocating on this issue for a very long

time. As such we strongly believe that a new legislation is enacted to ensure that the equal pay for job of equal value principal encompasses all employees within the same working organisation performing the same jobs. this measure will further eradicate precarious employment and reduce further the number of working poor.

If we truly want to create careers and not just jobs, then employers must be incentivised to employee directly with them instead of making use of sub-contracting employees. While Malta is experiencing full employment in addition to around 60 thousand foreign workers, most jobs are being created through the sub-contracting. This is depriving them from participating in the success of the particular workplace and not being covered by collective bargaining.

#### **Continues Personal Development**

Another facade that the country needs to address is coaching, training, up-skilling, re-skilling, and lifelong learning. The economy is continuing to grow and creating new jobs. We are also envisioning a green sustainable economy, new quality jobs will be created which needs a skilled workforce. Consequently, human development is a must to fill these quality jobs. We need to create synergies between the formal/informal education institutions, the future industries and trade unions. It is imperative the input of trade unions in the formation of these new forms of work. Therefore, it is equally important the continues social dialogue on development skills and a national vocational education strategy. Adult learning and continues personal development must become part of our culture. National policies, as well as actions needs to be initiated and consolidated to create a culture of continues learning and development society.

#### Capping on overtime and allowances rate

In a previous budget the Government introduced a new tax rate on overtime income, at 15% on the first €10,000 for employees whose basic annual pay does not exceed €20,000. The GWU is proposing that the capping of €10,000 is eliminated and the rate of 15% is fixed on all overtime income.

We are also proposing that this rate applies to all allowances.

#### Childcare Centres and Medical Clinics in Industrial Zones

We are proposing new childcare and medical facilities in every industrial zone. Apart from facilitating the drop and pick up of children by parents, medical centres are essential to give instant medical care in case of an accident.

We are also proposing that these facilities are open for a 24-hour service to help shift working parents.

## The Cost-of-Living Adjustment (COLA)

Many of those involved in the industrial relations scene admit that the interests of both parties can rarely be completely reconciled, but they also stress that the aspiration of a successful partnership arrangement between a union and an employer is to develop a spirit of mutual trust within which justifiable compromises can be made through negotiations and collective bargaining.

A clear example of strong social dialogue and collaborative partnership, on a national level in Malta was the 'National Income Policy' which agreement was reached in December 1990 between the Federation of Industry, Confederation of Maltese Unions and the General Workers' Union. This National agreement amongst other things regulates the adjustment of wages and salaries according to inflation increase. The cost-of-living adjustment (COLA) is calculated on the basis of a twelve-month moving average inflation rate as at September multiplied by the base wage, where the official index of inflation is the Retail Price Index. The base wage represents a wage level agreed upon in 1990 and which has since then been augmented annually by the COLA. The cost-of-living adjustment compensate all employees and pensioners for inflation. The aim is that there is no deterioration in the purchasing power due to an increase in prices. Competitiveness is not impacted.

Departing from this agreement apart from the legal aspect would mean bring back unrest and industrial action back to the forefront once again. Each year, depending on the amount, either trade unions or employers complain about the amount but both sides believe in the mechanism and the independent board that oversee the workings.

Furthermore, when performing collective bargaining both sides provide clauses to cover, collective agreement increases, and the cost-of-living adjustment. Collective bargaining provides for a structured dialogue that incentivises productivity and efficiency while at the same time increase employee's compensation and benefits.

As such like the past year the GWU will resist any change to the current mechanism and compensation since no new agreement was reached. We cannot as workers' representative agree to a decrease in the purchasing power of all employees. Obviously, government needs to make sure that all employers abide by the agreement and take legal action on those who does not compensate employees the whole COLA.

## Capping of sub-contracting employees

In the private sector, the majority of vacancies are being filled by sub-contracting employees. In every working organisation, you will find more than four type of employers — a subcontracting company provide administrative, cleaning, clerical, security, operational services. We must ensure that all employees can benefit from the success of every working organisation. These sub-contracting employees are not being paid the same and they don't enjoy the same working conditions. Some employers argue that they need to have the flexibility in human resources due to their fluctuation in the global economy.

While we can discuss this issue, these sub-contracting employees are performing the same level of output and efficiency but being remunerated at minimum levels and without any prospect of progression.

As such if we really want to create careers and not just jobs, we must ensure that every employee can develop his/her full potential. We are proposing that the Government should legislate that only 20% of the workforce in every organisation should be outsourced.

#### Work-life Balance

While we welcome the legislation on the work-life balance, we cannot accept the payment for the parental leave and the non-payment of the careers leave. The legislation states that the payment must be attractive enough to attract the take up of the leave. During the discussion we always proposed the Nordic model and full payment for every employee.

In view of the current economic scenario, we are proposing that the payment is increased gradually to full pay.

#### Flexible Working arrangements

In a fast-paced new world of work, every employee is finding it very hard to reconcile his/her work and his/her family commitment. After the introduction of the 40 hour spread on 4 days concept in the public service, we are proposing more flexible working arrangements both in the public administration and the private sector as long as the flexibility still respect the Working time Directive. We are proposing were possible, and there is an agreement between employers and employees or their representatives (trade unions) the option to establish core hours and the rest of the working hours is performed during the entire paying period.

#### Performance pay and commission based income

Since the world of work is changing fast, and pay structures are also changing the pension system should reflect these changes. Performance pay and commission based income should also be included in the social security contribution. In most cases the employee is not offered any choice and must accept the terms and conditions of these employment contracts.

In other instances, performance bonuses are offered to circumvent the system. In some instances, the employer pays part of the salary as a performance bonus. Employers and employees will not be paying social contributions on these commission/performance bonus but only the employee will be impacted in his pension.

As such we are proposing that performance bonus and commission are included together with the basic pay on which social insurance contributions are paid on. This will have a huge impact on the employees' pension and the state coffers.

#### **Employee Employability Insurance**

We are proposing an Employee Employability Insurance, safeguarding the health of the employee. This is apart from the standard Government social security contribution. This insurance will offer financial security during accidents and deaths at the place of work. This insurance should be paid by employers. Economic sectors who are more prone to accidents should implement this type of insurance immediately. This insurance must prioritize the employee well-being.

#### Automatic Trade Union Membership of your choice

For the past few years, the GWU have been advocating in favour of obligatory trade union membership for employees. We strongly believed in this when we introduced this issue for discussion and the pandemic and recent events have strengthened our resolve. This is an opportune moment to discuss and implement this measure to tackle abuse.

During the pandemic we had first-hand experience of how organised employees in a trade union were treated and those who were not. Many a time we read about the abuse of workers in various workplace. Many a time we heard about both Maltese and foreign workers being deprived of their basic working rights.

The proposal that we put forward gives the opportunity to every worker in Malta to be involved in a trade union of his choice. Those against our proposal always cited the issue of freedom of association and claim it breaches the European Charter of Human Rights and our Constitution. When we argued about the thousands of employees who are denied the right of association, they could not respond back. When we asked what their proposals are to eradicate abuse at the workplace, they could not respond back. This is the opportune time for such a proposal. Our main argument is that every worker should be a member of a union to avoid being exploited and abused. As such we urge the government to expediate the consultation process.

In return trade unions would directly employ enforcement officers to monitor the situation in every workplace and alleviate the pressure on the Enforcement Section within the Department of

Industrial and Employment Relations. If we truly want to eradicate abuse on employees, this is the only way.

#### Regularisation of Work Permits

The GWU is proposing a revamp of the single work permit system that truly serves the permit holders. Many a times we meet with third country nationals who lost their right to work due to a technical error or due to lack of proper documentation. On most occasions it was not the employee's fault. In it is to be pointed out that once the working permit is rejected or refused, the holder must leave the island immediately. If the employee does not have the necessary funds, then he/she will start working in the shadow economy. During the course of the last couple of years, we have witnessed hundreds of third country nationals working in the informal economy, paid less than the minimum allowed by law, deprived of basic health and safety standards, living in humiliating and squalid conditions, and constantly abused.

Apart from the revamp, the GWU is proposing that the Government launches a scheme applicable to all those third country nationals who entered Malta legally and became illegal to regularize their position. This scheme can be monitored by social partners, national authorities, and private employers in need of human resources. This coordinated effort can help eradicate abuse and precarious employment, regularizing employment, increase the revenue for the employees and the state.

## Products Price Control & Comparison Websites

The GWU is proposing the following two suggestions to avoid a wage-price spiral inflation. The wage-price spiral inflation is a situation in which the higher cost of living leads to workers demanding higher wages which, in turn, forces businesses to up their prices to keep up with costs. As we cannot accept any change to the COLA as it will be breach of a national binding agreement, we are proposing that prices of essential goods are closely monitored by the appropriate Authorities and those who abuse both importers or retailors are fined and made to reduce the quoted price.

Prices for goods and service apart from abusive behaviour can fluctuate depending on the demand and supply. As already stated above, higher prices for goods and services contribute to higher inflation. Hence, we are proposing price comparison websites and applications can help to decrease prices and consequently inflation. These websites/applications are becoming more and more popular. The data and values provide by the price comparison sites helps consumers to save money and make it easy to buy the cheapest possible. The ability to check the price of products brings convenience and saves a lot of time and money. Price comparison is done when the price of the same product is compared in different outlets. Every supermarket operates online shopping sites. As such a particular product has different prices on every different shopping site. Prices can also be provided by the National Statistics Authority. Hence, we are proposing the Government introduces financial incentives for the creation of websites and applications that provide products prices comparison to help consumers and fight inflation. This can also cater for restaurants as well.

## The Living Income

The GWU believes that every citizen should have a decent income that guarantees a decent living. If we all believe in this human principal, then as a society, we have an obligation to introduce the concept of living Income. In our opinion, the living income is the minimum level of income required for a family or individual in Malta to live a decent and dignified life without the risk of poverty. In our opinion, the quality of life does not only include money, but also free time that allows one to enjoy their personal and family life.

The concept of Living Income goes beyond the Living Wage (the wage level needed in order to live a decent and dignified life), because it covers other cohorts of our society apart from workers and includes other types of income such as health, education, pensions and social benefits.

The GWU took the initiative to conduct an independent scientific research to define what is the living income and establish the amount needed by different types of families and individuals to have a decent living. The notion was to establish that minimum expenditure and the equivalent income level at which a family or individuals in Malta would live a decent and dignified life.

Currently, we are in the process to promote our findings with social partners, political parties, and non-government organisations. We believe the next step is to discuss how to implement the living income concept.

#### National Skills Council

We applaud the Ministry of Education, Sport, Youth, Research and Innovation for the revamp of the National Regulatory Skills Council. The task of the council is to evaluate, assess, and certify a workers' experience, trades and skills in various regulated industries. Its primary purpose is to ensure that individuals with skills and experience but without any academic certification, can have their abilities and competences measured and certified.

We are proposing an increase in budgeting and an accelerated road map for the implementation process of evaluation. The certification provided by the National Skills Council must serves as a validation of their experience and skills. This certification can enhance job opportunities for those with lack of academic certification. It must certify credibility and trustworthiness in the eyes of employers, clients, and regulatory bodies.

#### Special Paid Sick Leave

We propose the introduction of special paid sick leave for women experiencing a miscarriage. This compassionate sick leave aims to offer support during this difficult and challenging time of loss, acknowledging the emotional and physical toll it can take. Providing paid sick leave ensures that women can take the time they need to grieve, heal, and receive necessary medical attention without additional financial burden.

#### Past Injustices

The GWU is satisfied with the introduction of various schemes to address past injustices. We believe that these schemes have addressed grievances that no court can address. A lot has been done but still there are groups that we have not addressed their claim. We are proposing that the Government needs to continue investing in new schemes to address other past injustices among others ex-gas board employees and ex-Verdala employees.

Last year the General Workers' Union on behalf of the ex-Shipyard Workers', official wrote to the Government requesting to engage in active dialogue to reach an out-of-court settlement. These workers' have been longing for 20 years to have justice. These workers need closure to their suffering when they were terminated because of their political beliefs. This is the only path to ensure justice is served and to provide long-overdue closure to this injustice.

#### Asbestos-related diseases.

The General Workers' Union commends the Ministry of Finance for compensating Shipyard workers who have suffered from Asbestos-related diseases or deaths. In view of the fact that these diseases can manifest years later, the GWU is proposing the reopening and continuous availability of this scheme. Moreover, we are proposing the extension of this scheme to workers afflicted with these diseases from other Government Entities.

#### Apprenticeships Scheme

To address the shortage of skilled workers in the Maltese economy, implementing apprenticeship schemes is a strategic solution. These schemes can offer on-the-job training together with a formal education, enabling individuals to acquire practical skills while earning a wage. Employers can participate by offering apprenticeships in sectors experiencing skill gaps, such as technology, healthcare, and construction. Pay could be shared and must be the minimum of the grade, the apprentices is receiving training in.

Government incentives, such as tax breaks and subsidies, can encourage companies to engage in these schemes. Additionally, partnerships between educational institutions and businesses can facilitate the development of tailored apprenticeship programs.

This apprenticeship model can enhance the pool of skilled workers to boost economic growth. Also, this can address the skills gap through hands-on learning, The Maltese economy can foster a competent and adaptable workforce ready to tackle emerging challenges and promote innovation in various industries.

## A Just and Fair Society

#### The Second COLA mechanism

The GWU applauds the Government for the introduction of the second COLA mechanism for the most vulnerable. The cost-of-living crises is a reality that everybody is witnessing and the consequential effect on their purchasing power. Indeed, the most impacted are the most vulnerable groups like pensioners and those on minimum wage. This mechanism is intended to protect these cohort of people. After the implementation last year, we are proposing another round of discussions to refine, simplify, and adjust to capture more low-income earners. We believe that these changes should not alter the principal and values of this important measure to alleviate the hardship of the most vulnerable.

## Low Wage Commission

Since the beginning of this year, social partners in the MCESD have been engaged in discussions to determine the adequate minimum wage and low wage earners. The discussions are progressing well, and we believe that once agreement is reached, the Government implements immediately the Commission recommendations.

## Judicial System

A democratic country requires an efficient judicial system to safeguard the rule of law, protect individual rights, and maintain social order. A well-functioning judiciary ensures fair and impartial resolution of disputes, upholds the constitution, and checks the abuse of power. It guarantees equal access to justice, foster trust in institutions, and promotes economic growth by providing a stable environment for businesses. An efficient judicial system also deters crime, upholds democratic values, and reinforces the principles of accountability and transparency. It serves as a cornerstone of a just society, fostering citizen confidence and contributing to the overall stability and progress of the nation.

The saying goes that 'justice delayed is justice denied'. Implementing a reasonable but rigid time frame for deciding a case is essential to address the issue of delay cases in our courts. By setting

specific deadlines, we can expedite the judicial process, ensuring justice is delivered swiftly. This approach will benefit both litigants and society as a whole, as it promotes efficiency and discourages frivolous litigation.

In addition there should be an increase in budget for investment in technological systems, efficiency, accountability, digitalisation and human resources within the court agency.

#### Tax bands

We are proposing to increase tax bands to address the issues of minimum wage and the cost-of-living adjustment being taxed. Apart from minimum wage being taxed, we have cases of individuals earning less than the previous year because she/he are being pushed into higher tax brackets due to inflationary increases. Tax bands determine the income ranges at which different tax rates apply, and when they are not adjusted for inflation, it leads to "bracket creep" where taxpayers face higher tax rates even if their purchasing power remains the same.

The concept of "bracket creep" occurs when income is adjusted with inflation increases and as a result, the employee may move into higher tax brackets and pay a larger percentage of their income in taxes, which can erode or eliminate the benefits of any cost-of-living adjustments they receive.

By increasing tax bands in line with inflation, the government can mitigate this effect and ensure that cost of living adjustments genuinely benefit taxpayers by maintaining their purchasing power without being subject to additional tax burdens.

#### Social Housing

The GWU applauds the Government for the past rent reforms especially the laws regulating pre-1995 leases and the millions of investments for the supply of social housing. The GWU is of the considered opinion that the provision of social housing is a responsibility that belongs to the State. The reform of the rent laws in 2021 was achieved by means of a widespread consultation, a consensus approach, and a balance between the rights of the landlords and the responsibility of tenants. Through different studies, it transpires that all those on minimum wage are out of the property market. Their only option is to rent. We are proposing that the Government should increase subsidies for these cohort of people to 75% of their rent.

#### The Equity Sharing Scheme.

The current equity sharing scheme is aimed towards individuals aged 30+ who, due to their age and income, cannot take a loan which suffices to purchase their home. The Housing Authority purchases up to 50% of a property worth up to €200,000, thereby lowering the value of the loan taken by the beneficiaries.

As already stated above, families on minimum wage are excluded from the housing market even a small apartment. and their only option is to rent from the private sector. We are proposing that in order to help those families buy a home, the equity sharing scheme is extended also to those on minimum or low-level wages.

#### **Pensions**

The union notes with satisfaction the public statement made by the Minister of Social Policy and Children's Rights, that the government intend and is committed to address the discriminations that have arisen due to the 2008 reform between those born before and after 1962. The GWU together with the Pensioners Section held various meetings with the Minister to address this issue. We urge the Government to start addressing this discrimination in the next budget.

We are proposing that more medicine form part of the government's formulary to reduce this unavoidable cost on the elderly and pensioners.

The allowance should continue to be increased for those elderly women who do not have enough National Insurance to have a pension.

The threshold for energy subsidy should be increased so that more elderly people can benefit from discounted rates.

Day Care Centres are spread around all our towns are villages and they can be considered as the "town's square" where old people meet and socialise. We are proposing extending their opening times so that the elderly can spend more time with their friends.

The GWU insists that the process initiated during the last budget for current pensioners to receive the full cost of living adjustment is accelerated so they can enjoy the same level of pension as those reaching pensionable age now.

#### Social Contributions

Social security contributions are meant to be payments made by employees, employers, and self-employed individuals into a government-run social security system. These contributions are used to fund our social welfare system which is amid at providing financial support and protection for pensioners and the most vulnerable. We are proposing that in the case of married couples, social security contributions can be the transferred from one spouse to another to reach the minimum number of contributions. This principal already exists for separated couples. Furthermore, spouses should also be allowed to retroactively pay their contributions.

The average monthly basic salary of employees was estimated at €1,785 in last three months of 2022, according to data published by the National Statistics Office. The highest basic salary was recorded in the financial and insurance activities sector. Average monthly salaries varied from €1,163 among persons employed in elementary occupations to €2,802 among managers.

GWU is proposing the removal of capping and employees' can pay social security contributions on their full salary and subsequently receive their pension calculated on their actual salary.

#### Third Pillar and Voluntary Occupational Pensions

In order to diversify retirement income and reduce dependency on state pensions, in 2015, the Government launched the Voluntary Third Pillar Pension Scheme, referred to as the Personal Retirement Scheme (LN 468 of 2014). This scheme is supplemented by another scheme, namely the Individual Savings Account (LN 469 of 2014). The qualifying personal retirement scheme must be registered under the Special Funds Regulation Act.

In the Budget for 2017, the Government announced a measure intended to incentivise the takeup of voluntary occupational pensions. The Voluntary Occupational Pension Scheme Rules, which was introduced by virtue of Legal Notice 228 of 2017, provides tax credits to both employees and employers (including self-occupied persons) with the aim to incentivise an occupational pension system in Malta.

In the Budget for 2021, the Government announced further fiscal incentives for private pensions. The fiscal incentives are on the amount of annual financial investment upon which a tax exemption applies are increased by a further €1,000 bringing the tax-exempt value up to €3,000 per year.

In 2015, the Strategy Group recommended that during the 2020 Strategic Review it should carry out an in-depth review on the performance of the scheme. In the event that the review shows that voluntary pensions would not have delivered as planned, it should strategically assess the introduction of Mandatory Opt In Voluntary Opt Out framework, which would see the employer responsible for managing the administration aspects of the scheme and the government responsible for the fiscal incentive. This has been partly accomplished as the government increased fiscal incentives multiple time.

The GWU always argued in favour of the third pillar pension as a way forward and strongly believes that the next step is the automatic enrolment with an opt out in private pension schemes to supplement the income of pensioners. This will enhance the well-being and decent living of our pensioners. Wherever automatic enrolment with opt out option was introduced, statistics show that there was an increase of employees contributing to their private pension funds.

## Sustainability

The GWU is aware that a large number of employers do not pass the social security contributions collected from their employees to the Department for Social Security. It is worrying that a substantial amount of social security contributions is yet to be collected and it appears that no reference is made to the method and way forward to affect the collection of what is due without any more undue delays. Last year it was reported that the amount to be collected is reportedly

run into millions of Euros. This is completely unacceptable as it is a state of play that can jeopardises the viability of the social system. This cannot be tolerated, and action must be taken to recover these funds. Any sustainability measures that need to implemented will be ineffective if what is due is not collected. The collected funds can further be distributed and increase all pensions. This can be easily described of misappropriation of fund.

The GWU posits that the current revenue collection and sanction mechanisms is reviewed and reinforced as appropriate, and employers held accountable so that past social security contribution dues are collected, and future behaviour regulated.

#### **Active Aging**

During the run up of the last general election the General Workers' Union together with the Chamber of Commerce proposed the principal of 'flexi employment'. We argued that the existing 'all or nothing approach' to those who have full 40-year contributions and reach the age of 61 is replaced by a Flexi-employment approach, which allows a person to balance their needs to opt-out of a 40-hour week whilst remaining active in the labour market. To ensure that such a Flexi-employment approach does not become an exit route from retiring at the statutory retirement age, we put forward a set of conditions that may include the following criteria:

The pension to be drawn down should the person opt for early retirement at the age of 61 years of age whilst continuing to work pro-rated, for example, as follows:

- Retiring at 61 years of age, the pension income entitled to is pro-rated at 50%.
- Retiring at 62 years of age, the pension income entitled to is pro-rated at 60%.
- Retiring at 63 years of age, the pension income entitled to is pro-rated at 70%.
- Retiring at 64 years of age, the pension income entitled to is pro-rated at 85%.

The employee who selects a flexi-employment approach to retirement must work for a minimum set of hours established through a formal contract between them and their employer and employment registration with Job plus to benefit from the drawing down of the retirement pension. We are also proposing that the top-up incentive mechanism, whilst proving to be successful, is

based on a negative actuarial rate. This should be replaced by a positive actuarial rate so that more persons are incentivised to remain fully active in the labour market and defer the drawn down of their pension. We believe that to make financial sense for employees the tax structure for senior citizens who receive income from continued post-retirement employment and pension income should be re-designed to become an incentive.

#### Disability

Between 2013 to 2019, a national strategy was enforced to encourage disabled persons enter the world of work. During the Covid pandemic, vulnerable persons were advised to stay indoors. Since the lifting of all medical restrictions, the number of disabled persons never reached the same levels. Enforcing current regulations and legislation is vital to give an opportunity to these vulnerable persons enter the world of work. It is also important to create a more inclusive and accessible work environment for disabled individuals. By ensuring strict compliance with existing laws, such as the Disability Act and the Employment Equality Act, we can break down barriers that prevent disabled persons from re-entering the workforce.

Government incentives, such as tax credits or grants, can motivate businesses to actively hire disabled individuals and adapt their workplaces accordingly. Additionally, strengthening partnerships with disability organizations can provide valuable resources and support networks for both employers and disabled job seekers.

This administration has re-energised the disability sector introducing and implementing measures ranging from new accommodation for independent supported living, de-coupling the disability pension from the income earned from employment, the Legal Notice for setting up of Trusts by parents of disabled children, the removal of any means testing and the increase in assistance for severe disability.

More however needs to be done to help the most vulnerable in our society. As such the GWU recommends the setting up of Independent Support Living Fund that would be financed by Government through the National Development and Social Fund (NDSF) - which establishes that 70% of IIP contributions are to be used "in the public interest inter alia for ... social purposes

..." – and co-financed by parents. The purpose of the Fund would be that of providing supported living environment and support to disabled persons.

## Youths and Education

Education is the foundation of human development and economic growth. In essence, no country can achieve sustainable economic development without substantial investment in human resources. Education enriches peoples understand, improves the quality of their lives, and leads to broad social benefits to individuals and society. Education drives productivity and creativity and promotes entrepreneurship and technological advances. It thus plays a very crucial role in securing economic resilience and social progress and improving income distribution.

Youth Entrepreneurship: We are proposing increase in grants or low-interest loans for young entrepreneurs to encourage innovative startups and small businesses, which can drive economic growth and job creation.

We are proposing an increase in grants for youths to take part in sports programs, which can promote more professional athletes in different sports disciplinaries.

School curricula should reflect today's reality and must be adapted to the requirements of the new world of work. Guidance counselling is of the utmost importance and students should be informed about the existing professions so that they can make informed decisions about the future of their studies.

It is certainly important to recognize the significant responsibilities and workload that classroom teachers, especially elementary school teachers, carry throughout the year. They are responsible for planning and delivering lessons, managing classrooms, assessing student progress, communicating with parents, and addressing individual student needs, among other tasks. These responsibilities go beyond those of peripatetic teachers, who typically focus on specific subject areas like science, art, PE, and music.

Providing additional compensation for classroom teachers is a potential way to incentivize more individuals to pursue teaching as a profession. It could help attract and retain qualified educators,

especially in areas where there might be a shortage of teachers. By offering higher compensation for classroom teachers, we can demonstrate that as a society, we value the essential work these educators do in shaping young minds and contributing to society.

Moreover, addressing the issue of meagre compensation for break supervisors is also crucial. Break supervisors play a vital role in ensuring the safety and well-being of students during recess and other non-instructional periods. They often work tirelessly to maintain order, handle conflicts, and provide a supportive environment for students outside the classroom. Recognizing their contributions through fair compensation can help retain experienced break supervisors and maintain a positive school environment.

In general, it is essential for educational institutions and policymakers to consider the broader systemic issues affecting the teaching profession. These include working conditions, professional development opportunities, workload distribution, and the overall support provided to educators. Addressing these concerns holistically can help attract more talented individuals to teaching roles and reduce the turnover rate among both classroom teachers and break supervisors. By investing in the teaching profession, societies can promote the long-term success and well-being of their students and communities.

Furthermore, we believe that our educational system is lacking important information and knowledge that is essential for our youths' future. Topics such as life skills, property buying procedure, knowledge about their rights, communication, and financial literacy are not covered. To address this lack of knowledge, we propose a new approach to education that focuses on preparing students for life after school. This approach should value critical thinking and ensure that students are well-informed on the mentioned subjects.

The successful breakfast benefit, 3-16 club and summer school should become mandatory for all schools including private ones.

Physical activity and nutritional education in schools, should be an integral part of the curriculum which in turn will reduce obesity and other health risks related to lack of physical activity.

Educational curriculum should also focus on soft skills that will help the transition from the school to the working world. Sometimes the transition from an individual environment to teamwork is difficult. We also believe that education should not only be academic, but it must also teach respect & attitude.

#### Research and Innovation

Over the past 10 years much has been done to build an innovation infrastructure. The fact, however, is that the local grants made available to spur local innovation continues to remain too small for the level of innovation that should be spurred. Government must seek to significantly increase local funding for research and innovation through the National Development and Social Fund.

### **Vocational Education and Training**

Young people are in need of help in navigating the increasingly difficult school to work transition. Older workers will need expanded choices that enable them to remain economically active for as long as they choose and that will create a lifelong active society. All workers will need support through the increasing number of labour market transitions over the course of their lives.

The GWU is proposing the re-establishment of Vocational and Training Institutions. This proposal is not just based to address early school leavers and the lack of skilled workers but also because trade schools can support the transitions to a green and digital economy in times of demographic change. Vocational education Institution can play a crucial role in increasing skills and improve employability, youth employability and adults in need of continuous up- and reskilling. VET can benefit from the increased use of digital tools and digitisation systems. A national strategy on vocational education can play a central role of VET in the lifelong learning continuum and its strong links to all education and training sectors.

Workplaces, social partners and vocational institutes can work together to define the learning experience, working methods, types of standard operating activities and map better, tailor-made courses to help youths achieve their full potential while increasing skills competences. By reintroducing Vocational Schools, students with different educational aptitude can reach their full

potential in their working lives besides having a highly skilled workforce. We are sure that a well-structured vocational national strategy can help young people entering the labour market and equally important help adults in need of continuous up-skilling and re-skilling. The National strategy must be flexible to understand the skills challenges, offer fast reskilling programmes and linking to future economic strategies and innovation systems. Additionally, the strategy can invest in business incubators, support start-ups and technology diffusion in particular for small and medium-sized enterprises (SMEs).

In order to facilitate increase in skills, we are proposing that educational institutions and the private sector should cooperate to upskill employees' skills. These courses should be held during working hours and on Company premises. It is very difficult for employees, especially, those with children, to attend courses, outside working hours.

## Environment

In an era marked by climate change, rapid technological advancements and globalization, the role of the environment in shaping society has never been more apparent. The intricate relationship between human society and the environment forms the foundation of our existence and influences our well-being, progress, and overall survival. The General Workers' Union proposals delves into the profound importance of the environment to society, exploring its multifaceted impacts and highlighting the urgent need for sustainable practices and conservation efforts.

The environment provides the essential resources necessary for human sustainability, such as clean air, water, and fertile land. Natural ecosystems contribute to biodiversity, enhancing ecosystem and enrich our environment. Furthermore, the environment must offer recreational and tranquil spaces in order to enrich our lives.

Environmental degradation, driven by greed and overconsumption and pollution, poses significant threats to society's resilience and stability. Climate change, loss of agricultural land and loss of biodiversity jeopardize human health, food security, and economic prosperity, especially for vulnerable communities.

Understanding the intrinsic link between the environment and society is pivotal in formulating effective policies and fostering a sustainable future. Our proposals aim to raise awareness, to monitor, to enforce and punish those who disregard legislation and regulations. Embracing sustainable practices, investing in renewable technologies, and preserving natural ecosystems are pivotal steps towards harmonizing society's progress with the delicate balance of our shared environment.

Only through a holistic and conscientious approach can we ensure a prosperous and thriving future for our society. We are proposing that as a country we need to focus our efforts on greener and more sustainable investments. Transitioning towards sustainability is crucial in addressing environmental challenges, mitigating climate change, and ensuring a better future for generations to come. Such a shift in investment priorities can have numerous benefits, both in the short and long term.

### Construction and Planning Policies

Construction should be planned to safeguard national heritage, aesthetics, and national environment. Furthermore, planning of construction should be in lieu of the infrastructure to safeguard the efficient provision of electricity, water, and flow of wastewater. Natural open spaces should be protected, safeguarded, and should remain untouched by construction. During the construction phase, in case of any inconvenience caused to residents or shop owners, we are proposing that developers compensate all those that are impacted.

The right to sunshine must be respected. There is no point in investing in solar panels and afterwards there is an adjacent development that obstructs the sun light. We are proposing that those effected should be given the opportunity to have the same number of solar panels in solar farms.

Street scaping should be part of any new development permit. Any development that goes against the street or locality scaping should be refused. We must ensure that we preserve the characteristics of our villages and towns.

We are proposing the extension of existing schemes on the reduction of stamp duty for first time buyers, second-time buyers and the purchase of property in Gozo.

### Free Public Transport

We definitely applaud the Government for the introduction of free public transport. It is the right step in the right direction. Various data show that the public is using more the public transport. Now we are proposing the following to make sure that this green initiative continues to develop and grow. It is imperative that in order to reduce the use of private vehicles we need to ensure frequent, sustainable, punctual and constant public service. Service users must be assured that they can trust the public service to be on time.

We are also proposing an extension of the night service public transport to our major industrial estates and an increase of trips during peak time.

The GWU have for the past years been promoting the concept of an independent direct transportation service between different localities and industrial estates in Malta. We welcome the current tripartite discussions between the GWU, the Ministry for the Environment, Energy and Enterprise and employers to introduce such measure. We strongly believe that apart from the environmental benefits, it will also alleviate parking pressures in industrial zone and can economical beneficial for both employees and employers.

On a general note, one of the major complaints we receive from our members, is that buses are always full. As such we are proposing and increase in buses, routes and frequency especially in peak hours especially in large localities.

### Alternative means of mass transportation.

More energy should be focused to provide a clean mass transportation systems. The GWU is proposing an alternative mass transportation system by sea connecting different localities. This would alleviate some of the pressure on the current public transport system.

### Noise and Air Pollution

To address the pressing issues of noise and air pollution, we are proposing a comprehensive set of measures aimed at creating a cleaner and healthier environment for all. While we applaud the government for the shore to ship system, we are proposing the following to enhance further our commitment to cleaner air. Firstly, implementing stricter emission standards for industries and vehicles, will significantly reduce air pollution. Encouraging the adoption of renewable energy sources, electrifying all public transport vehicles, promoting more the use of public transportation and the adoption of fully electric private vehicles will further contribute to lowering emissions.

Apart from the current subsidies we are proposing an increase in subsidies especially for full electric vehicles. We are also proposing an increase in charging points.

To mitigate noise pollution, we suggest implementing noise control regulations in urban areas, including the establishment of quiet zones and noise barriers near residential and educational institutions. Encouraging the use of electric vehicles and enforcing noise limits for transportation and construction activities will also help in curbing noise pollution.

We applaud the Government for the Green Project initiative and the increase in recreational parks. Promoting green spaces and urban green parks can act as natural filters, absorbing pollutants and reducing noise levels. Additionally, raising public awareness through educational campaigns about the harmful effects of pollution will encourage responsible behaviour and foster a culture of environmental consciousness.

Collaboration between governmental agencies, businesses, communities, and individuals is vital to the successful implementation of these measures. Incentives for eco-friendly practices and penalties for non-compliance will ensure the effectiveness of the proposed initiatives. By prioritizing the reduction of noise and air pollution, we can create a cleaner, quieter, and more sustainable environment for present and future generations.

### Enforcement

We applaud the government for the setting up of the Building Construction Authority, the introduction of contractors licensing and the new consultation for the introduction of the stone mason licensing. No accidental death in any workplace is acceptable. No body should go out to work and never return to his/her families. During the past years, the highest number of deaths was recorded in the construction industry. We are proposing a stringent and rigorous control measures at construction sites to ensure optimal safety and efficiency. This will involve stringent adherence to health and safety protocols, continuous monitoring of personnel, equipment, and materials, regular and frequent inspections by qualified supervisors, strict enforcement of protective gear usage, and comprehensive and continues training programs.

We are proposing that training on hazards identification and risk mitigation to minimize accidents, injuries, and property damage. Effective communication channels must be established to disseminate vital information promptly and efficiently. Through this approach, we aim to create a secure environment that fosters productivity while safeguarding the well-being of workers.

We are also proposing rigorous enforcement of environmental laws to safeguard our island's future. Strengthening regulatory measures will curb pollution, protect biodiversity, and promote sustainable practices. Transparent monitoring and stringent penalties for violations will ensure accountability. Collaborating with stakeholders and empowering environmental agencies will bolster conservation efforts. By upholding these laws, we can foster a cleaner, healthier environment for generations to come, mitigating climate change and preserving our natural balance. Together, we must embrace a responsible approach, respecting nature's limits, and secure a greener, more sustainable future for all.

Enforcement of the environment laws. To date one can still see beach concessions and deck chairs providers occupying whole beaches and seashores which is against the law. Also, public should be guaranteed access to all the coast/beaches.

We are proposing strict ODZ (Outer Development Zone) protection to preserve and protect designated areas surrounding urban centres from urban sprawl and uncontrolled development. Strict enforcement in urban planning policies, the strategy restricts new constructions and

activities in these zones, promoting sustainable development within the urban core and preserving natural landscapes and agricultural land is essential for a healthy society. By doing so, we aim to help maintain ecological balance, prevent environmental degradation, and safeguards biodiversity.

Ground water is being constantly abused and should stop immediately. Strong Enforcement on the protection of ground water since such abuse is introducing more salt to the water table, destroying such resources. Citizens and companies extracting it illegally should be heavily fined, named, and shamed.

### Green Economy

The green economy is distinguishable from traditional economic models in that it considers natural and ecological capital and related services as having an economic sustainable value. Greening the economy is seen as an opportune mechanism that contributes to long-term prosperity, and short-term costs are likely to be compensated by multiple potential benefits in terms of increased competitiveness, jobs, improvement of security of resource supply, including energy and raw materials, inclusiveness, health, and well-being. Numerous international studies carried out point towards the increased resilience that is built into the economy when it embraces green concepts and technologies.

The Government should accelerate investment in sustainable energy infrastructure and the creation of green jobs, as well as meeting the UN Sustainable Development Goals, in particular SDG 7, to ensure access to affordable, reliable, sustainable, and modern energy for all.

We welcome the Government decision to introduce a new Authority to monitor the impact of climate change and mitigate its impact. In addition, we are proposing that the same Authority is responsible for the UN Social Development Goals and the Environmental, Social and Governance standards. We also propose that a holistic and national policy that is forward thinking to protect our environment both rural and urban is introduced.

We are proposing incentives with the aim to drive industry towards sustainable practices by rewarding businesses that actively reduce, reuse, and recycle waste. We propose tax credits and

grants to companies implementing innovative waste reduction technologies, investing in efficient recycling processes, and adopting circular economy principles. Additionally, we are proposing a certification program to recognize and promote eco-friendly businesses, boosting their market reputation.

Collaborative partnerships with recycling centres and waste management firms will be encouraged, promoting a closed-loop approach. Through these incentives, we hope to create a greener and more sustainable future while fostering responsible corporate citizenship and driving positive environmental change.

We are proposing enhanced schemes to encourage the use of alternate transport such as bicycles and motorcycles.

We are proposing an increase in more green schemes to go hand in hand with the 'Fit For 55' package. This could lead to Malta being entitled to more money from European funds. Investment in workers is crucial so that no one is allowed to fall behind, especially when it comes to retraining.

# Alternative use of Hydrogen fuel.

We are proposing the use of more environmentally friendly energy like hydrogen for the generation of electricity and as fuel. Our proposal advocates for a significant shift towards utilizing environmentally friendly energy sources, particularly hydrogen, to revolutionize electricity generation. Hydrogen, an abundant and clean resource, offers immense potential to mitigate climate change and reduce carbon emissions. By employing hydrogen-based technologies such as fuel cells and hydrogen combustion, we can transition away from gas and fossil fuels and establish a sustainable energy future.

Hydrogen's versatility allows it to be produced through various methods, including electrolysis powered by renewable sources like solar and wind energy. This not only ensures a clean production process but also enables efficient storage and utilization. Furthermore, hydrogen-based electricity generation emits only water vapor as a byproduct, eliminating harmful pollutants and contributing to improved air quality.

Embracing hydrogen as a primary energy source for electricity generation would foster energy independence, reduce greenhouse gas emissions, and drive economic growth through the development of new technologies and industries. As we strive for a greener and more sustainable world, the integration of hydrogen into our energy landscape holds the promise of a cleaner, healthier, and more prosperous future for generations to come.

## Investment in Essential Infrastructure

We applaud the Government for the accelerated investment in the energy distribution, we also recognize the critical need to enhance and upgrade other essential infrastructure to improve the overall well-being and sustainability of our county. As part of our comprehensive plan, we propose substantial investments in sewage, water, and other vital systems.

The sewage system is the backbone of public health, and we need to continuously monitor, modernize and expand its capacity to meet the growing demands of our population. By continues investing in state-of-the-art treatment plants like the one in Barkat and other advanced waste management technologies, we will ensure cleaner water and a healthier environment for generations to come.

Water infrastructure is fundamental to human life and economic prosperity. Investment in our water network needs to focus on the expansion and renovation of water supply networks, utilizing innovative approaches to conserve water and enhance efficiency. We need to continue to provide safe and reliable access to clean drinking water for all citizens, while also supporting agricultural and industrial sectors.

Moreover, we recognize the importance of upgrading other essential infrastructure, such as our roads network. By improving transportation networks, we aim to reduce congestion, enhance accessibility, and promote sustainable mobility options, contributing to a greener and more connected society.

Overall, our comprehensive infrastructure investment proposals will not only foster economic growth but will also improve the quality of life for all citizens.

## Healthy Living and Eating Well

Healthy living and eating well are essential for the overall well-being of every citizen. A balanced diet rich in nutrients provides energy, supports body functions, and enhances the immune system. Regular exercise improves cardiovascular health, maintains weight, and reduces stress. By prioritizing healthy living and eating well, individuals can increase longevity, boost productivity, and enjoy a higher quality of life. Small, consistent lifestyle choices today lead to a healthier, happier, and more vibrant future.

We are proposing grants, incentives subsidy and/or discounts should be introduced for the wellbeing of the individual for the use of gyms, swimming pools, sportswear and equipment especially if suffering from a health condition such as obesity, diabetes etc.

Vouchers for celiac people should be increased since such food is constantly increase in costs. These vouchers should also be extended to dairy and gluten sufferers.

People should be encouraged to opt for healthier food including fruits and vegetables with a wider choice and decrease in price.

### Beverage Container Refund Scheme

During the initial stage of implementation back in January, the system faced some controversy due to operational difficulties. However, since then, it has achieved remarkable success, with over 100 million containers collected. Despite this success, there is a pressing need to address the issue of plastic and metal container dependency.

To address the dependency on plastic and metal containers, we are proposing a multi-faceted approach. Apart from conducting educational campaigns to raise awareness and encourage the public to reduce their reliance on plastic bottles, we are proposing the subsidization of water purifiers and reverse osmosis systems. The goal is to ensure that every household has access to these systems, thereby decreasing the demand for single-use containers and promoting the use of refillable alternatives. This initiative will empower households to purify and filter their own tap water, eliminating the need for purchasing bottled water and reducing plastic waste.

The GWU is committed in promoting sustainable practices and protecting the environment by curbing plastic pollution. By encouraging the adoption of water purifiers and reverse osmosis systems, they hope to make a significant impact on reducing plastic waste and promoting a culture of reusable containers.

With this proposal we will also complement all the efforts being done to achieve a more environmentally friendly and sustainable society. If adopted we believe that this initiative can lead to a significant reduction in plastic and metal container usage, benefiting both the environment and public health in the long run.

#### Gozo

Environment - Preserving Gozo's distinct characteristics and maintaining its allure for its natural beauty must take precedence when considering development initiatives. The endeavour situated in the central area of Rabat, Gozo, encompassing both the parking facility and the Villa Rundle, should be granted the utmost priority. Furthermore, the expansion of the park adjacent to the Gozo stadium must persist to offer an area for families to engage in recreational activities.

The open space near the lighthouse at Ghasri should be embellished and made accessible to the public.

Health - Priority should be given to the completion of the Health Centre in Rabat Gozo and the rebuilding of Gozo General Hospital. Together they will offer excellent service to all Gozitan without the need to come to Malta.

Education – The two schools in Nadur and Rabat should be completed so that children can have a modern environment that suits their needs.

Tourism -Specific and targeted Incentives should be introduced/increased to attract niche tourism like diving and rock-climbing.

Energy- Targeted incentives should be made specifically for Gozo so that families and entrepreneurs invest in renewable energy.

# Conclusion

We are in an era of great global uncertainty and the government is faced with critical decisions that will significantly shape our nation's trajectory. The budget serves as a reflection of our priorities, values, and commitment to the well-being of our citizens. As the global socio-economic landscape becomes increasingly complex, it is crucial for our government to reach a consensus that fosters inclusive growth, social equity, and long-term sustainability.

First and foremost, it is imperative to acknowledge that a strategic economic vision for the next 20 years requires bipartisan cooperation. Our nation's challenges are too pressing to be addressed solely through partisan lenses. Therefore, our elected representatives must rise above ideological differences and prioritize the greater good of the people.

One of the primary objectives should be to invest in key sectors that can drive economic growth and job creation. By focusing on essential infrastructure development, education, and research, we can bolster our economy and foster innovation. Additionally, addressing income inequality through progressive taxation and targeted welfare programs will ensure that the benefits of economic growth are shared equitably among all strata of society.

Furthermore, as we transition towards a sustainable future, incorporating ESG considerations into the budget is paramount. Allocating resources to renewable energy projects, electricity distributions, sewage system, incentivizing eco-friendly practices, and mitigating the impacts of climate change are vital steps for our nation's ecological well-being.

Healthcare and social welfare should also be high on the agenda. Allocating sufficient funds to strengthen our healthcare infrastructure, improve access to quality healthcare services, and provide a safety net for the vulnerable will promote a healthier and more secure society.

Moreover, our budget should prioritize investing in education and skill development. By nurturing a knowledgeable and skilled workforce, we can enhance our global competitiveness and ensure that our citizens have the tools to thrive in an ever-changing job market.

Lastly, fiscal responsibility should be at the core of our budgetary approach. Prudent financial management, reducing unnecessary expenditure, and promoting transparency in public spending will guarantee the effective use of taxpayers' money. By focusing on inclusive growth, sustainability, social equity, and fiscal responsibility, we can build a stronger, more resilient, and prosperous nation for generations to come. It is through cooperation, vision, and a genuine commitment to public welfare that we can transform these proposals into a budget that truly serves the best interests of all citizens.