



# **GENERAL WORKERS' UNION PRE BUDGET PROPOSALS 2025**

GENERAL WORKERS' UNION  
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# Economic Note

## Economic Growth in Malta

The Maltese economy continues to demonstrate its resilience, with robust economic growth being a key indicator. After a substantial GDP growth of 5.6% in 2023, the economy further expanded by 4.6% in 2024, and is projected to increase by 4.3% in 2025. The export market and domestic demand are the major growth contributors, with the government's direct intervention in managing energy costs playing a significant role in bolstering domestic demand.

The export contributor directly affects the strong recovery in our tourism industry. Our tourism industry reached pre-pandemic levels in 2023, with a 26% tourist increase in the first two months of 2024 and a more robust increase in tourist expenditure. Other strong contributors to our export market are electronics, entertainment, and professional and financial services, which provide significant gross value-added contributions to our economy.

## Inflation Analysis

The government's economic interventions have helped to reduce inflation pressures in the economy. Inflation rates have been slowing since reaching a peak of 7.4% in September 2022, but the downward trend has flattened in recent months. The introduction of the '**Stabbiltà fil-Prezzijiet**' scheme, which aims to reduce recommended retail prices for around four hundred food products, can be seen as a key intervention for the downward trend in inflation. Additionally, inflation in Malta slowed down in the first quarter of 2024, mainly due to lower services inflation. Headline inflation is projected to be 2.8% in 2024 and 2.3% in 2025, with food prices expected to remain the fastest-growing component. The General Workers' Union (GWU) is concerned that this level of inflation remains above the EU average due to persistent inflationary pressures in food and services.

GWU remains steadfast in its commitment to closely monitoring the multifaceted impact of inflation on society's vulnerable members, including but not limited to low-wage earners, pensioners, and retirees. GWU recognizes the critical importance of ensuring that the Cost-of-Living Adjustment (COLA) mechanism genuinely reflects the economic realities these demographic groups face, encompassing essential expenses such as housing, healthcare, and daily living costs. Therefore, GWU is unwavering in its advocacy for an adjusted COLA mechanism that effectively captures and addresses the evolving financial needs of workers, pensioners, and retirees.

The government's commitment to fortifying the fiscal sector is a significant source of encouragement for the GWU. This strategic stance enables the comprehensive allocation of financial resources to sectors in need and pivotal national areas. The GWU maintains that without the implementation of fiscal tightening, vital investments, including direct resources in energy management, will not come to fruition within the country.

## Public Finance

Malta's government deficit is planned to reach 4.5% of GDP in 2024. This level improved further from a 5.5% deficit in 2022 to a reduction of 4.9% in 2023. These reductions are mainly the result of decreases in subsidies and measures to mitigate the impact of high energy prices and the national

airline's restructuring costs. The deficit is set to decline further to 3.9% of GDP in 2025 following expected reductions in high energy prices.

In 2023, the debt-to-GDP ratio dropped by 1.2 percentage points to 50.4% due to robust nominal growth, despite the high primary deficit. The public debt is projected to climb to 52% of GDP in 2024, driven by a positive stock-flow adjustment related to the equity injection in the national airline. For 2025, a reduced primary deficit and a favourable interest growth differential will lead to a smaller increase in public debt, reaching 52.6% of GDP.

Although GWU is satisfied with these improvements, the European 3% inflation treaty target has yet to be reached, which is worrying. The GWU will closely monitor the medium-term fiscal-structural plan to be provided by the Government under Article 36 of Regulation (EU) 2024/1263 and its immediate impact on the national standard of living, particularly those related to workers, pensioners, and vulnerable sectors. The effect of the proposed excessive deficit procedure against Malta should not allow a reduction in our national economic activity to the detriment of the standard of living that our workers and pensioners have achieved.

## Malta's Labour Market

In 2024, the labour market in Malta exhibited noteworthy dynamics characterized by significant employment expansion, minimal unemployment rates, and a competitive landscape for skilled labour. Data from Jobsplus revealed an increase in the count of individuals on the unemployment register to 1,096 in February, up from 1,057 in January and 1,041 in the previous year. Despite a rise in the seasonally adjusted unemployment rate to 3.2% from 3.1% in January, this figure remained lower than the 3.5% recorded in February 2023. The GWU has commendably acknowledged these historically low statistics, recognizing their substantial contribution to the robust economic growth achieved over the past year.

Across all occupations, the average monthly basic salaries of employees varied from Euro 3,132 among managers to Euro 1,223 among persons employed in elementary occupations. Among the employed population, 37.0 percent had a tertiary level of education. ("NSO Malta | Labour Force Survey: Q3/2023 - NSO Malta") The unemployment rate for the first quarter of 2024, stood at 3.0 percent. The main reason for inactivity relates to persons reaching retirement age or taking up early retirement (41.7 percent).

GWU is closely monitoring the recent trend of escalating tightness within Malta's labour market. With an unemployment rate of merely 3.0% and robust economic growth, the pool of available workers has substantially diminished, presenting challenges for employers in filling vacant positions. The increased demand for skilled labour, particularly within the technology, healthcare, and finance sectors, has resulted in a noticeable disparity between demand and the availability of suitably qualified candidates, consequently fostering a fiercely competitive job market. Proposals by GWU in this regard shall focus on;

- ❖ The introduction of enhanced compensation packages including enhanced health insurance schemes and retirement plans to attract and retain talent.
- ❖ More flexible work arrangements to provide for a broader range of candidates.



- ❖ More upskilling and training programs to help fill skill gaps internally and reduce the need to hire externally.
- ❖ Enhanced employer branding schemes to promote a positive company culture, career growth opportunities, and a supportive work environment.
- ❖ Innovative recruitment strategies to improve recruitment processes of the right potential candidates.
- ❖ Improved retention initiatives focusing on improving career development plans to reduce turnover of employees,
- ❖ Emphasizing diversity and inclusion in hiring practices to attract a wider talent pool and a more inclusive workplace.

## Tourism

The tourism industry is projected to have a considerable impact on job creation, with the potential to bolster employment levels in various sectors. GWU has recognized that the stability and expansion of the tourism industry can significantly elevate the standard of living for communities that heavily rely on tourism as a primary source of livelihood. This can manifest in improved infrastructure, access to better education and healthcare, and overall economic development in these areas. Furthermore, the industry also exerts an indirect influence by fostering job creation in ancillary sectors such as transportation, hospitality, and retail, thus contributing to the overall economic growth of the region.

The growing influx of tourists and immigrants in Malta is placing substantial strain on the country's economy and infrastructure. Therefore, there is a pressing need for a comprehensive economic policy to enhance the overall quality of tourist experiences. This policy should revolve around shifting economic trends and practices towards prioritizing sustainability and ensuring elevated levels of visitor satisfaction. Additionally, the government should work towards attracting tourists during off-peak seasons to alleviate the issues of overcrowding and mitigate the impact of intense heat on both tourists and local infrastructure.

GWU underscores the pressing necessity to elevate the standard of service provided to our tourists. It is truly disheartening to recognize that the working conditions and compensation in the Hospitality and Entertainment Sectors rank among the lowest in all Maltese economic sectors. To counter this alarming trend, we stand by our commitment to the skills passport system within the tourism industry. The skills passport would function as a comprehensive repository of an individual's qualifications and competencies, meticulously highlighting their relevant skills, certifications, and experience. This system would not only standardize recruitment practices and elevate industry professionalism but also cultivate a culture of continuous learning and development. Moreover, it would assume a pivotal role in facilitating strategic workforce planning, ameliorating skill deficiencies, and aligning proficient individuals with suitable career opportunities. Given the dynamic nature of the tourism sector, a skills passport program would empower professionals to seamlessly adapt to evolving demands, thereby guaranteeing the cultivation of a proficient and diverse workforce. Ultimately, embracing this approach would substantially bolster the sustainable expansion and competitiveness of the industry.

## Future Challenges

GWU will maintain a vigilant stance in response to immediate economic challenges to uphold the economic stability and growth of Malta in the years ahead. Emphasis will be placed on economic diversification and sustainable growth, integrating environmental sustainability. Furthermore, close scrutiny of general economic inflationary pressures and sustained public debt will be prioritized. These measures are aimed at upholding the sustained standard of living achieved in recent years.

## A Holistic National Vision and Strategic Plan

Malta, as a small island nation with a unique geopolitical position, faces both opportunities and challenges that require careful planning and strategic foresight. To ensure sustainable development and long-term prosperity, Malta needs a holistic national strategic vision that integrates all elements of its economic, social, and governance frameworks. This vision would function as a comprehensive "business plan" for the country, guiding its growth and ensuring that all sectors work in harmony to achieve common goals.

A holistic national strategy is essential for Malta to navigate the complexities of a rapidly changing global environment. As the world becomes increasingly interconnected, external factors such as global economic shifts, technological advancements, and environmental concerns have a significant impact on Malta. Without a unified strategic approach, the country risks reacting to these challenges in a fragmented and inefficient manner. A well-coordinated plan would enable Malta to proactively address these issues, ensuring that its policies are aligned with global trends while also safeguarding national interests.

Economically, a national strategic vision is vital for fostering sustainable growth and enhancing Malta's competitiveness on the global stage. By integrating economic policies with social and governance considerations, Malta can create a more resilient economy that is capable of withstanding external shocks. This would involve diversifying the economy, investing in innovation and technology, and ensuring that the workforce is equipped with the skills needed for the future. Additionally, a strategic vision would help attract foreign investment by providing a clear and stable policy environment, making Malta an attractive destination for businesses.

On the social front, a comprehensive approach is necessary to address the needs of all citizens and promote inclusive growth. This includes tackling issues such as social inequality, access to quality education and healthcare, and ensuring that the benefits of economic growth are distributed equitably across society. By incorporating social objectives into the national strategy, Malta can build a more cohesive and just society, where all individuals can thrive.

Governance plays a crucial role in the successful implementation of any national strategy. Effective governance ensures that policies are transparent, accountable, and responsive to the needs of the population. By embedding good governance practices into the national strategy, Malta can build public trust and ensure that its institutions can deliver on the strategic vision. This would involve

strengthening the rule of law, enhancing public sector efficiency, and fostering a culture of collaboration between the government, private sector, and civil society.

Malta's future prosperity hinges on the development of a holistic national strategic vision that integrates economic, social, and governance elements. This comprehensive approach will serve as a roadmap for the country, ensuring that all sectors work together towards a common goal of sustainable and inclusive growth. By adopting this strategic vision, Malta can secure its place as a resilient and competitive nation in an increasingly complex world.

## Energy Prices

Subsidies are intended to protect consumers by keeping prices low. The General Workers' Union applauds to no small measure the continued 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.

We propose that the government keeps subsidising fuels and energy prices.

## Stabbiltà fil-Prezzijiet Scheme

In the last budget proposals, the General Workers' Union proposed a prize stabilisation scheme. The scheme proposed that food importers are given the opportunity to apply for a soft loan and in return they stabilise the price for one year. In February, the government introduced the '**Stabbiltà fil-Prezzijiet**' scheme whereby the price of some 450 food items was slashed by 15%. This has contributed to food inflation dropping by 2%, according to the latest economic forecast published by the Central Bank on Tuesday.

The Central Bank report notes that once the scheme was introduced, inflation across almost all food products slowed, with some such as margarine, pasta and preserved milk reversing their price increases altogether.

By June, the price of food products affected by the scheme was two percentage points lower than it was before the scheme's introduction in January, the report says. The Central Bank stated that food inflation has been revised downwards because of lower-than-expected outcomes in recent months. Processed food prices are projected to increase by 4.1% in 2024, as against an increase of 9.6% in 2023. "In part, the easing reflects lower imported prices as well as the introduction of the '**Stabbiltà fil-Prezzijiet**' scheme in February 2024." ("2024:3 - centralbankmalta.org") Processed food inflation is set to moderate further in the outer years of the projection horizon, reaching 2.9% in 2026. Similarly, unprocessed food inflation is set to decline to 4.9% this year from 8.5% in 2023. It is set to moderate to 3.5% by 2026. Reflecting these developments, overall food inflation is set to moderate

to 4.3% in 2024, 3.2% in 2025, and 3.0% in 2026, also in line with expected developments in international commodity prices.<sup>1</sup>

As such the General Workers' Union urges the government to continue with the scheme until food prices stabilises.

## Research and Innovation

Increasing the financial budget for research and innovation is essential for driving sustainable economic growth, fostering competitiveness, and addressing pressing societal challenges. In today's rapidly evolving global landscape, nations that invest heavily in research and innovation are better positioned to lead in technological advancements, improve productivity, and create high-quality jobs. By enhancing funding in this area, the government can stimulate cutting-edge discoveries that lead to new industries and business opportunities, ultimately contributing to a more robust economy.

Moreover, increased investment in research and innovation helps tackle critical issues such as climate change, public health crises, and social inequalities. It empowers scientists, engineers, and innovators to develop sustainable solutions and technologies that can mitigate these challenges, benefiting society. Additionally, a well-funded research ecosystem attracts top talent from around the world, fostering a culture of creativity and excellence.

For Malta, increasing the research and innovation budget is particularly important for maintaining competitiveness within the European Union and globally. It ensures that the country remains at the forefront of advancements in key sectors, such as digital technology, renewable energy, and healthcare. Ultimately, this investment is not just a financial commitment but a strategic move towards securing long-term prosperity and resilience.

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<sup>1</sup> <https://www.centralbankmalta.org/site/Publications/Outlook-2024-3.pdf?revcount=5017>

## New World of Work

The world of work is constantly evolving and plays a crucial role in shaping the global economy. As economies develop and societies advance, the nature of work undergoes significant shifts. The rapid pace of technological progress, coupled with greater efficiency and the concept of 'just in time,' has brought about profound changes in the work environment. It is essential to delve into the complex relationship between human resources, skills, labour markets, technological innovation, and policy frameworks to understand the challenges and opportunities that define modern employment.

In this context, the swift rise of technologies like automation, artificial intelligence, and the platform economy has dramatically transformed job markets, reshaping traditional employment structures, and altering the skills required. Multiple factors contribute to this rapidly changing world of work, including policies that promote inclusive growth, social protection, and equality, demographic shifts as well as those that encourage a future-focused approach to human resources, skills development, education, and workforce mobility. Together, these elements influence economic productivity and competitiveness.

## Labour Legislation

In the context of this new world of work, the General Workers' Union is proposing the immediate revision and updating of the current employment and industrial relations laws.

- ❖ The revision of the main labour legislation which was enacted in 2003.
- ❖ The implementation of the final report on the streamlining of the Wage Regulation Orders.
- ❖ The introduction of new legislation to name and shame employers that abuse employees.
- ❖ The signing of several conventions and recommendations by the International Labour Organisation.

## Definite Contracts

We are proposing that the government legislate so that if 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 for whom the contract was not renewed. This principle already exists for those who are made redundant. This way the experience and knowledge of the employee are not lost.

## Work Performed on Sundays

We are proposing that all work performed on Sundays and Public Holidays should be paid at double time irrespective of the economic sector.

## Extreme Weather and Heat

We require a comprehensive national dialogue on establishing robust health and safety regulations specifically designed to address work conducted under extreme weather conditions. This discussion should extend beyond outdoor work environments to include indoor workplaces where individuals

are exposed to severe temperatures. It is essential to develop and implement a national framework that safeguards employees across all settings, ensuring their well-being and safety regardless of the environmental challenges they face. By setting stringent standards and creating guidelines tailored to extreme weather scenarios, we can better protect workers from heat stress, cold-related illnesses, and other temperature-related hazards. Such a proactive approach will not only enhance occupational health and safety but also contribute to a more resilient and equitable working environment for all.

## Disciplinary Forces

In last year's budget, it was announced that employees of the Disciplinary Forces who remain in service for four (4) additional years after reaching twenty-five (25) years of service—totalling twenty-nine (29) years—will increase their pension by 23%. We propose extending this incentive to those employees who continue to serve in a Disciplinary Force on a part-time basis after completing the equivalent of four (4) years of service, which is calculated at 8,320 hours of part-time service in a Disciplinary Force. In this case, their pension from the year of retirement should also be increased by 23%. For those employees who were already serving part-time as of October 1, 2023, their previously completed service should also be taken in consideration.

We are frequently receiving justified complaints where our members in the Disciplinary Forces stationed in operational posts, whose work involves higher risk situations, are being obliged to pay significantly higher Long Protection Insurance premiums compared to other colleagues in the same force when they apply for a bank loan.

Therefore, we propose that these employees be granted a government reimbursement for the difference in premiums they are required to pay due to the nature of their work. This reimbursement should be provided to these employees within six (6) months of the succeeding year.

We urge the government to urgently address the situation where Disciplinary Forces employees, particularly members of the Armed Forces who are deployed abroad in countries where the general population is advised to avoid all travel (such as Libya and Lebanon recently), are not covered by Long Protection Insurance related to their loans. This is very disappointing considering that these officers are abroad on behalf of the Government of Malta. This situation must be addressed with urgency. We propose that the government directly covers these employees to provide them and their families with peace of mind.

Compensation for Correctional Officers who served between May 1, 1994, and December 31, 2020. Following the signing of the first Collective Agreement for Correctional Officers, MEP Alex Agius Saliba brought to our attention a considerable number of former Correctional Officers who were treated differently before they had the right to join a trade union. Our research on this issue confirmed that employees from another Disciplinary Force (Police) stationed in Corradino Correctional Facility received two specific allowances, a special duty allowance, and a shift allowance, while Correctional Officers did not receive any form of allowance, despite performing the same duties and working shifts.

Together with MEP Alex Agius Saliba, we proposed to Minister Byron Camilleri that these employees be compensated with €6.50 for each week worked during the specified period. The total number of

weeks is 1,392, and therefore the maximum amount an officer can receive is €9,048 (1,392 x €6.50 = €9,048).

We are proposing that in this year's budget this proposal is included in.

## 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 is work-related, sometimes it is our health, our relationships, or private circumstances.<sup>2</sup> 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 tough 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 enough to help. Physical first aid is legally obligatory in our workplaces; however, most do not cover mental health problems. Mental Health First Aid (MHFA) teaches people the skills to help someone about whom they are concerned. Good mental health at work and good management go hand in hand and there is convincing 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 be enacted to make it compulsory to have a mental health first aider in every workplace. We are also proposing to normalize mental health routine check-ups, making them a standard part of healthcare, just like other routine health checks.

Mental Health and Support for LGBTIQ+ Youth. We are proposing an increase in the 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.

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.

## Work-life Balance

Work-life balance is not a buzzword. Workers are constantly juggling between working and private lives. While in our last proposals, we welcome the legislation on the work-life balance, we cannot

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<sup>2</sup> <https://www.mentalhealth.org.uk/explore-mental-health/publications/how-support-mental-health-work>

accept the payment for parental leave and the non-payment of the career 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.

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 if the flexibility still respects the Working Time Directive.

We are proposing where 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 be performed during the entire paying period.

We are also proposing a study on the feasibility of introducing a 32-hour week and still paying for 40 hours per week.

## Legal Framework of Telework, Remote Work

The General Workers' Union is proposing a robust legislative framework to cover remote working and teleworking. The coverage and protection are 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 by employers and encouraged to be taken by employees. Incentives can be given to promote and encourage take-up.

## 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 formal/informal education institutions, 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 continuous social dialogue on development skills and a national vocational education strategy. Adult learning and continuous 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 continuous learning and development society.

## Performance Pays 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 bonuses and commissions 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.

## Equal Pay for Jobs of Equal Value

We commend the government for the much-anticipated legislation on the principle of equal pay for equal work of equal value. The General Workers' Union has been at the forefront on the lobbying and drafting of this important legislation. Now that this principle is going to be introduced next year, we urge the government to make sure that all employers abide by this new legislation. We have to ensure that all workers are paid fairly and decently.

## Capping of Sub-contracting Employees

While the General Workers' Union applauds the government for introducing the new legislation on equal pay for work of equal value, much more can be done to curb the abuse and exploitation. In the private sector, many vacancies are being filled by sub-contracting employees. In every working organisation, you will find more than four types of employers –subcontracting companies provide administrative, cleaning, clerical, security, and operational services. We must ensure that all employees can benefit from the success of every working organisation.

If we want a resolute, loyal workforce in decent jobs we must ensure that all employees are treated fairly and equally. Access to decent jobs is a fundamental human right. 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.

## The Adequate Minimum Wage Directive

The Council adopted the directive on adequate minimum wages on 4 October 2022. In short, the Directive aims to ensure that workers in the European Union earn an adequate minimum wage which is essential to guarantee adequate working and living conditions, as well as to build fair and resilient economies and societies as set out by Principle 6 of the European Pillar of Social Rights.

Better working and living conditions, including through adequate minimum wages, benefit both workers and businesses in the Union. An adequate minimum wage contributes to ensuring fair competition, stimulate productivity improvements and to promote economic and social mobility. They can also help reduce the gender pay gap since more women than men earn a minimum wage.

The proposal also aims at putting in place the conditions for statutory minimum wages to be set at adequate levels: clear and stable criteria for minimum wage setting, indicative reference values to guide the assessment of adequacy, regular and timely updates of minimum wages, and the establishment of consultative bodies to advise the competent authorities, limiting to a minimum the use of minimum wage variations and deductions, ensuring the effective involvement of social partners in statutory minimum wage setting and updating. It also aims to increase collective coverage and increase the participation of social partners.

In Malta, the agreed increase in the minimum wage between the Government, trade unions, and employers last year will reach the projected 60% of the median salary in four years. Thus, ensuring a decent living for workers and reducing in-work poverty is important during a crisis and essential for a sustainable and inclusive economic recovery.

The low-wage commission is another part of the directive. Social partners discussed endlessly to reach an agreement.

The only issue that remains is the 80% collective bargaining coverage. The employment relations board was discussing the action plan that every member state must adopt to reach the 80% benchmark. Trade unions proposed automatic enrolment of employees in a trade union of their choice. Employers disagreed and abandoned the discussion and boycotted the board until such item was withdrawn.

We are proposing the commencement of discussions between trade unions and the government on the enactment of new legislation regulating the automatic enrolment of workers in a trade union. Since employers have no vested legal interest as they do not represent workers and since they already abandoned the discussion, then they are not part of the discussion.

## Remote and Teleworking

During the pandemic, telework and remote working were promoted and encouraged. Employers and employees adapted to this new reality. Productivity was up and employees were happy to work remotely/online and save travelling time. After the pandemic all discussed that the best way forward was a hybrid system. After almost two years since the end of the pandemic, most employees are back at the office cause employers do not want them to work remotely. The General Workers' Union believes that remote and teleworking should be promoted and encouraged.

As such we are also proposing that both remote and teleworking be promoted by employers and encouraged to be taken by employees. Incentives can be given to promote and encourage the take-up.

## Income Tax on Overtime

In previous budgets, 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, the capping on the amount is eliminated as well and the rate of 15% is fixed on all overtime income.

We are also proposing that the rate of 15% tax rate is also applied on all allowances.

## Long-term Illness

We propose the introduction of an extended sick leave policy that grants employees suffering from long-term health issues, not limited to cancer patients, the right to a prolonged sick leave of at least one year. This policy recognizes the profound impact that chronic illnesses and serious health conditions can have on an individual's ability to work, while also acknowledging the need for comprehensive support during such challenging times.

Under this proposal, employees diagnosed with serious health conditions such as cardiovascular diseases, neurological disorders, autoimmune diseases, and other chronic illnesses would be eligible for extended sick leave. This leave would provide them with the necessary time to undergo treatment, recovery, and rehabilitation without the added stress of job insecurity or financial instability. The extended sick leave would be fully compensated, depending on the severity of the illness and the duration of absence, ensuring that employees can focus on their health and well-being.

Additionally, this policy would go hand in hand with the provisions for regular medical assessments to monitor the employee's progress and determine the potential for returning to work, either in a full or reduced capacity. Employers would be encouraged to explore flexible work arrangements or temporary reassignment to less demanding roles for those able to work part-time during their recovery.

This proposal not only addresses the immediate needs of employees facing long-term health challenges but also promotes a compassionate and supportive workplace culture. By providing adequate time for recovery, the policy would help reduce the risk of complications, prevent relapse, and ultimately support a smoother reintegration into the workforce. Furthermore, it would enhance employee morale and loyalty, demonstrating the employer's commitment to the well-being of their staff. In the long run, this approach can lead to improved productivity and a healthier, more resilient workforce.

## Department of Employment and Industrial Relations

The GWU believes that labour laws should be such to provide reassurance to all workers in our country irrespective of their nationality, gender, or beliefs. These laws have been enacted to safeguard and protect employees. Therefore, it is unacceptable for any employer to breach these laws because he/she thinks it is above the law. Although the labour laws in our country are among the best in Europe, we cannot accept that the provisions of the law are abused without harsh consequences for those who abuse employees. We are calling for increased inspections and stricter penalties for employers who engage in such abuse.

We are proposing that the Department of Employment and Industrial Relations apart from being given more resources to function efficiently in enforcement, it should also be transformed to a regulatory body like an Authority.

## Social Partners

The term social partners refer to representatives of employers' organisations, trade unions, and civil society that engage in social dialogue. Not only do social partners play a key role in collective bargaining but also play a significant role on the National level through the Malta Council for Economic and Social Development (MCESD). The council function as an advisory council that issues opinions and recommendations to the Maltese government on matters of economic and social relevance. Social partners strive to improve social dialogue and to put forward sound and concrete recommendations about socioeconomic matters to the government before any reforms or measures of relevance.<sup>3</sup> Trade Unions shape working conditions and influence social policy, either through collective bargaining or tripartite social dialogue. They are interlocking parts in a multilevel system of governance that includes the European, National, company, and establishment levels.

To continue providing an enhanced and professional service, the GWU is proposing that trade unions be allocated financial assistance to hire economic, financial, and environmental professionals.

Furthermore, we are proposing that the current grant given to social partners to cover affiliation fees to European Confederations and flights to attend to European Social Dialogue is increased substantially. Currently this grant only covers less than 50% of all expenses incurred by the General Workers' Union.

## Employee Employability Insurance

We are proposing 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. Employers should pay for this insurance. Economic sectors who are more prone to accidents should implement this type of insurance immediately. This insurance must prioritize the employee's 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 workplaces. 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 claimed it breaches the European Charter of Human Rights and our Constitution. When we

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<sup>3</sup> <https://mcesd.org.mt/>

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. 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 expedite 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 genuinely want to eradicate abuse of employees, this is the only way.

## 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 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.

## 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. Since 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.

## 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. 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 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, regularize regular employment, and increase the revenue for the employees and the state.

We are also proposing that the appeals system is revamped to cater for the current situation. We are informed that while the applicant has 10 days to find alternative employment or leave the island, in some cases it takes months to have his/her appeal heard. In the meantime, the employee is not allowed to work.

## Industrial Zones

### Industrial Estates Associations

To enhance the efficiency and appeal of Malta's industrial areas, we propose an increase in funding to the Industrial Estates Association. This funding would be dedicated to the upkeep and upgrading of industrial estates, ensuring they remain competitive, safe, and conducive to business growth. Upgraded infrastructure, including better roads, utilities, and waste management systems, will attract investment, improve operational efficiency, and reduce environmental impact. Moreover, well-maintained industrial areas enhance the working environment, contributing to employee satisfaction and productivity. Additional funding will also support the implementation of modern technologies and sustainable practices, such as energy-efficient systems and green spaces, aligning with Malta's broader environmental goals. By investing in the continued improvement of these industrial areas, the government can help drive economic growth, create jobs, and ensure that Malta remains an attractive destination for both local and international businesses.

### 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.

### Public Transport Schedule and Bus Stops

The public transport schedule in Hal Far urgently needs revision to better serve the growing number of workers. Current schedules are inadequate, leading to overcrowded buses and long wait times, especially during peak hours. Also, workers on a shift system are obliged to use their private car as the bus schedule does not cater to the early hours of the day or during nighttime. Additionally, the limited number of bus stops leaves many workers with lengthy walks to access public transport, reducing the system's efficiency and convenience.

To improve accessibility and meet the needs of the area's population, increasing the number of bus stops and adjusting the schedule to accommodate high-demand periods is essential. This will enhance connectivity, reduce travel times, and promote public transport usage.

### Unused, Abandoned Trailers

The General Workers' Union already raised the issue on the number of unused and abandoned Trailers during the past year. We applaud the government for initiating the process to tow these vehicles and abandoned trailers. We urge the government to take action as soon as possible. There is an urgent need to clear these unused, abandoned, and unclaimed trailers and vehicles that are illegally parked in Hal Far. These neglected vehicles not only create an eyesore but also pose significant safety hazards, obstructing roadways and increasing the risk of accidents, particularly in an area with high traffic and pedestrian activity. The presence of these vehicles hampers visibility and

accessibility, making it difficult for both drivers and pedestrians to navigate safely. Immediate action is necessary to remove these hazards, ensuring safer and more orderly streets for the community while preventing potential accidents.

## Independent Transport System to Industrial Areas

The GWU has 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 measures. We strongly believe that apart from the environmental benefits, it will also alleviate parking pressures in industrial zones and can be economical and beneficial for both employees and employers.

We urge all concerned to push forward this idea as apart from reducing the use of private cars, it is also beneficial to the environment.

## Malta Marittima Agency

Malta Marittima Agency aims to develop and promote the maritime industry in Malta, positioning the country as a key maritime hub in the Mediterranean. It serves as a platform for collaboration between various stakeholders, including government bodies, private enterprises, and educational institutions, to foster growth, innovation, and sustainability within the maritime sector.

The entity focuses on several key objectives: promoting the maritime sector, facilitating collaboration among industry players, supporting research and development, and enhancing maritime education and training. Malta Marittima also emphasizes sustainable practices, aligning with global trends and regulations to reduce the environmental impact of maritime activities.

A significant part of its mission is to promote the Blue Economy, which involves the sustainable use of ocean resources for economic growth, job creation, and the preservation of ocean ecosystems. Given Malta's strategic location and its ship registry being one of the largest globally, Malta Marittima plays a crucial role in maintaining and expanding this vital sector. Through its initiatives, the entity ensures that Malta's maritime industry remains competitive, innovative, and aligned with international standards.

We are proposing an increase in funds to Malta Marittima to support research and development in the maritime sector. This could include investing in modern technologies for cleaner and more efficient shipping, renewable energy sources like offshore wind, and sustainable aquaculture practices. Enhanced R&D can keep Malta at the forefront of maritime innovation. These funds can also support the expansion of educational initiatives and partnerships with local and international institutions to develop specialized training programs. These could focus on emerging areas like maritime cybersecurity, blue economy entrepreneurship, and sustainable marine operations. This investment would ensure a highly skilled workforce that meets the evolving needs of the maritime industry.



# A Just and Fair Society

## Integration and Inclusivity

Implementing integration policies and promoting inclusivity are crucial for building cohesive, prosperous, and resilient societies. As communities become increasingly diverse due to globalization, migration, and demographic shifts, it is essential to create environments where all individuals, regardless of their background, feel valued and included. Integration policies play a key role in helping newcomers adapt to their new environment, providing them with the tools and support they need to contribute effectively to society. This includes access to education, language training, employment opportunities, and social services.

Inclusivity goes beyond mere acceptance; it actively involves embracing diversity and ensuring that everyone has equal access to opportunities and resources. When inclusivity is prioritized, it fosters social harmony, reduces inequalities, and enhances the collective well-being of society. Diverse perspectives lead to more innovative solutions, driving progress in various sectors such as business, technology, and public services. Moreover, inclusive communities are better equipped to address and overcome social challenges, such as discrimination and social fragmentation.

For governments and organizations, promoting integration and inclusivity is not just a moral responsibility but also a strategic imperative. It strengthens social cohesion, boosts economic growth by harnessing the potential of all citizens, and ensures that everyone has a stake in the community's future.

## 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, fosters 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 limit for deciding a case is essential to address the issue of delayed 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 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.

## Good Governance

Good governance is essential for the effective and equitable functioning of any society. It ensures transparency, accountability, and fairness in decision-making, fostering trust between citizens and

institutions. By upholding the rule of law, protecting human rights, and ensuring that resources are managed responsibly, good governance promotes social stability and economic growth. It also empowers communities by involving them in the governance process, leading to more inclusive and sustainable development. Ultimately, good governance is the foundation of a just and prosperous society, where the needs of all citizens are respected and met.

## 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 principle, then as a society, we must introduce the concept of Living Income. In our opinion, 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 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 independent scientific research to define what is the Living Income and establish the amount needed by diverse 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 of promoting 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 worker's 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 competencies 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 serve as a validation of their experience and skills. This certification can enhance job opportunities for those with a lack of academic certification. It must certify credibility and trustworthiness in the eyes of employers, clients, and regulatory bodies.

## Revamp of the Pharmacy of your Choice

We propose a comprehensive revamp of the Pharmacy of Your Choice (POYC) system to address issues of medicine availability and wastage. The revised system should include a more rigorous

prescription review process to prevent the issuance of excessive quantities of medication, thus reducing waste. We recommend implementing a real-time inventory management system that allows pharmacies to better track stock levels and predict shortages, ensuring that essential medicines are always available.

Additionally, the revamped system should introduce a streamlined mechanism for patients to report medication shortages or issues directly to a central authority, which can then facilitate timely restocking or alternative solutions. Establishing a feedback loop between patients, pharmacies, and the health authorities will improve responsiveness and efficiency.

By optimizing inventory management and improving communication channels, the proposed changes will enhance the reliability and effectiveness of the POYC system, ensuring that patients receive the medications they need without unnecessary delays or waste.

## Decrease in Tax and Widening of Tax Bands

We are proposing that tax bands be widened, and income tax be decreased. Apart from minimum wage being taxed, we have cases of individuals earning less than the previous year because she/he is 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.

Reducing income tax can be highly beneficial for both the government and society. For individuals, lower income tax means increased disposable income, which boosts consumer spending and stimulates economic growth. This increased spending can lead to higher business revenues, job creation, and overall economic expansion. For the government, a broader tax base resulting from increased economic activity can offset the initial revenue loss, potentially leading to greater overall tax revenue. Additionally, reducing income tax can attract talent and investment, making the country more competitive globally and improving the quality of life for its citizens.

## Social Security Contributions by Married Couples

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 aimed at providing financial support and protection for pensioners and the most vulnerable.

We propose that Maltese or European citizens married to third-country nationals (TCNs) should receive the same social benefits as couples where both partners are Maltese or European. Currently, in cases where one partner is Maltese or European and the other is a TCN, only the Maltese or European partner is eligible for fiscal benefits, such as the first-time buyer scheme. We recommend that, upon marriage, both partners be granted equal rights to these benefits, ensuring fair and equitable treatment for all couples regardless of their partner's nationality.

## Pensions

We propose increasing both contributory and non-contributory pensions to elevate the standard of living for all pensioners. Increasing these pensions apart from the social aspects, and the economic aspect will provide retirees with a more secure and comfortable financial base. In addition to raising the pensions, both contributory and non-contributory, the government should also increase all additional existing supplements, to further support pensioners. This includes additional allowances for those with special needs, and other relevant benefits.

By implementing these measures, we aim to reduce financial strain on pensioners, ensuring they can better meet their essential needs and maintain a decent quality of life. Enhanced pension support will also promote social equity and acknowledge the contributions of retirees throughout their working lives.

## Pensioners born Pre 1962

The union notes with satisfaction the implementation by the Minister of Social Policy and Children's Rights, 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.

During our routine meetings with the Minister, we proposed that those above the age of eighty and over are paid this adjustment immediately. This amounts to €9.47 additional increase per week. This will make a stark difference in elevating the standard of living of our pensioners.

We are proposing that more medicine form part of the government's formulary to reduce the 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 contributions 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 and villages and they can be considered as the "town's square" where old people meet and socialise. We are proposing increasing the number of Day Care Centres and 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 aimed 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 transferred from one spouse to another to reach the minimum number of contributions. This principle already exists for separated couples. Furthermore, spouses should also be allowed to retroactively pay their contributions.

The average monthly basic salary of employees for the first quarter of 2024 was estimated at €1,928. The highest basic salary was recorded in the Financial and Insurance Activities sector. Average monthly salaries varied from €1,223 among persons employed in elementary occupations to €3,132 among managers.<sup>4</sup>

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.

We are also 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.

## Third Pillar and Voluntary Occupational Pensions

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 take-up 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.

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<sup>4</sup> <https://nso.gov.mt/labour-force-survey-q1-2024/>

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 conduct an in-depth review on the performance of the scheme. If the review shows that voluntary pensions would not have been delivered as planned, it should strategically assess the introduction of a 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 times.

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 in employees contributing to their Private Pension funds.

## Sustainability

The GWU is aware that many 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 jeopardise 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 be 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 as misappropriation of funds.

The GWU posits that the current revenue collection and sanction mechanisms are reviewed and reinforced as appropriate, and employers are 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 principle 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%.<sup>5</sup>

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 Jobs 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

During the past years, a national strategy was enforced to encourage disabled persons to 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 level. 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 by introducing and implementing measures ranging from new accommodations 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

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<sup>5</sup> Proposals for Reforms to the Pension System by the General Workers' Union and the Malta Chamber of Commerce

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.

## Social Housing

Social housing is vital for supporting the most vulnerable members of society, ensuring that everyone has access to safe, affordable, and stable living conditions. The rising housing costs have made it increasingly difficult for low-income families, the elderly, and individuals with disabilities to secure adequate housing. Without access to affordable homes, these individuals face the risk of homelessness, instability, and a host of related challenges, including poor health, unemployment, and social isolation.

Social housing provides a critical safety net by offering secure and affordable housing options tailored to the needs of those who are most at risk. It helps create a foundation of stability, enabling individuals to focus on other important aspects of life, such as employment, education, and health. Moreover, social housing fosters a more inclusive society by reducing the inequality gap and preventing the marginalization of vulnerable populations.

As such the General Workers’ Union is proposing increasing funds for social housing. Increasing funding towards social housing also ensures that all members of society have a fair chance to participate in and contribute to the community. In essence, social housing is not just about providing shelter; it is about building a more just and equitable society.

## Affordable Housing

Affordable housing is a crucial element in fostering stable and thriving communities. It refers to housing that is economically accessible to individuals and families earning low to moderate incomes, ensuring that their spending on housing does not exceed a reasonable portion of their earnings. This type of housing is vital for preventing homelessness, reducing economic strain, and improving overall quality of life.

The benefits of affordable housing extends beyond just providing shelter. It plays a significant role in enhancing social stability and economic mobility. When individuals and families have access to affordable housing, they can better allocate their resources towards other necessities such as healthcare, education, and savings. This access contributes to better health outcomes, higher educational attainment, and increased opportunities for economic advancement.

Moreover, affordable housing promotes community development by stabilizing neighbourhoods and encouraging local investment. It reduces the risk of displacement and segregation, fostering diverse and inclusive communities. Governments, non-profits, and private sectors must collaborate to expand affordable housing options through targeted policies, funding, and innovative development models. By prioritizing affordable housing, society ensures that all individuals can live in safe, stable, and supportive environments.



## 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 that 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 small apartments, and their only option is to rent from the private sector. We are proposing that to help those families buy a home, the Equity Sharing scheme is extended also to those on minimum or low-level wages.

## The Well-being of Society

The well-being of society is the cornerstone of a prosperous, resilient, and harmonious community. It encompasses not only the physical and mental health of individuals but also their overall quality of life, including social, economic, and environmental factors. When society's well-being is prioritized, it leads to a more productive and engaged population, reduced healthcare costs, and a stronger, more cohesive social fabric. Achieving this well-being requires a multifaceted approach that integrates various elements, from health and education to economic stability and environmental sustainability. It is not just the responsibility of governments but also businesses, communities, and individuals to contribute to creating an environment where people can thrive.

Primarily, access to quality healthcare is fundamental to the well-being of society. A robust healthcare system that is accessible to all, regardless of socio-economic status, ensures that individuals can maintain their health and productivity. Preventive care, mental health support, and timely medical intervention are crucial components of such a system. Moreover, promoting healthy lifestyles through education, public health campaigns, and community programs can significantly reduce the incidence of chronic diseases, leading to a healthier population overall.

Education is another vital pillar in achieving societal well-being. A strong education system equips individuals with the knowledge and skills they need to succeed in life, fostering economic mobility and reducing inequality. Education also plays a critical role in promoting social cohesion, as it encourages critical thinking, empathy, and an understanding of diverse perspectives. By investing in education, society can empower future generations to contribute positively to the community and the economy.

Economic stability is also essential for societal well-being. This includes not only providing employment opportunities but also ensuring that jobs are secure compensated and that there are safety nets in place for those who are vulnerable. Economic policies that promote inclusive growth and reduce inequality are vital to ensuring that all members of society can participate in and benefit from economic progress. Additionally, supporting small businesses and encouraging entrepreneurship can create more opportunities for people to achieve financial independence and contribute to the economy.

Organizations must prioritise not only economic sustainability but also social sustainability. While economic sustainability ensures long-term profitability and viability, social sustainability focuses on the well-being of employees, communities, and the broader society. Organizations that invest in fair labour practices, employee well-being, diversity, and community engagement create a positive social impact, fostering a loyal workforce, enhancing brand reputation, and driving long-term success. By balancing economic goals with social responsibilities, organizations contribute to a more equitable and resilient society, ensuring sustainable and inclusive growth.

Environmental sustainability is another crucial aspect of societal well-being. A healthy environment is necessary for the long-term health and prosperity of society. Protecting natural resources, reducing pollution, and promoting sustainable practices ensure that future generations will inherit a planet capable of supporting life. Environmental initiatives can also create jobs and stimulate economic growth, further contributing to societal well-being.

The well-being of society is a multifaceted concept that requires an integrated approach to achieve. By focusing on health, education, economic stability, and environmental sustainability, governments, businesses, communities, and individuals can work together to create a society where all members can thrive. Prioritizing societal well-being is not just a moral imperative but also a practical strategy for ensuring long-term prosperity and resilience.

## Proposal for the visually impaired persons

As in the past proposals, the General Workers' Union is partnering the non-government organisation Visual and Non-Visual Network to put forward specific proposals on the visual impaired persons. The Visual and Non-Visual Network (VNVN) is a specialized network or initiative that focuses on accessibility, particularly for individuals who are visually impaired or blind. The theme of this proposal is "Il-Hajja lil hinn mid-Dawl".

It is our collective responsibility to address the challenges faced by those who do not have access to natural daylight and the visual environment around us. Research indicates a direct correlation between human vision and the information we receive from our surroundings, with approximately 80% of this information being visual (source: visionaware.org). Considering this, the GWU strongly advocates for enhanced protection of the rights of citizens for whom the visual nature of the environment does not suffice. Our goal is to ensure the independence and dignity of these individuals.

Therefore, the GWU together with the Visual and Non-Visual Network urges the government to allocate a dedicated budget fund specifically focusing on improving the quality of life for those who live beyond the light. To achieve this, we propose the following initiatives:

**Enhance Education and Inclusivity** - We propose a holistic increase in education and a balanced approach to addressing both visual and non-visual needs. This can be achieved through continued investment in training for employees within government departments and entities, ensuring they are well equipped to serve the visually impaired. Additionally, the government should develop and implement more inclusive policies to better accommodate these citizens.

**Strengthen Independent Living and Dignity** - We recommend bolstering existing support schemes and creating new initiatives that promote the independence of visually impaired individuals. This will empower them to lead dignified, autonomous lives.

We propose enhancing accessibility and support for the visually impaired, through access to Human Resources.

We propose that the government increases support for the 'Meet and Greet' program, ensuring that human resources are adequately trained to provide quality services to the visually impaired.

We propose a collaboration agreement between the government, the General Workers' Union and the Visual Non-Visual Network to create sustainable job opportunities for the visually impaired. We also suggest the establishment of a central fund, like existing disability funds, to further support their independence.

Entrepreneurial Opportunities – We encourage the government to invest in sectors such as agriculture, the arts, and education by providing targeted entrepreneurial schemes that support the visually impaired.

Infrastructure Improvements – We propose that infrastructure development considers the pedestrian challenges faced by citizens who rely on non-visual means of navigation.

Broaden Social Dialogue – We propose the broadening of social dialogue and collaboration between non-government organisations, local governments, and relevant authorities to advance the socio-economic development of the visually impaired, ensuring their inclusion in society.

These proposals aim to foster a more inclusive society where visually impaired individuals are supported and empowered to lead independent, fulfilling lives.

## 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 well-being 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 increasing in costs. These vouchers should also be extended to dairy and gluten sufferers. We are also proposing the introduction of these vouchers for those suffering from gluten and dairy intolerance.

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

## Farmers Markets

To support local agriculture and provide communities with fresh, locally sourced produce, we are proposing increasing the number of farmers markets in every locality. Establishing more farmers markets will create accessible platforms for farmers to sell their goods directly to consumers, promoting sustainable agriculture and reducing food miles. These markets will also foster community engagement, encourage healthier eating habits, and stimulate local economies by keeping money within the community.

The proposal includes collaborating with local governments to identify suitable locations for these markets, ensuring they are easily accessible to all residents. Additionally, providing support in the form of grants or subsidies for market setup and operation will incentivise farmers to participate. The markets should operate regularly, with flexible hours to accommodate various schedules, making fresh produce available to a broader range of people.

By increasing the number of farmers markets, we can enhance food security, support local farmers, and build stronger, healthier communities.

## 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 delve 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 ecosystems and enriching our environment. Furthermore, the environment must offer recreational and tranquil spaces to enrich our lives.

Environmental degradation, driven by greed, 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 toward 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, and 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 sunlight. We are proposing that those affected should be allowed to have the same number of solar panels in solar farms.

Streetscaping 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.

## Vacant Dwellings

We propose implementing a tax on vacant dwellings to address housing shortages and stimulate the property market. By imposing a financial penalty on property owners who leave their properties unoccupied, we can incentivize the use of vacant homes, increasing availability and reducing pressure on the housing market. This tax would encourage property owners to either rent out their properties or sell them, thus improving housing accessibility and affordability. The revenue generated could be reinvested into affordable housing projects and community development initiatives, further enhancing housing options and supporting urban renewal efforts.

## 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 fully 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 function 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.

## Roof Gardening

We are proposing the introduction of financial incentives for roof gardening that can significantly promote urban greening and environmental sustainability. By offering tax rebates, grants, or subsidies for rooftop gardens, the government can encourage residents and businesses to transform unused roof spaces into green areas. Roof gardens reduce urban heat, improve air quality, and contribute to biodiversity. They also offer insulation benefits, lowering energy costs for heating and cooling. These incentives would not only enhance the aesthetic appeal of urban areas but also support sustainable living practices, making cities more resilient to climate change while fostering community well-being and environmental stewardship.

## Enforcement

We applaud the government for the setting up of the Building Construction Authority, the enactment of the New Health and Safety Legislation regulating the Occupational Health and Safety Authority, the introduction of contractor licensing, and the new consultation for the introduction of the stone mason licensing and the introduction of the new helpline. No accidental death in any workplace is acceptable. Nobody should go out to work and never return to his/her family. 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 continuous training programs.

We are proposing that training on hazard 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 all regulations and if a contractor fails to abide by the regulations, its license must be revoked immediately.

## Table and Chairs and Open Spaces

To ensure public safety and accessibility, it is essential to enforce strict regulations on the placement of tables and chairs on roads and pavements. Increasingly, businesses are using public spaces for outdoor seating, often encroaching on pedestrian walkways and roads, creating hazards and obstructing access for pedestrians, including those with disabilities.

We are proposing the enforcing of the current rules and guidelines that specify the permissible areas for placing tables and chairs, ensuring they do not impede pedestrian movement or compromise safety. Regular inspections and penalties on the spot for non-compliance should be implemented to maintain order and fairness. Additionally, a permit system could be introduced, requiring businesses to apply for and display permits indicating approved seating areas. This approach would balance the needs of businesses with the rights of the public, fostering a safer and more accessible urban environment.

## Skill Cards Construction Sector

We urge the government to immediately enact legislation to make it obligatory for all employees in the construction industry to have a Skill Card. No one should be permitted to access a construction site without a Skill Card, regardless of the project's scale. This measure will decrease the presence of unskilled workers in construction sites, consequently reducing accidents.

## Environmental Laws

We are proposing enforcing current environmental legislation 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, respect nature's limits, and secure a greener, more sustainable future for all.

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 safeguard biodiversity.

Groundwater is being constantly abused and should stop immediately. Strong enforcement on the protection of groundwater 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.

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

We are proposing a new allocation fund towards local councils for the purchase and plating of mature indigenous trees in their localities. This would create a much more greener streetscape. The current citizens may enjoy mature trees, and they can reduce the elevated temperatures Malta is currently facing.

## 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 conducted 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 meet the UN Sustainable Development Goals, in particular SDG 7, to ensure access to affordable, dependable, sustainable, and modern energy for all.

We welcome the government's 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 be responsible for the UN Sustainable 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 to drive the 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 re-training.

## Public Transport System

To alleviate traffic congestion and enhance the efficiency of public transportation, we are proposing a multi-faceted plan to improve bus services across the island. First, increasing the number of buses on key routes, especially during peak hours, will help reduce overcrowding and encourage more people to use public transportation instead of personal vehicles, thus decreasing street traffic. The type of buses is fundamental.

Second, enhancing the efficiency and punctuality of bus services is crucial. The implementation of real-time tracking systems is a step in the right direction, increasing dedicated bus lanes, and optimizing route schedules will ensure buses run on time, making public transport more dependable and appealing.

Third, expanding the number of bus stops, particularly in underserved areas, will improve accessibility, encouraging broader usage of the bus network. Additionally, all bus stops must be equipped with shelters to protect passengers from harsh weather conditions, such as sun and rain, enhancing the overall commuting experience.

Fourth, heavy fines if the service provider does not adhere to the agreement, the schedule and frequency, and the number of buses.

These improvements will not only promote a shift from car usage to public transport, reducing traffic congestion, but also contribute to a more sustainable and commuter-friendly urban environment.

## Upgrading of pavements

We propose upgrading of pavements to ensure they are fully accessible for pensioners and disabled individuals. Currently, pavements are often adjusted to garage heights, creating barriers that make them difficult to use. The proposal includes installing ramps and adjusting pavement heights to align with accessibility standards, ensuring smooth, level surfaces that accommodate wheelchairs, walkers, and other mobility aids. Regular maintenance and the inclusion of tactile paving for the visually impaired should also be considered. These improvements will enhance safety and mobility, allowing all individuals to navigate their communities more easily and independently.

## Car-free Zones

We propose transforming core villages into car-free zones to enhance local quality of life and environmental sustainability. By restricting vehicle access, these areas can become safer and more pleasant for pedestrians, promoting healthier lifestyles and vibrant community interactions. Implementing dedicated pedestrian pathways, bike lanes, and improved public transport options will support this transition, reducing traffic congestion and air pollution. Additionally, introducing car-free zones can boost local businesses by increasing foot traffic and creating a more attractive shopping environment. This initiative will not only preserve the charm of core villages but also foster a more sustainable and connected community.

## Planning of Road Works

Effective planning for road works is essential to minimize disruption and ensure smooth traffic flow. We propose a comprehensive approach that includes continuous communication between competent authorities, better coordination among authorities and service providers, and issuing clear completion dates for road works in tender documents. This would enhance accountability and allow the public to plan their travel accordingly.

To further reduce inconvenience, especially in busy urban areas, we suggest increasing the rate of night work on main roads. Nighttime operations would significantly reduce the need for multiple road closures in the same area, preventing the compounding of traffic issues and alleviating stress on commuters. Additionally, a centralized scheduling system should be implemented to avoid overlapping projects in nearby locations.

By implementing these measures, road works can be carried out more efficiently, reducing delays, enhancing public trust, and maintaining a balance between necessary infrastructure improvements and the smooth functioning of daily life.

## 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 modern 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.

## Electric Vehicles Grants

Currently, the grant to purchase new electric vehicles is set at €11,000, with the potential of a €1,000 add-on for those scrapping their previous vehicle. The amount of the grant was revised from 2021, increasing from the previous €8,000, as part of the government's push to electrify the national fleet to meet the country's emissions targets.

Also, electric, and plug-in hybrid vehicles with a range of 50km or more will remain exempt from registration tax and exempt from paying annual road licenses for five years from the date of first registration.

To encourage even more the use of cleaner vehicles we are proposing the increase of the grant from €11,000 to €15,000 and the exemption of registration and road license tax increased to 10 years.

## Alternative means of mass transportation

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

## Investment in Essential Infrastructure

We applaud the government for the implementation of the accelerated investment in 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 road 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.

## Beverage Container Refund Scheme

The BCRS system is widely accepted by the public. The only criticism received by the union is about the number of machines around the island. The recycling rate of around 98% is proof of the enormous success of the system. 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 continuance of the subsidies on water purifiers and reverse osmosis systems. The goal is to ensure 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.

## Youths and Education

Education is the foundation of human development and economic growth. (“Education, The Component of Quality of Life and Human Development”) 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 an 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 also proposing an increase in grants for youths to take part in sports programs, which can promote more professional athletes in different sports disciplines.

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.

Moreover, addressing the issue of meager 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, manage 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, educational institutions and policymakers need 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 valuable information and knowledge that is essential for our youths' future. Topics such as life skills, property buying procedures, knowledge about their working and fundamental rights, communication, and financial literacy are not covered. To address this lack of knowledge, we propose an innovative 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.

## Internship and traineeship

We propose the implementation of a structured internship and traineeship program that mirrors the apprenticeship pay mechanism. This initiative aims to bridge the gap between education and employment by providing students and young professionals with practical, firsthand experience in their chosen fields, while also ensuring they are fairly compensated for their contributions.

The proposed program would establish a standardized framework for internships and traineeships across various industries. This framework would include clear guidelines on the duration, scope of work, learning outcomes, and mentorship responsibilities to ensure that the experience is both educational and professionally valuable. To further incentivize participation, we propose introducing a pay mechanism like that of apprenticeships, where interns and trainees receive a stipend or wage that reflects their level of contribution, and hours worked.

By aligning the pay structure with the apprenticeship model, this program would not only provide financial support to interns and trainees but also recognize the importance of their role within the organization. This approach would help reduce barriers to entry for those who may otherwise be unable to afford unpaid or low-paid positions, ensuring that opportunities are accessible to a more diverse range of candidates.

Moreover, the introduction of this pay mechanism would encourage businesses to invest in the development of future talent, fostering a culture of continuous learning and growth. Employers would benefit from a motivated and engaged workforce, while interns and trainees would gain valuable industry experience, enhancing their employability and career prospects.

In summary, this proposal seeks to create a more equitable and effective pathway from education to employment by making internships and traineeships more structured, meaningful, and financially sustainable. By adopting a pay mechanism akin to apprenticeships, we can ensure that these opportunities are accessible to all, ultimately contributing to a more skilled and diverse workforce.

## Early School Leavers

We propose conducting a comprehensive study to investigate why Malta has a higher percentage of young people who do not pursue education beyond the secondary level compared to other European countries, despite substantial government investment in education. The study should analyse numerous factors, including socioeconomic barriers, the perceived value of higher education, and the alignment of educational programs with job market needs. By identifying these underlying issues, the study will provide valuable insights to refine educational policies, enhance career guidance, and develop targeted interventions. The goal is to ensure that government investments in education yield greater retention and success in post-secondary education.

## Working permit for refugee students

We propose the waiving of the working permit fee for refugee students, those who have been granted international or national protection status. The students have the access to enrolled in any course at MCAST or any other educational institution. In the eventuality that these courses entail the

completion of a small number of apprenticeship hours, then they need to pay the working permit fee. This fee creates an unfair recruitment environment, with these students.

## Introduction to Healthier Lifestyle

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.

## Get-Qualified scheme

We propose extending the Get-Qualified scheme beyond its 2024 closure to continue supporting individuals in pursuing further education and professional development. This tax credit initiative has been instrumental in making higher education more accessible, enabling students and professionals to upskill and meet the evolving demands of the job market. Extending the scheme would not only encourage lifelong learning but also help bridge skill gaps in key industries, fostering economic growth and innovation. By continuing this valuable program, we can ensure that more individuals can advance their careers and contribute meaningfully to the economy.

## Direct transportation to MCAST and other Educational Institutions

We propose the introduction of direct transport options, such as shuttle buses, from park-and-ride locations across Malta to MCAST and other large educational institutions during peak hours. This initiative would ease traffic congestion, reduce the carbon footprint, and provide students and staff with a more efficient and reliable way to commute. By offering a seamless connection between park-and-ride facilities and educational institutions, we can encourage the use of public transport, alleviate parking issues on campuses, and contribute to a more sustainable transportation system. This proposal supports both environmental goals and the convenience of the academic community.

## Vocational Education and Training

Young people need 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." ("Work for a brighter future – Global Commission on the Future of Work ...") All workers will need support through the increasing number of labour market transitions throughout 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 Institutions 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 significant role in 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, and types of standard operating activities and map better, tailor-made courses to help youths achieve their full potential while increasing skills competencies. By reintroducing Vocational Schools, students with different educational aptitudes 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 link to future economic strategies and innovation systems. Additionally, the strategy can invest in business incubators, support start-ups and technology diffusion for small and medium-sized enterprises (SMEs).

To facilitate the 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 exceedingly difficult for employees, especially, those with children, to attend courses, outside working hours.

## Free Childcare

We propose revising the policy on attendance at childcare centres to differentiate between justified and unjustified absences. The current policy treats all absences equally, whether due to illness or vacation, leading to potential misuse where parents may send their children to childcare to avoid charges.

Under the revised policy, absences due to illness, medical appointments, or other valid reasons would be categorized as justified, while non-essential absences such as vacations would be classified as unjustified. This distinction would require parents to provide documentation for justified absences, ensuring that the system supports those in genuine need while discouraging misuse.

Additionally, the revised policy should include clear guidelines and a transparent process for documenting and verifying absences. This will help maintain the integrity of the program and ensure that resources are allocated effectively to those who need them most.

## Individual Learning Accounts

Presently a local working committee is studying the possibility of the introduction in Malta of Individual Learning Accounts (ILA) similar to those already being run in Germany, The Netherlands and Spain, amongst others.

As the ILA offer numerous benefits, particularly for learners who seek to enhance their skills, pursue professional development, or adapt to new career opportunities as the programme provides financial assistance, which helps cover the costs of courses, training materials, or certifications. This reduces the financial burden on learners, making education and upskilling more accessible.



The programme helps individuals identify and address specific skills gaps, making them more competitive in their current roles or when seeking new employment. This targeted approach ensures that learners acquire skills that are directly relevant to their career paths, thus, boosts employability and career advancement. ILA training programmes will foster a culture of learning in Organisations leading to more skilled, engaged, and loyal workforce.

Hence we are proposing that the Government will acquire EU funding to launch such scheme and will start with one or two days (1-2) days leave per year to those employees attending these courses which will be added up by one (1) day per year, for the next 4 years.

## 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.

We are proposing the continuing embellishment of the garden in front of Gozo stadium. This will be an additional open green space for all the family to enjoy. The area should have exercise facilities, passages, benches, and picnic areas.

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

We propose the rehabilitation of the Hondoq area to create a welcoming park featuring indigenous Maltese flora. This revitalized space will offer families a clean and relaxing environment to enjoy. The park will include designated areas with benches for picnics and a barbecue area to enhance the outdoor experience.

By incorporating local flora and providing facilities for social gatherings, we aim to create a vibrant community space that promotes relaxation and family bonding while celebrating Malta's natural heritage. This initiative will enhance the recreational opportunities in Gozo and contribute to the area's overall attractiveness and usability.

We propose increased investment in the rehabilitation of valleys, including the retention and rebuilding of rubble walls, and extensive cleaning efforts. These measures are crucial for optimizing the use of rainwater, which is becoming increasingly scarce.

By improving valley infrastructure and maintenance, we can enhance water retention and management, ensuring that rainwater is effectively captured and utilized. This approach will support sustainable water practices and contribute to the conservation of this vital resource, helping to address the challenges of water scarcity and promote environmental resilience.

In addition, whenever possible we propose that all new developments, particularly public projects, incorporate large rainwater reservoirs. This initiative aims to capture and store rainwater, which can then be utilized within the surrounding area. By integrating these reservoirs into development plans, we can enhance local water management, support sustainable practices, and reduce the strain on existing water resources. This approach will not only contribute to efficient water use but also promote environmental stewardship and resilience in the face of water scarcity challenges.

We urge the government to continue and accelerate the development of the airfield. This project represents a valuable investment opportunity for the island, potentially boosting its economic growth, tourism and enhancing connectivity.

While we applaud the government for the upgrading and rebuilding of the road infrastructure, we propose increase investment to construct several roads, among others Triq it-Tigrija and Triq San Blas in Nadur, Triq il-Qala in Qala, Triq tal-Għajn in Fontana, and Triq Tabib Anton Tabone in Rabat. Additionally, whenever feasible, new road projects should incorporate reservoirs for water storage to enhance local water management and sustainability.

We propose a feasibility study on the development of a Marina in Marsalforn. This project would require significant investment, as it should include the reconstruction of the breakwater to ensure the marina's long-term viability and safety. A well-planned marina could enhance Marsalforn's appeal as a tourist destination, stimulate local economic growth, and provide improved facilities for boating and water activities.

Mgarr Harbour is the only seaport that connects with Malta. With the increase in tourists and economic activity, this seaport become small. We propose a feasibility study of the expansion of the berthing facilities. This must take into consideration the underwater tunnel. We also propose the increase of the Gozo Channel fleet.

We propose initiating the major development project in Rabat. This must include the restoration of Villa Rundle, the construction of an underground parking facility, and the embellishment of the surrounding area. This long-awaited parking project should be built underground to maximise space. Above the parking area, we suggest creating a public park or community space.

Additionally, the football ground currently used by Victoria's clubs could be renovated with artificial turf, with parking facilities constructed beneath it, ensuring both improved sports facilities and increased parking availability.

Health - Priority should be to the rebuilding of a modern Gozo General Hospital. The new facility should include a helipad on top of the infrastructure to accelerate the transfer of patients to medical facilities in Malta. In cases like this, every minute causes.

Maritime – We propose that the Maritime Section of the Armed Forces should be relocated to new more modern and well-equipped premises.

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 continue to live in a time of profound global uncertainty, where the government must make pivotal decisions that will greatly influence the future direction of our nation. The budget is not just a financial document; it is a clear statement of our collective priorities, values, and dedication to the well-being of our citizens. As the global socio-economic landscape grows more complex, our government must work toward a consensus that promotes inclusive growth, social equity, and long-term sustainability.

As the largest Maltese Trade Union, the General Workers' Union (GWU) stands firm in its commitment to advocate for a comprehensive and forward-thinking national fiscal strategy. In these times of global uncertainty, Malta needs to adopt a long-term national vision coupled with a strategic plan that addresses the evolving needs of our society and economy. This vision must be built on the pillars of economic and social sustainability, ensuring that every citizen has access to decent jobs, fair wages, and a secure future. It is imperative to acknowledge that a long-term strategic economic vision 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.

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.

Our proposals emphasize the urgent need for automatic enrolment of all employees with a union of their choice. This will ensure that no one is left behind, abused, or exploited. We advocate for the creation of decent jobs that offer stability and dignity, while also promoting integration, social justice, and inclusivity. These are not just values; they are the foundations of a society that genuinely cares for all its members, particularly the elderly and the vulnerable.

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 providing a safety net for the vulnerable will promote a healthier and more secure society.

Good governance and equality are non-negotiable priorities. We must foster a society where the principles of fairness and transparency guide our decisions, and where every individual is treated with respect and dignity. A sustainable government financial system is crucial to maintaining the economic stability that underpins these values. It is equally important to recognize that economic sustainability is intrinsically linked to social sustainability; one cannot thrive without the other.

The time has come to seriously consider the introduction of a third-pillar pension system, which would provide additional security for future pensioners, ensuring they can enjoy a decent standard of living in their retirement. Moreover, our future policies must prioritize the environment, education, and the empowerment of our youth. These are the pillars upon which we must build a prosperous and resilient future for the next generations.

Investment in the blue economy, the maritime industry, and agriculture is essential for diversifying our economic base and securing long-term growth. Equally important is the need to invest in our national infrastructure, which is vital to support these industries and the broader economy.

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 systems, incentivizing eco-friendly practices, and mitigating the impacts of climate change are vital steps for our nation's ecological well-being.

The GWU believes that through collective effort and a shared vision, we can create a budget that not only addresses the immediate challenges but also lays the groundwork for a more equitable, sustainable, and prosperous Malta. Together, we can build a future that benefits all members of Maltese society, ensuring that our nation thrives in the years to come.