

PRESS RELEASE

14th May 2020

Initiative laudable, budget too low

Scheme was principle proposal made by The Malta Chamber

The Malta Chamber welcomes the Government taking on board its proposal to create a scheme to subsidise commercial rent for small businesses. This was a proposal made by the Malta Chamber in its continuous feedback to Government on the needs of businesses at this challenging time.

The Malta Chamber however notes that the budget of Eur2.5m dedicated to the initiative is too low to cater for the expected demand it will attract. It is noteworthy that rent is generally the second greatest expense for any business following salaries. Therefore, it is crucial that Government implements this scheme correctly with adequate budget right from the start.

'Though the initiative is laudable, the budget is lamentably too low to make a real difference' the President of The Malta Chamber Perit David Xuereb said. 'This scheme is open to the absolute majority of businesses in Malta, businesses employing less than a 100 people, and the amount of Eur2.5m which is dedicated to this initiative, will barely scratch the surface or make a difference'.

The Malta Chamber calls on Government to dedicate more funds for this laudable scheme, as it is expected to be quickly oversubscribed. At the same time, Government is encouraged to ensure that the fund is used judiciously to support companies that were viable and tax compliant before the Covid situation.

The Malta Chamber remains available to assist Government with researched and expert opinions.

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