

PRESS RELEASE

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“Construction Industry needs to restore reputation with the people who deserve better” David Xuereb

Malta Chamber President Perit David Xuereb said that the building industry didn't only have a mountain to climb in raising the bar of quality and ethical standards, but it also needed to restore reputation with the people who most definitely demanded and deserved better.

The Chamber President was delivering his opening remarks at 'Dialogue with the Prime Minister' on 27th June, which offers the exclusive opportunity to Malta Chamber members to meet the Prime Minister and debate tangible and real issues that affect their daily operations.

Perit Xuereb noted how the Chamber had already, over the past months, promoted and facilitated the introduction of the Considerate Contractor Scheme with the Authorities. “The intentions of the Scheme, in fact, fell squarely in line with our 2014 Economic Vision document which advocated a high-quality economy” Mr Xuereb said.

The unfortunate catastrophic series of structural collapses occurring adjacent to construction sites has mobilised a positive change in mindset that has motivated the beginning of an improvement programme that should have many stages yet to come, Mr Xuereb remarked.

While commending the Government's urgent action to impose a temporary moratorium on demolition and excavation works, Mr Xuereb said that following the consultation process on the proposed amendments to the Avoidance of Damage to Third Party Property Regulations, the Malta Chamber was of the opinion that the Legal Notice, while being a step in the right direction was tackling this important matter in a piece-meal fashion in relation to the wider extended operational and regulatory needs of the Industry

Mr Xuereb said that the Chamber supported all actions and legislation that aimed at high levels of quality, delivery and respect for the industry players, the neighbours and the public at large.

Referring to the macro picture, Perit Xuereb said that while the economy was generally doing well, the Chamber was noticing how certain sectors were growing at an exceptional pace, while others were expanding at much slower rate.

“These latter sectors which include manufacturing and retail are suffering a higher rate of cost-push inflation than their business can afford. The lack of available skills that we continue to experience is escalating this effect so the matter remains our top-most priority to tackle” Xuereb said.

The President then referred to a study on labour shortages carried out by the Chamber last year, which had concluded that the country had out-grown the Maltese labour supply and recommended sourcing of labour from abroad to meet the demand.

“Prime Minister, we are most appreciative of the fact that despite diverse opinions in the country, your position on the need to import qualitative and needed skills and labour from abroad has been clear and consistent with our recommendations” the President said.

Speaking about compulsory Union Membership, Mr Xuereb noted how the Chamber remained adamantly convinced against such a proposal.

The Chamber is concerned that compulsory membership is not compatible with the principle of "Freedom of Association" entrenched in our Constitution as well as several international conventions including the ILO" Mr Xuereb said.

"The Chamber prefers to remain working hard to attract membership to its fold on a voluntary nature and on the basis of adding value to our member's objectives and priorities" he said. Referring to the strains which state pensions were posing on public finances, the Chamber President reminded the Prime Minister how the Chamber had supported optional second pillar pensions.

"Under similar occupational pension schemes, employers' contributions are entirely voluntary and employees can voluntarily pay a percentage of their salary through a payroll deduction that entitles them to a fiscal incentive. The legislation that paved the way for the introduction of Voluntary Occupational Pension Schemes in Malta was indeed a welcome step in the right direction. The improved tax incentives announced in the 2019 Budget contributed to increased interest by employers in these schemes. Clarity is still required on aspects of the legislation which is hindering take-up by employers. We urge Government to consult with providers of these schemes for their feedback and advice" Mr Xuereb said.

Making a direct reference to Malta Air, the President chimed the Chamber's welcome to the newly launched Malta-based airline, yet he warned that the national airline's importance must always be protected.

"Air Malta plays a pivotal role in our economy and its existence must never be placed under any form of risk. We must ensure, therefore, that the two Malta-based airlines can not only live side-by-side but become complementary to each other particularly in any renewed plans to establish Malta as a regional hub of European and North African connections to the benefit of our economy and business" Mr Xuereb remarked.

In conclusion Mr Xuereb noted how the Chamber was a strong believer in Responsible Entrepreneurship.

"We believe in celebrating the achievements of responsible and upstanding companies which channel portions of their reasonable and legitimate profits into undertaking research and innovation, in the development of human capital through training, in seeking efficient ways to minimise waste and carbon foot-print, in creating jobs and generating economic multiplier effects and in maintaining close relations with society and the welfare of their employees. Our Chamber shall continue to champion the role, the interests and the reputation of the upstanding entrepreneur in our country because we believe that there can be no social model without enterprise and there can be no enterprise without profit", Perit Xuereb concluded.

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