

## MALTA TO BRACE ITSELF FOR MASS LAYOFFS, BUSINESS CLOSURES AND UNEMPLOYMENT

Government once again shows clear signs that it is not understanding the dire situation businesses are in. The flashy figures announced yesterday evening, accompanied by the usual rhetoric, mean nothing and will not change anything in the difficult decisions employers are unwillingly taking and the sacrifices they and their employees are having to make.

The government does not need to reinvent the wheel. Other countries have prioritized “to keep business in business and workers in jobs”. In Malta, the government seems to have thrown-in the towel and is shortsightedly catering more for unemployment rather than helping businesses in keeping their employees. The harm of having so many thousands of people in unemployment will cost so much more in socio and economic damage in the long-term as more social benefits will need to be paid in the long-run than the subsidies which are necessary but not being offered now.

Where layoffs can be avoided they must be avoided.

Government needs a reality check and should stop playing about with low-impact measures. This is not the time for a mini-budget. Other countries have described their funding measures as a war budget and Malta is no different. Government should be digging deep in its pockets until it finds the necessary funds.

### ABOUT MALTA CHAMBER OF SMES

Malta Chamber of SMEs (Formerly known as GRTU) is the largest social partner in Malta representing over 7,000 SMEs from over 90 different sectors. The SME Chamber has been established for over 70 years and its aim is of safeguarding the interest of businesses at large.

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The government has shown ample capability along the years to come up with millions and billions to finance different operations and projects that it thought fit. Not having the sufficient financial liquidity is not a credible answer. Now is the time to finance SMEs and their employees who have diligently paid their taxes, sustained the economy and contributed to the economic growth so bouted about by the government throughout the past years.

Not once has the government called us in to really discuss with us as social partners. As a social partner that has been around for over 70 years, we have ample experience and knowledge on what will and will not work. In previous cases, we used to be at the decision-making table day and night, until together with all the relevant parties, we found solutions that we could ourselves stand by when the support measures are announced.

The Government needs to act fast and will be held responsible for the time wasted, ignorance of social dialogue functions and the harm done to Malta.

Ill-thought and half-baked solutions are unacceptable.

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