

Press Release

Malta Chamber of SMEs Unveils its 2026 Election Priorities: Putting SMEs at the Centre

The Malta Chamber of SMEs has officially released its strategic priority document for the upcoming 2026 General Election, titled "SMEs at the Centre." Drawing 33 proposals based on consistent data from the SME Barometer and extensive member consultation, the SME Chamber is calling on all political parties to adopt a "Think Small First" approach to ensure long-term economic resilience and fairness.

The latest SME Barometer (Q1 2026) results underscore the main issues SMEs face. Currently, 41.8% of businesses identify employee shortages as their primary concern, followed by unfair competition (21.5%)

While the country's economy grew, the SME Barometer clearly shows that economic success alone is no longer sufficient. Mr. Paul Abela said: "The next phase must be built on sustainability, productivity, and an improved quality of life for all, including the business owners who form the backbone of our economy."

Key Priorities for the 2026 Election include:

- **A Fair Playing Field and Tax Reform:** The Malta Chamber of SMEs is calling for a reduction in the corporate tax rate from 35% to 25% across the board, with a 15% deferred tax rate for SMEs that reinvest their profits. This is aimed at neutralizing the unfair level playing field.

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.

SPOKESPERSONS

Paul Abela | President

HEAD OF COMMUNICATION

Mr. Fabian Demicoli

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- **Total Removal of Successional Taxes:** To safeguard family businesses, the SME Chamber proposes the total exemption of taxes and document duties on business transfers between family members, treating the family as a single economic nucleus.

- **Reforming the Legislative Framework:** The introduction of a Mandatory SME Test for all future legislation to ensure new regulations do not impose a disproportionate burden on micro-enterprises. The SME Chamber also proposes removing audit requirements for micro-businesses with a turnover under €250,000.

- **Encourage Capital Expenditure:** With resident deposits reaching €27.4 billion, the SME Chamber proposes a Business Investment Scheme. This would incentivise the general public to lend to local SMEs, turning passive savings into productive investment for the local economy.

- **Addressing the Labor Shortage and Productivity:** Beyond facilitating TCN recruitment through a "One-Stop Shop" the SME Chamber advocates for a strategic transition to a less labor-intensive model. This includes a Productivity Tech Kit Grant and incentives for employee wellbeing to maximize the potential of the existing workforce.

- **A Long-Term Strategy for Gozo:** Recognizing that Gozo's GDP per capita sits at just 59.8% of the national average, the SME Chamber proposes an extension of the Mgarr Harbour and the diversification of Gozo's economy.

The Malta Chamber of SMEs remains committed to working alongside any future Government to ensure these practical and sustainable solutions are implemented so as to ensure that Malta remains competitive, resilient and economically sustainable for current and future generations.

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The Malta Chamber of SMEs calls on the political parties to exercise caution in regards to the increasing number of electoral promises being announced without any form of prior consultation with social partners, and which would directly impact employers and businesses.

Such measures, without proper consultation, affect the business community and would especially and disproportionately affect micro and small enterprises, which make up the absolute majority of businesses in Malta.

While we recognise that electoral campaigns generate considerable enthusiasm and at times, overly ambitious pledges, we cannot remain passive when such promises have a direct impact on the livelihoods of small businesses and their employees.

Social partners expect to be consulted in advance, on any proposed incentives that may affect SMEs, in line with established practice over the years.

We are concerned that several of these proposals do little to enhance productivity and address the labour shortage, which when implemented through a blanket approach, may prove unsustainable in practice and have repercussions on both businesses and the business community.

The SME Chamber calls for greater maturity and responsibility in public commitments, ensuring that proposals are grounded in proper feasibility assessments rather than driven solely by electoral promises. Moreover, even measures that do not directly target the small business community can have wider economic repercussions, including possibly reducing investor confidence.

The SME Chamber is currently working on a number of constructive proposals and remains committed to engage with all stakeholders. The SME Chamber looks

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forward to seeing proposals targeted at SMEs that genuinely drive productivity and safeguard the wellbeing of employers and their employees.

We welcome discussion on solutions that support sustainable economic growth while effectively addressing the realities faced by Malta's SMEs.

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