"We have been in good shape, I believe we are in even better shape now as GO"

GO Chairman, Sonny Portelli INTERVIEW **■ PAGE 10**



Europe needs to offer more tangible outcomes to its citizens and needs to enhance single markets

Tonio Fenech POINT OF VIEW ■ PAGE 9

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200 more nurses needed for migration to Mater Dei - MUMN

MAM Council to meet today

Gerald Fenech

With the opening of the new Mater Dei hospital just a couple of days away, it seems that the actual migration is still in a precarious state. It appears that it will take more than a significant effort to get the new hospital, which will cost the nation over a quarter of a billion liri, up and running.

Notwithstanding the situation, Parliamentary Secretary Tonio Fenech is confident that the hospital should be up and running by the end of year, at the very latest.

Malta Union of Midwives and Nurses Secretary General Colin Galea, explained that any progress regarding migration to the new hospital was 'deadlocked', although a meeting between the union and the Prime Minister is expected to take place within the coming days.



Doubts persist over migration to Mater Dei as it is due to open on Friday

"If we are to continue offering the same services to the patient which we used to offer at St. Luke's then we will need at least 200 new nurses at Mater Dei. Apart from the new hospital issue, we have had an increase of patients at Zammit Clapp and St Vincent De Paule hospitals due to the transfer of the oncology department and other elderly patients from the defunct Sir Paul Boffa hospital. There is no way we can guarantee the current service with the numbers we have today and if this is going ahead then the quality of life of the patient will suffer as well as our member's psychological situation with added stress."

Galea revealed that the union was waiting for a summons from the OPM to discuss the issue with the PM after a meeting was requested last week.

Malta Medical Association Secretary General Martin Balzan said ▶ page 3

Rise in tax burden highest in Malta – Eurostat

The rise in the tax burden as a proportion of Gross Domestic Product registered the highest increase in Malta and Cyprus from the EU-27 from 1995 to 2005, according to the latest statistics released by Eurostat yesterday.

In fact, the tax burden in Malta rose from 27.3 per cent in 1995 to 35.3 per cent in 2005. This rise was only second to Cyprus, which had a slightly higher rise from 26.7 percent to 35.6 percent. However, although our tax rate is considered to be high, it is still way below the top pace setters in the EU-27 which are Sweden and Denmark at 51.3 and 50.3 percent respectively.

For the EU27 as a whole, the average implicit tax rate (ITR) on labour (including social contributions), the preferred indicator for the average tax burden, amounted to 35.2% in 2005. The decline registered since 2000 stopped in 2005, despite a wide consensus on the desirability of reducing labour taxes. However, the tax burden is still lower than its maximum of 36.5% in 2000. Among the Member States, in 2005 this rate ranged from 22.1% in Malta, 24.6% in Cyprus, 25.5% in **▶ page 4**

A FAREWELL CALL



British Prime Minister Tony Blair greets the Californian Governor Arnold Schwarzenegger on the steps of No. 10 Downing Street. Blair spent his last full day in office facing growing speculation that he will be named as an envoy to the Middle Fast

Manufacturing industry is being strangled in 'small doses' – Edward Scicluna

Charlot Zahra

Speaking to BusinessToday in wake of last week's redundancies from VF and Bortex, which left 650 workers jobless, Professor Edward Scicluna, an eminent economist, said that like the loss of a beloved member of the family, the loss of a big firm sends a "strong shock that reverberates throughout.

"We ask questions and also try to find answers which comfort us. Thus we have both the deep crisis theory and the inevitability theory as well. It is the Chinese, we all say. We cannot do anything about it. But when death strikes do we say it is inevitable. We all have to die someday. Or else try to find the real causes?

"The case in point", he said, "is the loss of jobs clearly due to loss of competitiveness. Let us be frank with ourselves.

"What have we done to help firms gain competitiveness?

"How did we perceive all the past national subsidies and white elephants which have all been a burden on the wage-earner through needless heavier taxation?

"How responsible were we, when we had the chance, to ensure that our exchange **> page 3**

