

Business Today

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Joseph F.X. Zahra

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Displaced Valletta shop owners reject alternative premises



Charlot Zahra

Valletta shop owners that will be displaced as a result of the Valletta regeneration project at the end of the year have been offered alternative premises above City Gate, Business Today has learnt.

However, the retailers that will be affected as a result of the development when construction works are scheduled to start next year have shot down the proposals as "inadequate" in

meetings with Lands' Parliamentary Secretary Jason Azzopardi about the matter.

"He told us that the premises above City Gate are available, and that it would be upgraded," Reggie Fava, the owner of a pharmacy in City Gate which has been operating for the past 41 years, told Business Today.

"Business people were not happy at all with those premises – they do not believe that it is adequate for their business," Fava insisted.

Asked by Business Today whether the Government had offered an alternative to the premises above City Gate, Fava told this newspaper that none had been identified till now. "I think that government will now be contacting us again, since it is committed to offer an alternative".

"From the feedback that we have, Valletta shop owners want alternative premises in Valletta, not compensation," Fava said.

"However, finding **▶ page 3**

'Many jobs to be lost', employers warn

Labour cost increases, productivity down

Karl Stagno-Navarra

Employers are set to confront government over Malta's diminishing competitive edge, particularly in the manufacturing industry, as Central Bank statistics have revealed that the country's unit labour costs accelerated during the first quarter of 2009, increasing with the annual rate of 4.7 per cent, compared with annual growth of 3.5 per cent during the previous quarter.

Speaking to Business Today, Malta Employers Association (MEA) director general Joe Farrugia warned that should the current trend persist, "then a lot of trouble is around the corner and many jobs are set to be lost."

Employers are to meet Prime Minister Lawrence Gonzi and Finance Minister Tonio Fenech together with other social partners next week for another MCESD meeting that is scheduled to discuss the Pre-Budget Document for 2010.

Joe Farrugia stressed that the figures released by the Central Bank continue to confirm employers' preoccupations that this trend has become unsustainable and is

leading to many manufacturing firms to close, lay off workers, and shift their operations to other countries with cheaper labour costs and higher productivity levels.

"Unfortunately government is not understanding the implications of the situation that in real terms is continuing to erode Malta's competitiveness, and the prospected Cost of Living Adjustment (COLA) estimated to be in the region of €5 to €6 per week to make good for last year's inflation rate will continue to generate further complications to an already difficult situation," Joe Farrugia said.

He explained that the Employers Association has been constantly warning government of the implications connected to the further increase in labour costs against a diminishing rate in productivity, adding that the COLA issue "confirms the distorted economic scenario."

During next Tuesday's MCESD meeting, the social partners are expected to hold a discussion on the contents to government's strategic plan that aims to safeguard jobs and competitiveness. **▶ page 3**

Markets

Security	Closing Prices in Euro Tue 11-August-09	Closing Prices in Euro Tue 18-August-09	% Change from previous wk
Bank of Valletta p.l.c.	2.899	2.900	0.034%
HSBC Bank Malta p.l.c.	2.650	2.680	1.132%
Lombard Bank p.l.c.	2.600	2.550	-1.923%
Middlesea Insurance p.l.c.	1.759	1.759	0.000%
Simonds Farsons Cisk p.l.c.	1.680	1.680	0.000%
GO p.l.c.	1.800	1.800	0.000%
I.H.I. p.l.c.	0.841	0.841	0.000%
Plaza Centres p.l.c.	1.649	1.649	0.000%
FIMBank p.l.c. (US\$)	\$1.289	\$1.289	0.000%
Malta International Airport p.l.c.	2.350	2.349	-0.043%
GlobalCapital p.l.c.	1.500	1.500	0.000%
Datatrak Holdings p.l.c.	0.190	0.190	0.000%
San Tumas Shareholdings p.l.c.	3.200	3.200	0.000%
Medserv p.l.c.	3.500	3.500	0.000%
Grand Harbour Marina p.l.c.	1.980	1.980	0.000%
6pm Holdings p.l.c. (GBP)	£0.590	£0.590	0.000%
Crimsonwing p.l.c.	0.390	0.390	0.000%
MaltaPost p.l.c.	0.690	0.690	0.000%
RS2 Software p.l.c.	0.650	0.620	-4.615%

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