

Business Today

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Gordon Cordina

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GWU 'yes' to wage freeze at Air Malta

Insists however that the proposed freeze must apply to all categories



Karl Stagno-Navarra

The General Workers Union said yesterday that it was prepared to accept a wage freeze on salaries at Air Malta given the dire financial situation at the national airline, however it stressed that this

“freeze” must apply to all categories.

In a statement issued to counter the contents of an interview given to sister paper Malta Today last Sunday by Air Malta CEO Joe Cappello, the General Workers Union stressed that it had proposed

at the start of talks on a new collective agreement to “freeze current salaries, as long as this applied to everyone.”

The GWU noted however that the airline CEO revealed with Malta Today that talks concluded with the unions representing the cabin crews, pilots and engineers included financial benefits: “Therefore the GWU expects the same for its members,” the union said.

In its statement, the GWU explained that it had made proposals on worker flexibility and it remained committed to reaching an agreement with the airline as long as the workers lost none of their current working conditions, while it was neither prepared to give up its calls for an airline commitment not to out-source sections of the company and not to carry out forced redundancies.

The GWU concluded that it would shoulder its responsibilities, but would not shoulder the burdens imposed by mismanagement.

‘An extreme event’



The threat of gas shortages has forced the UK National Grid to issue an alert to power suppliers for the second time in its history as the Arctic cold snap extended its grip across Britain, causing travel misery. Hundreds of schools were forced to close, while almost three million workers were forced to stay home as roads, railways and airports were closed due to heavy ice

and snow. Manchester and Liverpool airports were closed for hours yesterday, while delays and cancellations have hit flights from Gatwick and Leeds. Six inches of snow fell yesterday alone over almost all of Britain making the country look like a tale from ‘Narnia’. The Met Office has issued a rare warning, explaining that the country was under an ‘extreme weather event’.

Malta to drag out of recession in 2010

Charlot Zahra

Malta is expected to exit the recession later than other EU Member States, thus leading to a potential drag of the recession across the whole of 2010. Speaking in an extensive interview with Business Today (see pages 4 and 5), senior economist Gordon Cordina stressed: “While other countries have started coming out of the recession, we may still be round half-way through.

“This means that potentially, it will take more for Malta to come out of the recession, around six to nine months later, if we were to go by historical trends,” Gordon Cordina said.

From a shorter term perspective, the latest GDP data showed that the

Malta’s growth rate continued to be more negative in the third quarter of 2009, while the latest Eurostat area data on GDP shows that the Eurozone is now officially out of a recession.

Both Prime Minister Lawrence Gonzi and Finance Minister Tonio Fenech have indicated that Malta’s economic recession would start to subside by the first half of 2010.

Asked about his position on COLA and whether he agreed with the employers’ position that COLA should only be given minimum-wage earners, Cordina told Business Today: “Last year COLA had to be granted, and I think this was accepted widely by the social partners because of the high inflation rate that pervaded

Malta in 2009, especially to protect those workers and pensioners who are low-wage earners and are not covered by a collective agreement.

“On the other hand, I believe that we should not live in an economy when we are constantly worried about COLA,” the senior economist told BT “Ideally, we should have businesses that are productive and competitive enough that are able to pay not only COLA but also grant other increases,” Cordina insisted.

Therefore the main issue here was “not so much the granting of COLA but the lack of productivity and efficiency of those sectors that are not able to afford COLA – those that are too labour-intensive and depend on low value-added,” the senior economist told BT.

Malta, India to strengthen trade relations



Foreign Minister Tonio Borg will this week inaugurate the Maltese High Commission offices in New Delhi, and a Consulate in Chennai, being the “maritime city” of India. The official visit follows a tour made by a trade delegation headed by Malta Enterprise officials last month. Further meetings by some of the members of that trade mission are planned.

The Foreign Ministry said that while the potential for growth in trade and investment relations was

strong, the two countries could also collaborate in several other areas such as the film industry - with three Indian films having been shot in Malta last year, including one with the participation of AR Rahman, the Oscar winning soundtrack composer for ‘Slumdog Millionaire’.

In the education sector, the University of Malta employs an official at the Maltese High Commission to promote studies in Malta.

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