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## **A Joint Business manifesto for members of the European parliament**

The Malta Employers' Association believes that a social and prosperous Europe has to be sustained by an infrastructure which promotes competitiveness in a global environment in which there is a much stronger mobility of capital and other resources than previously. Any conditions in living standards which are comparatively superior to countries and training blocks outside the EU are not an automatic entitlement, but are the result of innovative and flexible economies, operating within a business friendly environment, which makes such standards sustainable.

Therefore competitiveness has to be a key driver for the European Union, and a core solution to the current sluggish growth and persistent unemployment.

There has to be a stronger focus on the demand side of the labour market. While initiatives to stimulate labour supply through active labour market policies – which are necessary to counter demographic challenges facing many EU countries – are commendable, the general thrust of EU policies should focus more on generating labour demand through productive employment. The fact is that although unemployment is a problem in many EU states, there is work available in Europe. Yet there is a shortage of employers simply because the social and economic environment is not being conducive to encourage people to become employers.

Labour markets need to become less regulated, by allowing for employees' rights without discouraging employment. In Malta, for example, there has been an assault on the idea of atypical work practices – branding them as 'precarious' employment – when the truth is that the availability of part-time, definite period employment and temping, among others are types of work organisation which generate millions of jobs across Europe. These types of flexible labour market practices are also active labour market measures in themselves and should be encouraged.

The EU should work more vigorously to match labour skills with demand. A substantial part of unemployment within the EU is structural, and many unemployed youths are finding it difficult to secure employment in spite of their qualifications. There should be a

35/1, South Street,  
Valletta VLT 1100, Malta  
t: (+356) 21 237585, 21 222992  
f: (+356) 21 230227  
e: [admin@maltaemployers.com](mailto:admin@maltaemployers.com)  
[www.maltaemployers.com](http://www.maltaemployers.com)

stronger effort to promote vocational skills and STEM (science, mathematics, technological and engineering) subjects in schools and tertiary educational institutions. Underemployment is also a worrying phenomenon which needs to be addressed. The Malta Employers' Association has supported to flag courses according to employability prospects to assist students in making productive career decisions.

The EU should improve access to finance for SMEs. Access to finance is essential to stimulate business and to encourage entrepreneurship.