

3rd October 2019
108/2019

BUDGET 2020 PROPOSALS BY THE JUSTICE AND PEACE COMMISSION

EXECUTIVE SUMMARY OF THE DOCUMENT 'THINKING OF THE LONG-TERM COMMON GOOD'

In the light of the recently published Pre-Budget Document 2020, 'Sustaining Inclusive Growth', the Church's Justice and Peace Commission welcomes the Government's invitation for feedback and has formulated a number of observations and recommendations, which it is hereby presenting for further consideration. The recommendations have been categorised in three groupings tied to the United Nations' 2030 Sustainable Development Goals (SDGs) and also through direct stakeholder consultations with Church organisations working with various societal groups.

No Poverty – SDG 1

The Commission is hereby adopting a wider definition of poverty, including; vulnerable groups such as low income groups, people suffering abuse as well as children and young adults forced to live in sub-optimal conditions. The Commission believes that any measures introduced to assist such individuals should empower the beneficiary rather than create further dependencies.

- **Affordable Housing:** The Commission welcomes the recently introduced equity sharing scheme and the White Paper "*Renting as a Housing Alternative*". However, it believes that more needs to be done in view of the consistent increase in rental prices that is leading to an ever greater number of 'working poor'. In this regard, the introduction of: (i) a government mortgage guarantee and/or (ii) the deduction of loan interest from income tax, may be partial solutions that the Authorities may wish to consider.
- **Homelessness:** A thorough study on homelessness in Malta needs to be commissioned. This would shed more light on the main triggers of homelessness and the best ways through which this problem can be properly addressed. More resources to support exiting shelter homes would also help alleviate the burden on NGOs and the Church.
- **People suffering abuse:** The Commission recommends the setting up of a legal aid agency and the setting up of a system whereby child support contributions are

passed on to a state agency, whom would then forward them to the beneficiary family. This would mitigate commonplace litigations that normally arise between the two parties.

- **Youths falling through the educational system:** The scheme which will be launched by Government: *'My Journey': Achieving through differentt paths'* is welcome. The Commission recommends that such schemes are extended to youths who are older than the schooling age, but have left the education system prematurely.
- **Refugees and Asylum Seekers:** The Commission is deeply concerned by the unfortunate choice of words used in the pre-budget document in relation to refugees and asylum seekers. Framing a humanitarian issue, as a national security issue can have dire consequences on the public's perception. This is particularly disconcerting given the xenophobic sentiment that is already felt in parts of our society. Once again, the Commission reiterates its call for substantive investment to be made in the *'Initial Reception Centre'* and encourages Government to find alternative accommodation options for asylum seekers who are being detained longer than required at the Initial Reception Centre and the Safi Barracks.

Good Health and Well Being – SDG 3

The boost in investment on health care centres and on the national system, together with the acquisition of equipment for robotic surgery and the inclusion of Malta in the European Reference Network are amongst a number of positive developments registered in this field.

- **Mental Health:** In spite of the recent proposal to upgrade the facilities at Mount Carmel Hospital, the Commission opines that this will not be enough to meet the increase in demand for such services. The Commission also reiterates that community mental health support services for Family Caregivers should be introduced.
- **Good Air Quality:** possible solutions that could help improve air quality include: i) offering free public transport during rush hours; ii) introducing safe and adequate infrastructure for alternative modes of transport; iii) avoidance of short term measures to reduce traffic; iv) investment to increase green areas and v) enforce regulation in terms of constriction practices to minimise the dispersion of dust particles.

Decent Work and Economic Growth – SDG 8

Malta continues to register better than expected economic growth rates and low unemployment rates. It is however very important that such economic progress is both ethical and sustainable in nature.

- **Decent Work:** enforcement in certain industries including: the construction, entertainment and tourism sectors amongst others, is lacking. The Commission encourages Government to establish robust systems intended to safeguard workers while ensuring a safe and dignified way by which each individual can earn a decent living. The rise of the so called '*Gig economy*' has also been notable in the recent years. In this regard, the Commission urges Government to make the necessary changes in local legislation such that effected workers are safeguarded from being exploited. Moreover, whilst acknowledging the great contribution of foreign workers in Malta, the Commission encourages the government to protect these individuals and to make sure that they are treated with dignity, rather than simply being used as any another resource of production.
- **Economic Growth:** the importance of diversification and of weaning off the economy from its dependence on specific sectors cannot be overstated, particularly so given Malta's inherent vulnerabilities from it being a small island economy. The Commission urges decision-makers to steer investment in niches which are both ethical and sustainable in both the short and long term.

Conclusion

In conclusion, mindful of the economic progress that is being registered, the Commission insists that the fruits of such progress should be enjoyed by all and no vulnerable groups are left behind. This doesn't only mean a proper re-distribution of the wealth generated, but also examining the source of this wealth and the cost society has to bear. Using economic growth as the most important yardstick by which progress is measured is simplistic and most of the times misleading. Ethics and sustainability are key in the measurement of progress and should be given their due weight in the decision-making process.

As Pope Francis states, we need to move away from "A politics concerned with immediate results, supported by consumerist sectors of the population, ... driven to produce short-term growth." "True statecraft is manifest when, in difficult times, we uphold high principles and think of the long-term common good." (Laudato Si', 178). The Commission hopes and prays that the budget exercise might be inspired by this.