

13<sup>th</sup> October 2018

112/2018

## **RENEWING THE WAY WE LOOK AT PROGRESS**

### **JUSTICE AND PEACE COMMISSION PROPOSALS FOR THE 2019 BUDGET**

The Church Commission for Justice and Peace is putting forward a number of proposals which should be given priority when developing new national policies and goals. Through such policies, the Commission believes that our country can ensure that the prosperity that is being recorded on a financial level is truly translated into an improved quality of life for the entire population.

#### **1. Current Scenario**

Prior to putting forward the proposals, it is pertinent to give a brief summary of the Commission's view of the current status of the Maltese economy. Over the past few years we have seen the local economy grow in an unprecedented manner, recording exponential high Gross Domestic Product (GDP) growth rates, especially when compared to other EU member states. In 2017, real GDP growth stood at 6.4% and forecasts of both the European Central Bank (ECB) and the Central Bank of Malta (CBM) indicate that despite expecting a slight fall, the growth rates are to remain higher than the EU average in the near future.

Nevertheless, the Commission believes that societal progress cannot be gauged solely on this one financial statistic since this would be both inaccurate and naïve. Whilst recognising that local growth rates have helped to increase the purchasing power of some, this financial progress is coming at an environmental and societal cost, affecting the quality of life of many.

Increasingly economic activities are resulting in environmental degradation and are intensifying traffic and pollution; all of which impinge on the health of the local population. Moreover, the benefits of the wealth generated are not being equally distributed amongst all citizens, leaving those at the bottom of the social ladder behind. Indeed, even though the number of households at risk of poverty and social exclusion has been decreasing, the Gini coefficient (being the measure of inequality) has indeed been rising from 27.9% in 2013 to 28.5% in 2016.

People on the lower end of this scale, young couples as well as individuals are finding it more and more difficult to purchase their own property. Renting is also becoming too expensive, undermining the decent living conditions of many, with increasing reports of individuals being forced to reside in basements, garages or other inhumane conditions. This is certainly an issue that must be addressed with urgency as discussed below.

Another issue on the rise in the local scenario is the influx of foreigners, both in terms of labour migrants as well as asylum seekers. With regards to the former group, the Commission is aware of the great contribution these are bringing to our economy and to our national pool of human resources. Nevertheless, it is a known fact that a number of these foreign workers are being exploited in the most demeaning jobs with suboptimal working conditions, and treated as just another screw in the money-churning machine. They tend to be more vulnerable to exploitation since they are isolated, sometimes unable to speak the language of the country and often unaware of their rights or where to seek assistance if needed. Moreover, migrants might be reluctant to report abusive employers since this would either uncover their irregular status or compromise their only source of income in Malta. In the past few months, issues related to asylum seekers and refugees have also been reignited. Whilst understanding that the State faces various difficulties in terms of resources to accommodate such individuals, this should not result in an inhumane treatment. These issues are further discussed in section 2.5.

## **2. Way forward**

As Pope Francis expressed in his encyclical *Laudato si'*: “We have the freedom needed to limit and direct technology; we can put it at the service of another type of progress, one which is healthier, more human, more social, more integral” (par. 112). Thus the Justice and Peace Commission is sharing reflections for a society where the quality of life is not measured solely in terms of GDP but encompasses a more holistic approach. The Commission is proposing that the Budget for the coming year focuses on establishing a number of policies in five (5) major areas, namely: transport, environment, health, housing and migration. It is worth noting that the Commission has already been working on the latter two topics, having already published [a position paper on migration](#), and is preparing a study on housing.

### **2.1 Transport**

Whoever has to travel from one point to another, be it for work or for leisure, knows that this is becoming more of a challenge, with traffic becoming an ever more pressing issue with every year that passes. Whilst acknowledging the immediate need for solutions to alleviate traffic jams, the widening of roads is solely a short-term measure, if not to say a counterproductive one. Such actions will only encourage people to continue using

their private vehicle rather than seeking alternative modes of transport and ultimately altering their travel patterns. There is a need to encourage a shift towards alternative modes of transport. The Commission is of the firm belief that we must continue to improve our infrastructure so that public transport can truly become a valid alternative whilst continuing to encourage carpooling, walking and cycling as other means of commuting. Providing the safe infrastructure for such options is of utmost importance as witnessed by the demands being put forward by organisations such as the Bicycling Advocacy Group (B.A.G.) who are vocal in their requests for a safe cycling infrastructure. The Commission encourages the government to start implementing the Malta Transport Strategy 2050 and the Malta Transport Master Plan for 2025 which have been developed between 2014 and 2016, rather than embarking on projects which were not contemplated in such plans. Finally, alternative solutions such as incentives to promote teleworking for private companies could also be considered.

## **2.2 Environment**

The environment is often the first to be sacrificed in the name of economic and financial growth. However, this does not necessarily have to be the case. The Commission is aware that the University of Malta (UOM) is already involved in a pan European study in terms of the Circular Economy, and looks forward to updates on this area to see relevant models being presented which could eventually be applied in our local economy. In parallel, the Government should work tirelessly towards a much cleaner island; particularly in terms of air pollution. For instance, the introduction of greener areas (such as green urban landscaping or community gardens) would not only help in making areas more liveable, but they would also work as natural air filters to clean the air from CO<sub>2</sub> and particulate matter concentration, mitigate noise pollution, motivate people to walk (hence leading to a healthier lifestyle) and help combat obesogenic environments, as well as aesthetically improving our towns, amongst other advantages. Authorities should also ensure forward planning for efficient land-use and the protection of our environmental heritage for future generations in line with the Strategic Plan for the Environment and Development (SPED).

## **2.3 Health**

Issues related to the degradation of our environment and the impact of traffic are already having serious effects on our health and are the main elements which impact our quality of life. Therefore, by targeting these issues, we could also be working to improve the environment we live in, making it more conducive to healthy living. Obesity

is another health issue which needs to be tackled. According to statistics this issue is becoming year on year more of a serious problem, especially in the case of children. Concrete actions such as increased physical activity in schools, the introduction of measures to diminish the consumption of unhealthy food (e.g. sugar tax) as well as more measures to increase walking and cycling, could all lead to a lowering of this rate. The latter solution shows clearly the interlinkages between various themes hereby presented (e.g. transport and health). Finally, another area necessitating further investment is that of mental health. Whilst acknowledging all the good work already being done in terms of raising awareness on mental health issues, further resources should be directed towards institutions such as Mount Carmel Hospital so as to ensure a quality service to both patients as well as their family members or carers.

## **2.4 Affordable housing**

One of the issues of great concern currently creating most stress is the affordability of housing. Some proposals have already been made by other stakeholders to increase the supply of housing. The Commission insists that whilst increasing the supply of properties by tackling the stock of vacant houses is a good start, any increase will not necessarily have the desired effect of reducing prices. This has been observed in a number of instances in other countries where properties are used as an investment and therefore, despite the high supply, the demand for investment properties keeps the prices up.

In order to alleviate some of the financial burdens of housing, especially for those most in need, the Commission proposes to the Government to look into the possibility of introducing different schemes which are already being applied in other EU countries, such as: (i) a shared ownership housing scheme (ii) a government mortgage guarantee and (iii) a deduction of the loan interest from taxes.

Moreover, the Church has been involved in the consultation process on the rental market white paper and the Commission awaits its publication. Whilst hoping it will include several studied solutions, social housing remains one of the most important tools available for the government to assist those people in dire need of housing assistance.

## 2.5 Migration

The recommendations under this subsection are a reflection of a more in depth position paper published on the 20<sup>th</sup> of February 2018 titled '[The quest for social justice in our society: an integral step in the path for peace](#)'.

### 2.5.1 Foreign workers

The Commission recognises the value of bringing foreign workers to our country, yet we cannot condone their importation as if they were just another factor of production. Hence, in the light of the government's policy to facilitate the employment of migrant workers, a stronger legal and policy framework to protect their rights must be created. Optimal and equal working conditions are enjoyed by all, irrespective of their nationality. The Government should consider the setting up of a legal advice office to assist and provide third-country nationals with information related to their rights and obligations in the local labour market. Services must be accessible and as far as possible offered in a language which such foreigners can understand. It is also recommended that local legislation is amended to include effective protection of migrant workers who report abuse. Such protection should include access to legal aid and free interpretation services, to allow them to obtain redress through legal proceedings as well as the possibility to stay and work in Malta while such proceedings are pending. It would also be beneficial that the Government, with the cooperation of relevant organisations, further develops integration programmes so as to facilitate the integration of foreigners in our local communities, thereby decreasing the 'us and them' mentality that is increasingly prevailing.

### 2.5.2 Refugees and asylum seekers

The Commission renews its plea to the authorities to view asylum seekers as individuals with their own rights, rather than viewing them simply as a collective issue posing a problem to our nation. In this regard, the Government should further invest in the Initial Reception Centre where these individuals are first welcomed to our islands. The current facilities are not up to standard and hence investment in basic amenities, as well as a clinic on site, would assist both the asylum seekers as well as the staff and NGOs in their work. As already mentioned in other studies and pronouncements of the Commission on this matter, further efforts should be invested in the family reunification of such individuals, both recognised refugees (as the law currently stands) and beneficiaries of subsidiary protection. These latter

migrants are likely to be in Malta indefinitely, yet currently have no possibility of being reunited with their families. This can lead to great psychological distress and therefore encourage the authorities to adopt a more people-centred approach which recognises the need of reunification.

Studies have shown that locally, refugees and asylum seekers are amongst the individuals at the highest risk of poverty and social exclusion. Ensuring that these individuals are closely followed and assisted in their daily lives, including on such issues as housing, could help in making their families live a more decent life and contribute towards the social fabric of Maltese society.

### 3. Conclusion

High GDP rates do not automatically equate to an optimal quality of life for all. In Pope Francis' words: "It is a matter of redefining our notion of progress. A technological and economic development which does not leave in its wake a better world and an integrally higher quality of life cannot be considered progress" (*Laudato si'*, par. 194).

Adequate policies should be put in place to ensure that the financial results do not come at the cost of other indicators, and are translated into a higher standard of living for **all the community** and hence leave no one behind.

The Justice and Peace Commission is optimistic that the Government can reach such goals through the implementation of new systems and policies which are currently affordable through the unprecedented high GDP rates which lend themselves to fiscal experimentation.

The Commission also believes that improved quality of life will require a collective change in the mentality of us citizens. We need to change the way we consume and deal with the environment; the way we make our daily decisions and how we invest. The Government can assist in changing these behavioural traits through further investment in the educational system and by ensuring that education does not focus solely on enabling students to pass their examinations, but also enabling them to become critical thinkers, mature discerning adults and therefore responsible citizens. Only in this way we will be able to make sure that the economic benefits will truly lead to a better quality of life for all, including present and future generations.