

# Editorial: Budgeting for quality of life

We hope tomorrow's budget commits to protecting the little environment we have left and imposing a high cost on those bent on exploiting it for money

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27 October 2024 | Times of Malta |  2

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Clyde Caruana (inset) must know there is a palpable shift in public sentiment as he prepares to present Budget 2025, with one major pressing concern – quality of life.

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Clyde Caruana must know there is a palpable shift in [public sentiment](#) as he prepares to present Budget 2025 tomorrow night.

Gone are the days when the budget speech causes anxiety over potential new taxes. Economic prosperity has largely alleviated those fears, but there is now one major pressing concern: our quality of life.

We know more or less what to expect from tomorrow's speech: adjustments to income tax bands, a continued push towards private pensions, and more measures to ease the burden on workers and encourage spending.

This is all good. Yet, Budget 2025 comes at a crucial juncture, demanding more than the tinkering with tax policies or tweaks to worker benefits. In reality, the budgets of the last decade have transcended mere fiscal policies.

Citizens are finally seeing that relentless economic growth, once seen as a universal panacea, comes at a substantial cost to their well-being.

For example, the endless pursuit of higher [tourist numbers](#) has reached a tipping point, with excessive arrivals straining resources. Meanwhile, a construction frenzy

sees no end in sight, compounding daily frustrations.

Public spaces that once belonged to the Maltese people are increasingly being stolen or sold to the highest bidder, and stories of environmental degradation keep hogging the headlines.

At a recent [Times of Malta event](#), economist and academic Marie Briguglio urged the finance minister to adopt modern budgeting tools that assess the impacts of fiscal policy on well-being, similar to strategies employed in the UK, Iceland, and Australia.

While the government has effectively ruled out any new taxes, the government can – and should – use fiscal policy to place the necessary brakes on harmful economic activities. Tax policy is not just about generating revenue; it can be used as a tool to encourage or discourage particular behaviour.

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Nowadays we are worried about our crowded island where excessive traffic, dust, noise and the lack of open spaces are ruining our quality of life. We are troubled about inflation and the fact that young people cannot afford to get on the property ladder.

We hope tomorrow’s budget commits to protecting the little environment we have left and imposing a high cost on those bent on exploiting it for money.

Budget 2025 requires significant investment in critical areas like healthcare and the care of the elderly, particularly in a rapidly ageing society.

We hope to see creative investment in education and the arts, two sectors that enrich our community and ultimately contribute to overall wellbeing.

There is no reason to be fatalistic. The government has made commendable strides in clamping down on tax evasion, collecting €500 million more in taxes last year and anticipating an additional €200 million this year. It is positive to note that 90% of

business returns are filed in time, a significant increase from the past. The government also appears to have rediscovered its social soul in the last few years.

Now it needs to make sure that wealth is spread more fairly, and that public coffers stop being squandered for ministerial vanity projects and quangos that never deliver anything.

At the [EY conference on Wednesday](#), Prime Minister Robert Abela stated that Malta's economy aims to "outperform Europe in its digital and green transformation" with a vision for 2050.

While the rhetoric is optimistic, widespread scepticism abounds. Ultimately, there is a broad consensus that the budget needs to listen to people's desperate call for quality of life in their home country. It's time for a budgeting process that values well-being as much as it values economic growth.