

GWU warns against job losses arising from Sea Malta's privatisation

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The government is in the process of privatizing the national shipping line Sea Malta. The General Workers' Union expressed its determination not to let the privatization agreement lead to job losses.

Sea Malta Company Ltd., Malta's national shipping line operates transport services to and from Malta within the Mediterranean basin. The company which employs around 120 workers, serves the national economy by providing a flexible sea transport service for local manufacturing and for export.

In the Budget speech 2005, the Prime Minister declared that the government was seeking to privatize the company. In spite of considerable opposition, in its role as Sea Malta's major share holder, the government is resolved that privatisation is the only way forward for Sea Malta. It insists that restructuring would be futile given that since 1997, the company lost an average of MTL 0.5 million annually.

The government is bonding the prospective buyer to honour a public service obligation agreement that expires in 2010 in an attempt to protect both workers and industry and guarantee that the new company will continue satisfying the needs of the Maltese economy. In turn, the government will subsidise the new company to operate on routes deemed strategic for the island's economy. The new company must also reach an agreement with the General Workers' Union ([GWU](#)) regarding the conditions of work of Sea Malta's employees.

The secretary of the GWU maritime and aviation section is adamant on safeguarding the employment of all Sea Malta workers. Questions were raised primarily about the conditions of the employees who will be retained and the future of those who might be laid off. He maintained that since this is an independent statutory body within the public sector, the government must shoulder the responsibility of finding alternative employment for these workers as it has done with other restructuring exercises in similar enterprises. He stressed that the GWU cannot abandon workers, and if necessary, will resort to appropriate action as it did in similar situations in the past.

Meanwhile, the UK-based National Union of Marine, Aviation and Shipping Transport Officers ([NUMAST](#)) stated that it is backing its members in Malta who are campaigning against their government's plans to sell privatise Sea Malta. On the other hand, the president of the Malta Federation of Industry ([FOI](#)) highlighted that local industry requires guarantees that the shipping services will not suffer any interruptions and adapt in accordance to the particular needs of the business and industry sectors of the country's economy.

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