



On
The
Times
27th Sept.

Value of the shipyards

I read the article on the GWU's no confidence resolution (September 21).

I am shocked to read Minister Austin Gatt's sarcastic remarks against the hard-working and skilful Malta Shipyards employees. Again, Dr Gatt has no clue that according to the conglomerate ABB and Rolls Royce Bergen, the MSL quality of work is outstanding. In addition, one of the world's leading naval architects has told Chris Bell that the shipyards have excellent quality and that only a few major mechanical improvements are necessary.

The truth is simply that the shipbuilding industry is over-booked for the next decade and ship owners such as Akers, Northrop and FinCantieri are desperately looking for shipyards to purchase in order to meet the industry demands.

Dr Gatt must focus the blame on the chairman, CEO and senior management and ask them to sign up contracts and never to refuse future contracts. It's a very cheap shot for Dr Gatt to blame the outstanding Malta Shipyards employees when it is clear that Dr Gatt's plan is to shut down the entire venture.

Can you imagine the chairman and CEO of GE, GM, Coca-Cola and Northrop Grumman blaming their employees for their company losses?

In the real world, the chairmen and CEOs are immediately fired unless he/she has a profitable plan to be executed asap. There's nothing wrong with the shipyards except Mr Bell and John Cassar White. In fact, the Malta shipyards drydock is one of the best in Europe.

Lastly, why doesn't Dr Gatt place the MSL for sale? What the government should do is to sell the shipyards to the highest buyer and let the private shipbuilders worry about the losses. The government's job should be to

collect taxes and use it for service while the business must be left to the private holding and corporations. It also sends the wrong message to the world when the Ministry of Finance accuses citizens of being lazy and cry babies.

Our company will pay cash to buy the entire shipyards' operation and we aren't interested in owning the real estate because we are shipbuilders. Our company has received \$300 million in tax free bonds from the State of Alabama. Therefore, our investment bankers such as Goldman Sachs and Credit Suisse would love to underwrite the purchase of Malta Shipyards.

Lastly, Dr Gatt, Mr Bell and Mr Cassar White have failed miserably to allow the Shipyards to generate about Lm400 million for the economy. I am speaking from experience and every shipbuilder is overbooked with the exception of Malta Shipyards. The Malta Shipyards' wages are much lower than in Italy, France, Finland, Germany, US, Japan and Korea which are the world leaders in shipbuilding. While the quality is similar or better.

Of course, Marsa shipyards lack new technology, which again is the responsibility of the chairman and CEO. Perhaps, Mr Cassar White needs to learn that the job of a chairman is to take the company to the next level and beyond to the horizon while the CEO's job is to make sure the operation is well run and profitable and the job of the employees is an honest day for an honest pay.

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