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Valletta

Through

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Dear

Establishing a Robust Management Infrastructure at the Enemalta Corporation

I refer you to the presentation made to you at Enemalta Corporation on 1st April 2008. At the meeting I am emphasised the need for the Corporation to undergo a comprehensive capacity building initiative to embed the appropriate skills set to transform the Corporation.

As I articulated at the aforementioned meeting, the Corporation has a very weak management infrastructure that inhibits its ability to plan and be proactive; monitor and improve service; govern and improve its performance. All of the structures and positions identified hereunder are basic yet critical positions that would be expected to be in place in an organisation such as Enemalta Corporation.

(a) Human Resources Management and Development

The Corporation recognises that organisations are about people – structures, technology and plant are tools that enable improved effectiveness, economy and efficiency or means of production to generate output et al. Nevertheless, it is competency and morale of staff that constitute the backbone of an organisation. The Corporation has traditionally placed little value towards its employees thereby allowing the Unions to assume an aggressive role, looking at management as an enemy and dealing with it as such.

Thus the Corporation's philosophy is that of placing employees at the heart of the Corporation; and in doing so, building and retaining high valued and skilled competency within an efficient, effective and economic environment.

In this regard, the current Human Resources Management Department – which in essence is a personnel and industrial relations administration function - will be re-designed to secure appropriate

organisational capacity that will in a sustained and focused manner secure the Corporation's philosophy towards human resources. Its mission will be:

- to establish the Corporation as a model employer.
- to introduce and maintain the Investors In People international Marquee – which establishes the following domains as strategic in terms of human resources management: achieving and building an organisation:
 - that is committed to supporting the development of people.
 - where people are encouraged to improve their own and other people's performance.
 - where people believe their contribution to the organisation is recognised.
 - that ensures equality of opportunity in the development of its people.
 - that has a plan with clear aims and objectives, which are understood by everyone.
 - that develops people in line with the organisation's aims and objectives.
 - where people understand how they contribute to achieving the organisation's aims and objectives.
 - where managers are effective in supporting the development of people.
 - where people learn and develop effectively.
 - where the development of people improves the performance of the organisation, teams, and individuals.
 - where people understand the impact of the development on the performance of the organisation, teams, and individuals.
 - that gets better at developing its people.
- to pro-actively undertake organisational design and development initiatives to enable the Corporation to prepare and respond seamlessly to changing circumstances.

In this regard it is the Corporation's intent to establish a new Human Resources Management & Development Department (HRMD&D) to meet the following functions:

(i) Organisational Design and Planning

This function will be responsible for:

- organisational reviews.
- implementation of organisational reviews.
- establishment of a position based structure and methodology and its implementation.
- establishment of a position description methodology and implementation.
- establishment of job evaluation planning and implementation.
- compensation and benefits planning.
- compensation and benefits modelling.
- human resource planning.
- succession planning.

(ii) Policy Management and Industrial Relations

This function will be responsible for the following domains:

- policy design.
- policy implementation.
- monitoring of policy implementation and review.
- training / workshops relating to new policy instruments.
- quality assurance and compliance monitoring vis a vis activity arising from policy instruments.
- communication and dissemination of policy measures.
- proposing policy measures to be introduced in new Collective Agreements.
- establishing the Corporation's Collective Agreement position.
- management of industrial relations issues.

(iii) Human Resource Development and Life Long Learning

This function will be responsible for the following domains:

- drawing up of a skills dictionary.
- drawing up of a Training Needs Analysis methodology and its application.
- drawing up of a training plan and management of its implementation.
- drawing up of a Life Long Learning plan and management of its implementation.
- drawing up and managing an internal sponsorship programme.
- drawing up and managing an external student sponsorship programme.
- drawing up and managing an internal / external employee attachment programme.
- designing and introducing induction programmes.
- promoting the Corporation to external stakeholders such the University of Malta; STC; MCAST, etc which are of strategic interest to the Corporation.
- designing and introducing Industry-2-Academia / Businesses / Higher Education Institutions, etc partnership programmes that seek positive contributions to the Corporation's staff: specialised training; opening of new training opportunities; etc.
- establishment of an e-Learning centre and infrastructure.

(iv) Human Resources Support Services

This function will be responsible for all human resources support services to management as well as employees. In essence this function will include, amongst others, the following domains:

- internal calls for applications.
- external calls for applications.
- vacation and sick leave management.
- salary and wages management.
- human resources management reports.
- transfer management.
- Other personnel administration matters.

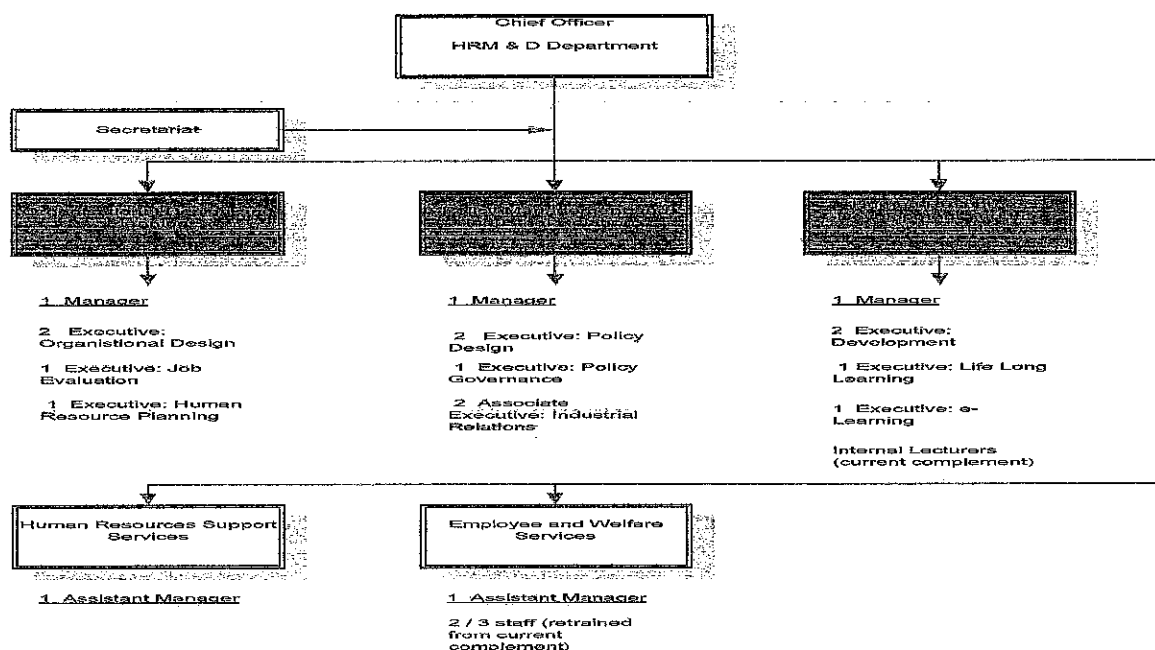
(v) Employee and Welfare Services

This function will be responsible for the 'humane' dimension that the Corporation will seek to attain by securing a personalised and direct interfacing with its staff members. In this regard, this function will be responsible for:

- introduction of Employee Assistance Programmes to provide support and assistance on matters relating to personal issues.
- provision of counselling on personal and work matters.
- provision of career guidance.
- introduction of schemes and programmes relating to Work Life Balance.
- establishment of e-interactive forums for discussion on HR matters.
- establishment of workshops and presentations on HR matters.
- introduction of suggestion schemes.
- personalised attention and follow-up with regards to staff members and their families who are injured on duty.
- personalised attention and follow-up to staff members who have particular problems beyond their control.
- design and publication of the internal newsletter.
- organisation on a systematic manner of a social events calendar.
- establishment of positive schemes for staff with the third party entities – such as, for example, banks.

The diagramme below shows how the HRM&DD will be organised; and the envisaged staff complement.

Human Resources Management and Development Department



The following positions are to be governed by the following conditions:

Position	Title	Salary	Package
Manager	Organisational Design and Planning	10,500 to 13,500	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
	Policy Management and Industrial Relations	As above	As above
	Human Resources Development and Life Long Learning	As above	As above
Assistant Manager	Human Resources Support Services	Lm8,000 to Lm10,500	As per Engineer and Professional Officers (EPOU) Collective Agreement (CA)
	Employee and Welfare Services	As above	
Executives	All shown in organisation chart above	As per EPOU CA	As per EPOU CA

(b) Strategic Sourcing and Procurement

The Corporation procures on a strategic and level of scale that is probably unrivalled in Malta. Despite this, there is no proper sourcing and procurement leadership. There is also very little understanding of how to work within the technicalities of the law, exploit the existing procurement legislation, secure the most appropriate procurement medium, and establish strategic partnership with the Department of Contracts.

Moreover the success of the transmission and generation plan, and ultimately the Corporation's ability to manage the supply of electricity effectively is directly correlated to its ability to manage its strategic sourcing programme – the building of new generators or elements of the distribution network on time, within budget, and with the best maintenance and supporting framework.

In this regard the Procurement Section is to be hived off from the Finance Division and set up as a separate Department to be titled Office of Strategic Sourcing and Procurement. The following is required:

- (i) Chief Officer for Strategic Sourcing and Procurement.

This is a new position. The appointment of the incumbent will report to me and will sit on the Board of Management.

(ii) Contract Manager.

This will be a new position. The Corporation does not have a centralised contracts office. In the exercise leading to the preparation of the commercialisation of the Petroleum Division it was disturbing to learn that the Corporation has no knowledge of when contracts expire, with the cascading impacts this has on strategies for renewal, et al. Furthermore given the fact that contracts are not centralised there is no corporate legal scrutiny that secures that the right legal contract instrument is being applied.

The Office of Strategic Sourcing and Procurement should also be responsible for store management. Store management is currently the responsibility of the core line departments. This, it is strongly argued, is not correct as it does not allow for checks and balances; and thus effective governance.

Functionally re-aligning stores management to this new Office would require the establishment of management positions for the number of store centres managed by the Corporation:

(i) Manager, Store Centre

This is a new position. The Manager, Store Centre will manage stores that handle stock value of greater than Euro2 million.

(ii) Assistant Manager, Store Centre

This is a new position. The Assistant Manager, Store Centre will manage stores that handle stock value of less than Euro2 million.

The required positions are to be governed by the following conditions:

Position	Title	Salary	Package
Chief Officer	Strategic Sourcing and Procurement	Minimum Lm16,000 and negotiable	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
Manager	Contracts	Lm10,500 to Lm15,000	As above
	Store Centre	Lm9,500 to Lm12,500	As above
Assistant Manager	Stores Centre	Lm8,000 to Lm10,500	As per Engineer and Professional Officers (EPOU) Collective Agreement (CA)

(c) Programme and Services Management

This will be new Office. It will have two primary purposes:

- (a) a central focus for the monitoring of the progress of most projects and programmes undertaken across the organisation:

- It will assist Chief Officers and management responsible for projects and programmes in providing realistic timescales for milestones and outputs, and accurate reports of project progress and risk, which will all feed up into Office-wide management information.
 - It will help to provide a strategic overview of projects and programmes, their interdependencies and resource constraints.
 - It will also be an important part of the support mechanisms put in place in the roll-out of the effective project management framework.
- (b) a central focus for the monitoring of services provided to external clients of the corporation:
- establishment of a service call centre
 - establishment and monitoring of service bench marks
 - establishment of electronic interfacing with external clients.

The following is required:

- (i) a new position of Chief Officer, Programme and Service Management. This position will be filled directly by an incumbent working in my Office (Mr Ray Ferris).
- (ii) The creation of a Performance Management and Monitoring Unit with responsibility for:
- establishing an infrastructure for project and services monitoring.
 - ensuring projects plans are in placed and periodic project reports are issued.
 - ensuring that service KPIs and KPTs are in placed and measured.
 - identifying problem areas.
 - provide intelligence reporting.
 - introduced the Balanced Score Card Methodology within the Corporation.

The Unit will at the outset require a Manager, Performance Management and Monitoring Unit.

- (iii) The creation of an integrated Service Call Centre. The Service call centre will be responsible for:
- act as the only port of call for electronic interactions with the Corporation;
 - act as first line of support vis a vis the management of immediate reaction to arising service issues;
 - act as the intelligent interface between the client and the Corporation until such time that Enemalta Corporation places all of its interactive client process on an e-services platform.
 - constitute the main customer care channel to the Corporation's clients.

The Service Call Centre will at the outset require a Manager, Service Call Centre.

The required positions are to be governed by the following conditions:

Position	Title	Salary	Package
Manager	Performance Management and Monitoring Unit	Lm10,000 to Lm13,000	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
	Service Call Centre	Lm10,000 to Lm13,000	As above

(d) Health and Estate Services Management

This will be a new Office. It is directed to replace existent Corporate Services and Administration function within the Corporation which is, at best, weak. This new Office will have three primary functions:

(i) Health, Fire and Rescue Management

- it will be responsible for ensuring that all OHSA, COMAH, SEVESO, et al as well as best practice protocols are adhered to throughout offices and plants
- it will be responsible for ensuring that all fire and rescue services and facilities are in place and maintained according to best practice and international standards
- it will maintain management of hazardous material and clearing offices and plants of non operating material and equipment.

(ii) Estate Management

- this is strongly tied to (i) above but will also entail security; housekeeping; upgrading; improvements; et all.

(iii) Corporate Administration

- will assume responsibility for matters such as fleet management; cleaning et al with a mandate to secure efficiencies and economies.

The position of Chief Officer Health and Estate Management is required. This will be governed by the following conditions:

Position	Title	Salary	Package
Chief Officer	Health and Estate Management	Minimum Lm16,000 and negotiable.	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet

It is proposed that Wayne Valentine currently seconded from MITTS Ltd to my Office of Chief Executive at the Corporation is directly appointed to this position.

(e) Office of Strategy and EU Affairs

The Corporation has already taken the decision to set up this new Office. A person was headhunted to assume the position of Chief Officer, Strategy and EU Affairs and authorisations were in-hand. Unfortunately the identified person never assumed the position. In the interim, an internal staff member has been directly appointed to the position of Corporate Strategist.

The EU Affairs Unit will be migrated from the Office of the Chief Technical Officer to this Office – as strategy and EU directions must intertwine. This Office will also be responsible for interaction with MRA and MEPA as the two main regulatory bodies with which the Corporation interacts outside of OHSa.

The following is required:

(i) Chief Officer, Strategy and EU Affairs

This is a new position.

This Office will be supported by two new functions. These are:

(a) Research and Innovation Unit

The Corporation has no locus of responsibility for research and innovation. Research and innovation in environment technologies as well as in alternative energy is of fundamental importance to the Corporation. The National Strategy for Research and Innovation approved by Cabinet last year designates the Corporation as strategic entity which should set capacity for Research and Innovation, and which should invest 0.25% of its budget or turnover whichever is the highest for such research and innovation.

At the outset the position of Manager, Research and Innovation is required.

(b) Quality Assurance and Compliance Unit

The Corporation does not have a quality assurance function. ISO9001:2000 has been achieved in only one area of the Corporation – the Aviation Department. The need to introduce quality standards stems primarily from the fact that the application of such standards act as a leverage for process transformation, rationalisation and change. The marquee attained by the Corporation in becoming ISO compliant is, in essence, a secondary goal.

The Corporation requires a Quality Assurance and Compliance Unit that will seek to:

- improve operational safety, reliability and effectiveness of services aimed at maintaining its high competitiveness at present and in future.
- create the Corporate Quality Management System based on the EFQM methodology, complemented by ISO 9001:2000 certification.
- establish the Environmental Management Systems, meeting ISO 14000 certification for minimising environmental impacts.
- ensure that directives stemming from MEPA and MRA as well as from other legislative instruments (with the exception of health, fire and security which will be governed).

At the outset the position of Manager, Quality Assurance is required.:

The required positions are to be governed by the following conditions:

Position	Title	Salary	Package
Chief Officer	Strategy and EU Affairs	Minimum Lm16,000 and negotiable	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
Manager	Research and Innovation	Lm10,500 to Lm15,000	As above
	Quality Assurance	Lm10,500 to Lm15,000	As above

(f) Office of the Chief Information Officer

This, together with a strategic HR department, is the Corporation's other change agent. It is, however, currently structured as an ICT technical shop – and even in this regard it is extremely weak. I believe that bias must be skewed towards change management.

The position of Chief Information Officer is vacant; and to date I have been carrying out the role.

(i) Chief Information Officer

To fill the role with a full time incumbent.

A number of fundamental changes are required; with the Office of the Chief Information Officer to be re-organised into two functions:

(a) Integrated Solutions Management Unit

This function will consist of a cadre of people who will work on process design. It will be supported by a small Information Systems Unit (from current staff) who will carry out supporting work that may require be-spoke application support. This is expected to be minimal as the Corporation will follow where so possible an 'off-the-shelf' Information Systems strategy.

For this strategy to work, however, business re-engineering support is fundamental: so that process are reformed and re-engineered to secure efficiencies that stem from IS implementations. Otherwise the Corporation runs the risk of automating as against reforming.

The following is required:

(i) Business Process Re-engineering Analysts

This is a new position. 4 analysts are required.

(b) Infrastructure and ICT Support Unit

The WAN and other ICT infrastructure within the Corporation is sparse at best. A comprehensive infrastructure upgrading process is underway. Further to this, steps have been taken to consolidate on the MITTS Ltd environment as where so appropriate. The Corporation is currently in the process of consolidating its e-mail; internet; and anti-virus infrastructure in this regard.

Nevertheless, the Corporation with a potential user population of 1,700 personnel; and with an ICT revolution ahead of it needs to establish a far more robust set-up than in place.

The following is required:

(i) Network Operations Centre Team Leader

A new position. The incumbent will be responsible for the management of first level to third level remote support where these are within the responsibility of the Corporation; and for coordination such support where this is required from third party organisations – MITTS Ltd; IBM (if IUBS is implemented).

(ii) Database and Systems Support Team Leader

A new position. The incumbent will provide first level and second level support on databases and systems within the Corporation. Third level support will be provided by the supplier.

(iii) Network Services Team Leader

A new position. The incumbent will be responsible for the Campus network and WAN connectivity; and for the provision of value added services such as VoIP, Desktop conferencing, et al.

(iv) ICT Security Team Leader

A new position. The incumbent will be responsible for all ICT policy and operational security requirements relating to the Corporation.

The required positions are to be governed by the following conditions:

Position	Title	Salary	Package
Chief Officer	Information	Minimum Lm16,000 and negotiable	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
Analyst	Business Process Re-engineering	Lm10,000 to Lm12,500	As per EPOU CA.
Team Leader	Networks Operations Centre (NOC)	Lm10,000 to Lm14,000	As per EPOU CA
	Database and Systems Support	Lm10,000 to Lm14,000	AS per EPOU CA
	Network Services	Lm10,000 to Lm14,000	As per EPOU CA

ICT Security

Lm10,000 to Lm14,000 AS per EPOU CA

(g) Finance Division

The capacity within the Finance Division is very weak – even considering the fact that two Divisions (Petroleum and Gas) are currently undergoing a commercialisation process. It is pertinent to underline that the Electricity Division has a turnover of approximately Lm100 million and accounts for 1,568 of the Corporation's employees. The Gas Division has 42 employees with a turnover of Lm3.5 million. The Petroleum Division has a turnover of Lm190 million and has 182 employees. The commercialisation process will not significantly impact the Corporation.

This is for two primary reasons. First, the Corporation will continue to be responsible for the procurement of oil for its Electricity Division – which is currently carried out by the Petroleum Division and which constitutes approximately 55% of all oil purchases in any given year. Second, the Corporation is facing a new regulatory regime which will bring with it new demands for which the Corporation is not prepared: demands such as Emissions trading and auctioning; tariff accounting, et al.

In 2004, PriceWaterhouseCoopers, in a report dated 4th November 2004 and titled 'Finance Function Staff Resourcing' stated that 'one can note that there are only five qualified accountants in the Corporation. These include the recently recruited CFO and three long serving officers that occupy critical posts within the Finance Department. There is only one other qualified account at middle grade'.

It is worrying to underline that the situation, quasi three years later to the date, has not improved and this is not for want of trying. The accountant capacity constitutes of 1 CFO, 2 Financial Controllers for the respective Units, and 2 accountants

Enemalta Corporation – an entity with a turnover of quasi US\$1 billion should be expected to achieve the following functions as a basic minimum:

- timely and accurate management accounts;
- budget and estimate preparation;
- comprehensive performance analysis reports;
- perpetual cost measurement and cost reduction mechanisms;
- comprehensive analysis of expenditure, consumption of materials, and sub contracting works;
- ongoing and reliable vendor and inventory information to reduce wastage and to exercise better control over procurement, overstocking and stock obsolescence;
- analytical information to support business development initiatives and decision making.

The Corporation with its current capacity is struggling to meet these basic accounting functions. Management letters by our external auditors on an annual basis take the Corporation to task for failing to institutionalise such mechanisms.

Further to the above basic financial management functions, the Corporation as a utility requires strong capacity in terms of:

- regulatory reporting;
- tariff accounting design;

- procurement of oil;
- hedging on both oil stocks and foreign currency;
- alignment to new demands relating to Emissions accounting, trading and auction;
- alignment to the procurement of alternative energy power vis a vis benchmarks and penalties set by the European Commission.

With the exception of hedging and oil procurement, practically none of the above are being carried out by the Corporation. Tariff accounting design when demanded either by MRA or special circumstances such the commercialisation process has been outsourced at a high cost to the private sector.

Moreover, the Corporation which a high debt leverage requires excellent Treasury Management – which is currently carried out by the Chief Finance Officer with support from graduate in banking and finance.

The following top structures and professionals are required:

(a) Finance Control Petroleum and Gas Unit

Accountant 1

(b) Finance Control Electricity Unit

The following is required:

Accounts Section 4 Accountants
1 Manager
1 Assistant Manager

Accounts Payable 1 Manager
1 Assistant Manager

Works and Claims Section 1 Manager
1 Assistant Manager

(c) Credit Control Unit

Assistant Manager 1

The required positions are to be governed by the following conditions:

Position	Title	Salary	Package
Accountants		Minimum Lm12,000 and negotiable	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
Manager	Accounts	Lm10,000	to As above.
	Accounts Payable	Lm12,500 As above.	As above.

	Works and Claims Section	As above.	As above.
Assistant Manager	Accounts	As above.	As per EPOU CA.
	Accounts Payable	As above.	As per EPOU CA.
	Works and Claims	As above.	As per EPOU CA.
	Credit Control	As above.	As per EPOU CA.

(h) Engineering and Professional Class

The Corporation needs to strengthen the core business stream of the Corporation: the professional class. Since the beginning of 2007 the Corporation lost 8 engineers and 1 industrial chemist.

Nine (9) new electrical engineers are being sought to replace vacancies which have arisen as well as to reinforce Distribution; Operations Control; SCADA.

Three (3) new engineers are being sought to account for succession planning and replace arising vacancies.

One (1) industrial chemist is required to fill a vacant position.

One (1) civil engineer is required to boost in-house resources given increase in projects arising from the Generation and Transmission plan respectively.

All of these officers will be paid in accordance to the EPOU Collective Agreement.

(i) Non Technical Losses Analysis

The Corporation has established a Non Technical Losses Unit which is under resourced. This resource needs to be strengthened by four (4) Non Technical Losses Analysts. This is necessary in the capacity build up to the IUBS which will enable the Corporation to maximise the intelligence accruing from this investment to take a pro-active role in managing non technical losses.

All of these officers will be paid in accordance to the EPOU Collective Agreement.

(j) Internal Audit

The Corporation has not been, despite various attempts, successful in setting up an Internal Audit function. It is argued that the absence of internal audits at the Corporation leaves the Board exposed – despite the activity it has undertaken to rectify this matter.

The Corporation requires an Internal Unit consisting of 1 Chief Internal Auditor and 3 Internal Audit Officers.

The required positions are to be governed by the following conditions:

Title	Salary	Package
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Position

Chief Internal Auditor	As per Market Correctivity agreement provided by MHEI in the autumn of 2007	Car or allowance Performance Bonus Fuel Allowance Mobile / Internet
Principal Auditors	Minimum Lm10,000 and negotiable	As above.

(k) Undergraduate Trainees

Graduates in various disciplines that are essential for the proper management of the Corporation are scarce. In certain positions, such as for example, accountancy the Corporation is not succeeding to recruit staff leaving it exposed to meet basic fundamental work let alone to plan for new important changes that will affect the Corporation: carbon trading, debt management, et al.

It is argued that the Corporation should adopt an aggressive stance to build this capacity. A potential way of achieving this is to launch an Undergraduate Trainee Scheme where the Corporation targets university (and potentially where necessary MCAST) students in order to build a cadre of young specialist support capacity within.

The adoption of an Undergraduate Traineeship Scheme is a long term capacity building process – which should not replace immediate recruitment for vacancies that are essential to be filled in the immediate term. What the Undergraduate Trainee Scheme will achieve is an assurance of a 'pipeline' of essential skills over time in what is an extremely competitive market.

It is thus proposed that the Scheme will be directed at 1st year to pre-final year students. Ideally the Corporation should target pre-final year students so that the time lag to secure capacity building is shortened to the extent possible. This may not be possible in all positions. The mechanisms of the proposed scheme are simple:

- recruitment is made on the basis of a call for application.
- on selection the trainee is offered a contract binding the student to work with the Corporation for a number of years.
- the trainee is provide with a monthly salary during the study period.
- during the summer period the trainee is on full time employment with the Corporation.
- the dissertation will be carried out on a particular issue for which the Corporation seeks a solution.

The recruitment process should be supported by a public campaign which would also include on-campus roadshows. The recruitment process, under an ETC permit, should be such that engagement is finalised by beginning of 2008. In terms of requirements the following are seen to be essential:

- 3 BSc in business and computing in order to build an in-house change management team.
- 2 BComm with an honours degree in human resource management in order to build policy design and value added capacity within the HR Department
- 3/5 BComm in accountancy in order to strengthen capacity in the Finance Department which is under resourced.
- 2 BComm in economics to build a capacity on regulatory aspects and new frameworks relating to emerging financing
- 5 BEng students to secure an on-going pipeline of technical resources in what constitutes as the core business of the Corporation.

- 1/2 Industrial chemists.

It is further proposed that the conditions binding to the scheme would be a monthly allowance of Lm150. - Lm200 during the period of study; and a binding period of 4 years.

I have prepared most, though not all, of the Position Descriptions for the above positions. I seek authority to issue calls for applications, initially internally and subsequently in the open market for all of the above positions. Where it is possible, internal staff who either have the appropriate ability or demonstrate that they can be groomed into the respective positions will be given preference.

The Collective Agreement governs positions for the identified grades within it. In the discussions I held with the Collective Bargaining Unit that for certain positions I require far more latitude in terms of compensation than that provide for in the Collective Agreement, I was advised that it is legitimate for the Corporation to establish different compensation mechanisms for positions which are not governed under the Collective Agreement.

I conclude by emphasising that this investment in the establishment of critical management infrastructure – which is the norm in any organisation – must be made. The Corporation will never be in a position to undergo transformation to achieve economy; effectiveness; efficiency; and excellence if my request for these positions is not supported. The tools to achieve these goals simply do not exist.

The Corporation must seek to establish this management infrastructure with the best and the brightest. False economy in terms of conditions offered will result in second choice candidates. When this is balanced against the improvements that are required and can be attained with the right leadership and resources, the choice of second best candidates or the inability to attract to secure a successful process capacity building will have a long term financial negative impact on the Corporation.

The requests for the positions stated in this letter are directly related to capacity building. It is pertinent to add that the Corporation has suffered a net loss of 238 personnel since 2004 a number of which must be replaced.

I would be happy to discuss my recommendations with you should you wish to do so.

David Spiteri Gingell
Chief Executive Officer