

MHRA IN THE NEWS

January 2010

Mellieha Hotels address Parliamentary Secretary for Tourism Dr Mario DeMarco

Twelve Hotels in the Mellieha meet to discuss the impact that the new electricity rates and the 'bed tax' proposed is going to impact the hospitality business in the area which are subject to tough seasonality problems plus the fact that the Maltese islands are just coming out from a very bad year due to the global economic recession. All members agreed to send a letter to the Prime Minister in which they will express their concern on the timely introduction of such measures. The group appreciated that Government was committed in addressing the country's deficit and the need to restore the national debt to levels in line with the EU benchmark. However they questioned the timely introduction of such measures which can put the livelihood of so many dependent on earning a living on tourism at risk rather than afforded every possible opportunity to recover and contribute to the future economic growth through productivity, wealth generation and taxation on spending. All operators asked government to re-consider the decisions that had been taken and keep Malta competitiveness and leave more money in the pockets of the works to encourage spending and thus turn the economy.

MHRA meets Minister for Finance regarding mitigating measures

MHRA was invited to meet with Minister Tonio Fenech to explore how government can assist the Tourism operators to mitigate the effect the increase in utility rates was going to have on the industry. Minister Fenech reiterated that Government had no intention whatsoever in reviewing the utility rates. Government was set in applying full recovery cost model with regards Enemalta and therefore one had to find other ways to help the industry to maintain its viability. MHRA President reiterated that operators were much concerned regarding the increase in the utility rates and the proposed bed tax. Mr Micallef indicated that if the Maltese islands managed to increase the number of visitors to the island the industry would be able to keep its head just above water for this year. Therefore it was felt that if Government was prepared to promise and commit to do its utmost to increase routes and invest in more marketing, MHRA was ready to put forward its proposals of a set migrating measures and a more equitable solution to the proposed 'bed tax' which was going to be too cumbersome to manage and control.

MHRA holds extraordinary meeting at Westin Dragonara Hotel

MHRA council decided to call an extraordinary general meeting to outline to members action taken by MHRA Council following the announcement of increases in the utility tariff in mid December 2009. MHRA President indicate that MHRA was the first constituted body following the announcement to call for an urgent meeting of the MCESD since it was felt that Government should have brought the proposed tariffs to the MCESD before coming out with them in public. Unfortunately it took the Chairman over a month to call a meeting. However MHRA had been proactive and prepared a presentation for the meeting to show the adverse impact the increases in cost would have on the industry. Mr Micallef pointed out that Minister Tonio Fenech had invited MHRA to a meeting on the eve of the MCESD meeting during which Minister Fenech had categorically made it clear that Government was not prepared to budge its position regarding the utility rates since it was set to apply full recovery costs with regards Enemalta. However he indicated that he is prepared to discuss with MHRA measures that could be of benefit to the industry to mitigate the increase in utility. Ministry Fenech was also ready to discuss the proposed 50c bed tax which was set to come into effect as from 1st April. MHRA Council had then set out to draw a set of mitigating measures which will assist operators to reduce the impact of the utility rates. Also a solution to replace the proposed 50 cents bed tax was discussed at length since the way it was proposed was not fair on the accommodation sector. Mr Micallef then went on to outline the measures that had been drawn by the Council and the proposed solution to the 50c bed tax.

February 2010

MHRA at a meeting with MTA and FELTOM re English Language Students

MHRA CEO Mr. George Schembri invited the newly elected President of FELTOM Mr Alex Fenech to MHRA offices to explore common grounds on which the two associations can work together. Mr Schembri indicated that priority was to finalise the necessary measures which were being discussed with MTA, the Police and other authorities to ensure that the impact of the students on normal tourism is lessened after the experiences of the past two years. Mr Schembri expressed his concern that although a number of measures had been agreed upon round the table at MTA he was not too certain who would be informing those schools which did not form part of FELTOM. Mr Fenech explained that FELTOM sat on the Monitoring body with the education department which was responsible to oversee the academic operations of all English language schools for foreign students but did not the board did not cover the operation aspects of such schools. It was agreed to ask for a meeting with Dr James Calleja who chaired this monitoring board and seek clarification on the terms of reference of his board vis a vis English language schools. The proposed 50c Bed tax was discussed and Mr Schembri outlined MHRA thoughts on the subject. Mr Fenech was in agreement that the way the bed tax was being proposed did not make sense and would back MHRA with a more practical solution.

MHRA restaurants committee meets re Conference

A conference was held by the MHRA restaurant committee to address the needs of the restaurant operators considering the prevailing economic situation of the sector. The Conference was primarily addressed by MHRA President Mr Micallef who gave an account of MHRA reaction to the prevailing situation and short and long term solutions which MHRA was proposing to Government. MHRA restaurant committee invited NSO Director Mr Michael Pace Ross to give an overview of the situation with regarding to the number of restaurants on the island, the level of employment they offered and the revenue generated with the Maltese economy. Several heads of authorities with whom restaurateurs came in frequent contact with were also invited to sit on a panel and answer queries or clarifications sought by members. Parliamentary Secretary for Tourism Dr Mario DeMarco closed the conference encouraging operators to invest in maintaining standards and upgrading were necessary since he envisaged a turnaround in demand during the coming year and Malta had to be prepared to offer quality and value for money to the visitors made it to Malta's shores.

MHRA invited to address BOV executives regarding situation of tourism

Mr Raphael Aloisio senior partner at Deloitte Malta gave an interesting presentation on behalf of MHRA to a number of top executives at Bank of Valletta on the prevailing situation of the Tourism sector. The presentation gave an overview of the seat capacity that was available to Malta during 2009 and how this correlated to the number of visitors to the island. He also presented the revenue and costs experienced by hoteliers during 2009 and the effect of the drop in revenue upon government finances. In conclusion he projected the effect of an increase in visitors, room nights and revenue would have on the Maltese economy.

MHRA Conference for the restaurant sector

The Restaurant Committee within MHRA organized a half day seminar for restaurant members at the Corinthia Palace in Attard. MHRA President opened the Conference giving an overview of last year's industry performance and initiatives taken by MHRA to mitigate the downturn in tourists' arrivals. Mr Micallef also highlighted the

numerous meetings held with various Ministers and government officials to lobby in favour of the sector's interest. NSO Director Mr Michael Pace Ross made a presentation about the number of restaurants on the Maltese islands, the level of employment in the sector and also the revenue generated with the total economy of the Maltese Island. A number of Directors leading some of the main authorities with whom restaurateurs come in contact with were also invited to form a panel to reply and clarify queries posed by restaurateurs. The Conference was closed by Parliamentary Secretary for Tourism Dr Mario DeMarco who encouraged operators in the catering sector to maintain and improve standards of product and services in order to give added value to tourists who visit the Maltese islands and to the many locals who make use of catering establishments.

MHRA at MBB meeting at Phoenicia

MHRA President Mr George Micallef chaired a seminar organised by the Malta Business Bureau and held at the Hotel Phoenicia where business were invited to meet MEP Dr Simon Mifsud. Dr Busuttil was questioned by Ms Miriam Dalli on issues related to social aspects such as employment, maternity leave issue, women at the place of work. MEP Simon Busuttil said that not enough was being done by the authorities to remove the loopholes in the law that allowed employers to abuse the system and pay workers low wages, precarious working conditions, force workers to register as self-employed depriving them of any right to leave or sickness benefits. Dr Busuttil also expressed his concern regarding the maternity leave issue and did not think it is sustainable in today's economies. However discussions are going on perhaps to adopt the 18 weeks but not to include a full wage. Dr Busuttil also replied to several questions put to him by business people invited for the seminar. On conclusion Mr George Micallef thanked Dr Busuttil for his contribution during the seminar and another similar seminar is in the pipe line in May and another MEP will be invited to meet the business community.

MHRA at a meeting with Parliamentary Secretary Dr Chris Said

A meeting was held at the Ministry for Tourism called by parliamentary Secretary Dr Mario Demarco to address the issue of waste collection in Paceville. For the meeting were also invited Parliamentary Secretary for Local Councils Dr Chris Said, St Julian's Mayor Peter Portelli, Dr Chris Ciantar Perm Sec from Ministry for Resources and Rural Affairs, GRTU and AC Johann Parnis. Mr Mark Scerri Simiana presented to those present a power point presentation showing the garbage photographed during one particular night in Paceville and also picture shots from CCTV in the area. The pictures clearly showed the rampant abuse of dumping garbage bags at all hours to the detriment of customers in the area. Dr Chris Said indicated that a legal notice was drafted and tabled in Parliament which would strengthen the relative fines for littering and putting the responsibility on the licensee for infringements. Dr DeMarco insisted that the law should allow the suspension of trading license on the second infringement. Mayor Peter Bonello requested that more CCTVs are installed in sensitive areas to book abusers. Mr Bonello indicated that a bye-law will be drafted by St Julian's Local Council to highlight the times during which waste can be taken out for collection. Fines will also be indicated on infringement of the bye-laws. Problems on littering by promotional leaflets given out by operators in the area were also discussed and it was agreed that distribution of such leaflets would be prohibited. It was indicated that the implementation target would be 15th March.

MHRA at Tourism Zone committee meeting

The main thrust of the meeting held on 17th February was on the upgrade interventions taking place in St Paul's Bay/Bugibba/Qawra and Paceville. St Paul's Bay Mayor Ms Graziella Galea gave an overview of the planned upgrading within the coming weeks. Parliamentary Secretary for Tourism Dr Mario DeMarco gave an outline of

projects that are planned for Qawra over the next twelve months. MHRA raised the issue of beach cleaning which was imperative to keep beaches open for visitors to enjoy the warm spells the Maltese island were enjoying this winter. Dr DeMarco indicated that cleaning is under the direction of the Ministry for Resources and Rural affairs and was aware that major beaches are being monitored on a daily basis and kept clean. St Julian's Mayor Mr Peter Bonello indicated that a number of events are planned during the coming year in order to create fun in the area and it is planned to introduce electric cabs like the ones in Valletta and water taxis. A Tourist Information office is being planned instead of the public conveniences situated next to ex-Chains restaurant. A new public convenience is being constructed by ex-Tigulio nightclub and the parking area improved. Dr Chris Said, who was present for the meeting, indicated that extra funds are being allocated to St Julian's local council for washing and cleaning of promenade. MHRA asked progress regarding the Golden Mile project in order to avoid once again starting works during the summer season with the resultant chaos. The shortage of parking in the area was also raised and it was agreed to propose to the Institute of Tourism studies to open its large parking area during week-ends against payment in order to provide security both the area. It was also agreed to check on progress of the Pender project and to contact the owners to check on works envisaged for the summer months. The issue of missing legislation which regulated 'bouncers' at places of entertainment was also questioned. Dr DeMarco indicated that a legal notice was being drafted to be presented to Parliament for approval.

Malta Business Bureau moves to Floriana

The Malta Business Bureau (MBB) offices originally located at the Exchange Building in Republic Street Valletta moved to Casa Leone, Pjazza Robert Sammut in Floriana after an extensive refurbishment of the premises. A number of distinct guests were invited to officially mark the move to the premises in Floriana and included the Minister for Finance, the Economy and Investment Tonio Fenech.

The Malta Business Bureau moved offices as a result of its drive to enhance the quality and scope of services it renders to the membership of its parent organizations, the Malta Chamber of Commerce, Enterprise and Industry and the Malta Hotels and Restaurants Association. The MBB Malta office had been operating since 1998 at the Exchange Buildings in Valletta. The decision to open new offices has been taken in the context of the restructuring process that the MBB has been undergoing over the past months. The restructuring has seen the consolidation of the MBB's position as the EU advisory office for the local private sector in line with the office's proactive approach in supporting Maltese business on the provision of EU-related information, regulatory updates and EU funding opportunities.

Minister of Finance, the Economy and Investment Tonio Fenech congratulated the Malta Business Bureau on the inauguration of their new premises and for their sterling work amongst businesses carried out throughout the years. He expressed his belief that 2010 will provide better prospects for the Maltese economy and remarked that confidence is already being shown in our economy. The inauguration event was also addressed by outgoing MBB President Mr. George Micallef who described the efforts which the MBB are taking in order to give more value-added services and assistance for the Maltese business community as most valuable. Mr. Micallef also took the opportunity to introduce the incoming MBB President Mr. John Huber.

MHRA meets Malta Enterprise Chairman Mr Alan Camilleri

MHRA President Mr George Micallef together with MHRA CEO Mr George Schembri and MBB CEO Mr Joseph Tanti met with Chairman of Malta Enterprise Mr Alan Camilleri at Malta Enterprise to explore opportunities of assistance that can be given to operators in the tourism industry especially small to medium enterprise. Mr Camilleri updated those present with progress regarding the structuring being implemented within Malta Enterprise and introduced Mr Mark Azzopardi and Mr Mark Pizzutto who are responsible for development of SMEs. It was agreed to meet again toward the end of April by when the structuring process would be completed. Meantime it was agreed that MHRA encourages members to apply for the Energy Audit being offered by Malta Enterprise at no cost to the industry. Mr Camilleri indicated that any EU funded project under the green measures scheme would require an energy audit anyway and thus gain time if these are done immediately.

Hotel Engineers and Maintenance Managers seminar at Phoenicia Hotel

Ing Ray Spiteri was guest speaker during a seminar organized for Hotel Engineers and maintenance managers by MHRA. Ing Ray Spiteri explained the responsibilities imposed by several Legal Notice issued during the last decade and LN Nr 231 of 2007 on operators who have lifts and hoists installed in premises for public and staff use by Legal notice 231 of 2007. All lifts and hoists need to be registered with the Malta Standards Authority. These need to be maintained by competent persons and must be inspected every six months by a qualify engineer.

MHRA meets new FELTOM President

MHRA CEO Mr George Schembri met with the newly elected FELTOM President Mr Alex Fenech at MHRA office in Kappara. Mr Schembri augured every success to Mr Fenech in his role and promised to continue the close collaboration established with FELTOM. Issues related to student's management were discussed and agreed to extend every mutual support to address problems that arise and to press for more commitment from the appropriate authorities to set standards and ensure enforcement of decisions reached at such meetings.

MHRA meets The International Franchising Centre Director

MHRA CEO Mr George Schembri met with Ms Farrah Rose and Mr Watipaso Mkandawire from The International Franchising Center within the Commonwealth Organisation. The International Franchising Center was invited by the Malta Enterprise to learn about the services given by the Center to businesses which are interested in expanding beyond one's shores. Ms Farrah Rose explained the service offered by the Centre and support given to business persons who decided to expand their business in other countries and also seek franchising agreements. It was agreed to keep MHRA posted with any interest shown by companies abroad for opportunities in Malta and visa verse if any MHRA members would wish to expand abroad or looking for partners abroad.

MHRA at a Town Centre Management Seminar

Mr Simon Quinn from Town Centre Management of UK was guest speaker during a seminar held by the Malta Tourism Authority to explain the concept of town center management. Mr Anthony Ellul executive at MTA explained that the Authority was going to run a pilot project in three localities namely Valletta, Paceville and Marsalforn Gozo and three teams from various organisation within each locality were being set up to lead the project.

MHRA at Sectoral Social Dialogue meeting in Brussels.

MHRA CEO Mr George Schembri took part at bi-monthly meeting held between HOTREC and EFFAT within the Social Sectoral Dialogue Committee. Discussion continued on the joint statement agreed upon between the two organisations with regards the issue of undeclared work and illegal working practices. Other issues discussed were Third Party Violence at the work place, conditions of posting of workers, working time directive progress, immigration policies, work-life balance issues and Tourism development. Following the SSD meeting the Qualification Skills Passport project was discussed at length with the project leaders the Foundation for Information Society of Budapest.

March 2010

MHRA calls meeting for Sliema seafront catering operators

MHRA held a meeting for catering operators' situation along the Strand and Tinge seafront in Sliema to obtain information regarding the proposed model mentioned by government with regards pavement structures, awnings and sunshades that would be permissible for pavement encroachment. The MHRA had been pursuing this issue for more than two years and although Parliamentary Secretary Dr Jason Azzopardi and Dr Mario DeMarco had mooted that a set of guidelines were being draft in line with the model being proposed for the Strand and Tigne Seafront, none had been presented a year on. Operators present for the meeting expressed mixed reaction with some indicating that they had been contacted once the previous year and had heard nothing else since. Couple of other operator said that they had engaged Perit Reuben Sciortino to propose some designs which would be accepted to the authorities since they considered that it was imperative to have protective structures for all year around operations on the encroachment given since normal sunshades did not give enough protection. However they also were not aware of progress achieved so far. It was agreed to hold a meeting with Perit Reuben Sciortino to find out exactly what was the position regarding this issue.

MHRA meets Minister Tonio Fenech and P.S. Dr M DeMarco

MHRA Council met with Minister Tonio Fenech and Parliamentary Secretary for Tourism Dr Mario to confirm agreement on a number of mitigating measures proposed by MHRA to lessen the impact of the increase of the utility tariff and economic recession experienced in 2009. MHRA also gave an alternative proposal to the proposed bed tax by government. Minister Fenech proposed a press conference for the following morning during which also Ryanair will be announcing the setting of a one plane base in Malta and the opening of six new routes to Europe.

MHRA at Press Conference with Minister Tonio Fenech and Parliamentary Secretary Dr M DeMarco

MHRA President Mr George Micallef represented MHRA at a press conference held by the Minister for finance Mr Tonio Fenech during which details were given about the agreement reached with MHRA. The schemes were considered to be a better way of making up for the impact of the higher utility bills - which will cost hotels an additional €8 million a year as from 1st January 2010. Mr Fenech announced that a €5 million scheme will be available to help hotels invest in alternative energy production. Hotels will be given up to 50 per cent of a project's cost, and can apply to projects worth €400,000 or less. Hotels will also be able to apply for subsidised loans through Malta Enterprise who will be widening the scope of its financing assistance to the hotel industry, to help with upgrades and expansions, in these credit-restricted times. Projects will have to be preceded by an energy audit, Mr Fenech pointed out. The government will assist with the audits.

Regarding the 50c bed tax Mr Fenech announced that Government was shelving the idea and replacing it with €3.50 eco-contribution per tourist payable upon arrival, irrespective of the length of stay.

MHRA meets P.S. Dr Mario DeMarco

MHRA Council held a meeting with Parliamentary Secretary for Tourism Dr Mario Demarco to discuss the upgrading interventions required in prime tourism locations in preparation for the coming summer. The main areas discussed were St Paul's Bay/Qawra/Bugibba and St Julians. The new routes announced by Ryanair were also discussed to assess the positive impact these will have on the number of visitors to the island.

MHRA Restaurant committee meeting

The restaurant committee held its monthly meeting on the 8th of March at MHRA premises in Kappara. On the agenda was an assessment of the conference held in February, update on waste separation, progress re the issue of pavement structures, awnings and sunshades, and the sector's public relations. Committee member expressed their satisfaction at the high turnout achieved at the conference and level of participation when it came to question time. Membership officer at MHRA Mr Vincent Lungaro Mifsud reported on the regional meetings being organized for the sector so that MHRA facilities attendance at such meetings. Ms Isabelle Debattista tabled a letter received at her establishment in Bugibba from the Malta Resources Authority informing her of the requirement to register her LPG storage setup with her establishment and the charges applicable on registration. It was agreed that MHRA would write to MRA to obtain clarification regarding the fees indicated in the letter since these seems exorbitant.

MHRA meets Restaurant members from St Pauls Bay/Qawra/Bugibba area at San Antonio

A regional meeting for restaurant operators was held at San Antonio Hotel & Spa in Qawra. The meeting which was well attended by operators of catering establishments in St Paul's Bay/Qawra/Bugibba area was addressed by MHRA CEO Mr George Schembri. He outlined the work done by MHRA over the last twelve months and gave details of the mitigating measures agreed with government at the beginning of the month. Mr Schembri also outlined the objectives set by the restaurant committee for 2010 which included opportunities for members to market their establishments, workshops regarding new trends and fashion in the catering trade and also catering to meet customers' demands and satisfaction.

MHRA meet with Wasteserv CEO

MHRA CEO Mr George Schembri and Chairperson of the restaurant committee were invited to attend a meeting on the 12th March 2010 at Wasteserv to discuss the latest update on waste separation scheme. Present for the meeting was also GRTU representative Mr Joe Attard. Mr Schembri referred to an email sent to GRTU and copied to MHRA by Dr Chris Ciantar Perm Sec at the Ministry of Resources and Rural Affairs in which he indicated that Wasteserv will not postpone the introduction of increased landfill tipping fees as from 1st April as requested by GRTU due to the fact that no agreement had been reached between Government and GRTU on assistance to waste collectors to install weighing scales on their collection trucks. Mr Schembri indicated that in October of 2009 with Minister Pullicino and Wasteserv MHRA had got a delay up to 1st April so that by then the infrastructure would be in place to run an efficient collection system. It seems however that nothing had been done to put this in place by the targeted date and MHRA could not understand how one can introduced increase in fees when the infrastructure is no in place. Mr Schembri referred also to meeting held with Parliament Secretaries Dr Chris Said and Dr Mario Demarco on the 17th February 2010, in which Dr Chris Said had indicated that by the 15th March local Council will adopt the collection waste from restaurants and commercial establishments initially in Paceville and St Paul's Bay/Qawra area and eventually to all other towns and villages. This meant that in three days time this system will be adopted. Mr Attard indicated that GRTU has a meeting with Dr Jason Azzopardi on the 25th March to continue with talks on assistance to contractors and therefore it would not be possible to stick to the 15th March deadline.

Hotel Engineers seminar regarding Legionella control

The meeting with Hotel engineers and maintenance manager for March was to address the requirements and responsibilities in Legionella control. Guest speaker for the meeting was Mr Charles Bonnici from the Environmental Health Unit within the Health Department who gave a detailed presentation about the danger of Legionella and methods and applications that need to be adopted to minimise the occurrence of Legionella in hotels and restaurants.

MHRA meets Greenpak on progress re waste separation in Mellieha Hotels

MHRA CEO Mr George Schembri and MHRA restaurants' committee Chairperson Mr Noel Debono met with GreenPak Director Ing Mario Schembri and to address as early as possible the collection of waste of Hotels in Mellieha area in view of the withdrawal of license of the collector in the area. Ing Schembri confirmed that GreenPak was already in contact with hoteliers and had agreed on the needs of each establishment to render besides collection service, the number of skips required so that they facilitate wastes separation and staff training.

MHRA Meets Chairperson of English Language Schools Monitoring Board

FELTOM President Mr Alex Fenech and FELTOM secretary Ms Isabelle Warrington facilitated a meeting for MHRA CEO Mr George Schembri to meet with Dr James Calleja who chairs the English Language Monitoring Board. Mr Schembri highlighted the concerns that English language student poise during their free time which in the past two summers had negative claims abroad and gave a bad image to the island's tourism industry. Mr Schembri indicated the outcome of meetings held at MTA to date to address the issues identified and which were causing bad publicity and inconvenience to local residents. He indicated that besides MHRA and FELTOM, GRTU, the police and EF School were involved in the talks. Dr James Calleja admitted that he was not aware of such meetings and would be interested to be involved since although the Board was more responsible on the academic area of English Language schools he felt it was imperative that all schools are subject to the same operative conditions such as those who are members of FELTOM. He expressed his wish to meet with the MTA committee to involve the Monitoring board in all that addresses English Language schools. It was agreed that Genevieve Abela from the Ministry of Tourism be contacted to programme a meeting as early as possible.

MHRA meets with Malta Resources authority

A meeting was held between MHRA CEO Mr George Schembri and Malta Resources Authority CEO Ing Anthony Rizzo, Senior Legal Officer Dr Andre Buttigieg and Ing Stephen Mifsud for clarification following the letter sent to all hoteliers and restaurateurs regarding the obligation of registering JPG storage installations as per legal notice 249 of 2008. The deadline for the registration was given as at 31st May 2010. The point that had prompted MHRA to ask for the meeting were the fees quoted in the letter for a 'fixed pipe installation'. These were indicated as being five hundred Euros on registration. Furthermore MHRA was amazed at the extensive list of requirements which must be accompanying the registration which induce additional costs on operators. Mr Schembri expressed his concern that the hospitality sector was already burdened with enough costs which in order to retain Malta's competitiveness these could not possibly be passed on to consumers. At a time when the sector is battling to come out of a recessionary period, adding further costs is unacceptable.

MHRA Q4 BOV survey presentation at Dolmen

Deloitte senior Partner Raphael Aloisio presented the long awaited findings of the BOV/MHRA Hotel survey which covered period Oct-Dec 2009 and included a summary for the full year of 2009. Mr Micallef indicated that although the results for the last quarter of 2009 showed signs that the decline was easing off, it was still a 'long and slow road' to recovery. During 2009 total guest nights generated fell to 965,000 which was an 8.8% drop. Guest nights spent in Hotel accommodation fell by 828,000 which was almost a 12% drop from the previous year. Average achieved room rate (AARR) showed a decline of 9% while total revenue fell by Euro54 million. This meant that the hotel sector as a whole was operating in a net loss position. Mr Micallef went on to say that Malta needs to target a minimum growth in arrivals in the region of 250,000 to reach 2007 and 2008 results, due to changing patterns in average length of stay and the increased propensity for tourists to opt for non-hotel accommodation.

Tourism holds the 'key' to Malta's a successfully economic recovery in the shortest possible time. MHRA considers 2010 still a challenging year for the industry and without being pessimistic about this year's results it is considered that 2007/08 will not be regained before mid 2011 and this as long as no adverse events occur in the meantime that slow down trends in travel.

MHRA invites to sit on Steering committee re Government Induced costs

MHRA has been invited to sit along with GRTU and the Malta Chamber of Commerce Investment and Enterprise on a committee appointed by the Minister of Finance, Economy and Investment to address Government induced costs on businesses. The committee is being chaired by Ms Phyllis Farrugia and the primary objective of the committee is going to be to identify and measure the cost incurred by business in Malta arising from regulation and regulatory administrative processes, and on the basis of this measurement and evaluation, to make proposals to government on their reduction or even elimination. Regulatory measures that are imposed by Government and its agencies/departments that require action and compliance by business and these include implementation processes, inspections and sanctions, and all associate documentation/information requests and interaction with business. During our first meeting Mr Schembri highlighted a number of examples of such regulatory costs imposed on businesses. The terms of reference of the committee indicated that Regulatory costs do not include the prices of goods and services provided by state-owned/controlled enterprises (such as water services, electricity, inter-island transportation, etc) since these form part of the operative role of Government (which itself is subject to regulation). The GICC will be adopting the Regulatory Cost Model when reviewing the costs.

MHRA calls meeting for Sliema seafront operators

MHRA invited Perit Sciortino to a meeting with Sliema seafront catering operators to update them on the proposed model for pavement structures, awnings and sunshades on the Strand in Sliema. Perit Sciortino explained that a number of operators on the Sliema seafront had engaged him to make proposals to the authorities with regards some form of all round 'removable' structures/awnings which would be acceptable for pavement encroachments. He made it clear that he was representing operators and had no dealings with Government. He confirmed that over the last ten months he had various meeting with ADT and MEPA following designs he submitted for approval. He indicated that till then only designs that can be put up along Tigne Seafront had been submitted since ADT had only de-lined the pavement on that part of the strand. He was still chasing ADT for pavement de-lining along the Strand but he had not been given an indication todate. MHRA CEO

Mr George Schembri indicated Dr Mario DeMarco had suggested, during a meeting held with him earlier that month, to meet with Dr Jason Azzopardi and discuss progress on this issue being a Lands of Department problem. Mr Schembri indicated that MHRA is meeting Dr Jason Azzopardi in early April and members will be kept update on the issue.

Malta Positioning Proposal presented at Corinthia San Gorg

18 Local organisations were brought together by Dr Michael Refalo, ex Minister for Tourism and also ex Malta High Commissioner in UK and had asked Communication Group of UK to prepare a strategy for a new corporate image for the islands of Malta. Project Leader Emma Johnson indicated that they had asked a London-based polling company IPSOS-MORI to surveyed news editors of UK dailies, specialist magazines, and television and radio stations about their perceptions of Malta. The survey showed that the British media was nearly as uninformed about Malta as the British public, and this called for "urgent remedial action" to project a clear, defined image of Malta and what the country stood for and offered. However the survey results did not feature any negative perceptions of Malta. The Communication Group chairman Maureen Sutherland Smith said that Malta has a lot of assets which have not yet been conveyed to the world. Ms Sutherland Smith said the aim was not to duplicate what other entities, like the Malta Transport Authority, Malta Enterprise and the Malta Financial Services Authority, were already doing to promote Malta. The 'Malta story' would bring all the elements the island stood for together to ensure that foreigners looked at Malta as a place where they could have a good quality of life.

While various suggestions were made on how to deliver "the Malta story" to people around the world, the suggestion made by Joe Cappello to set up an internet portal which would give all the information about what the island stood for be it tourism, financial centre, ICT services, etc. received good support. Emma Johnson said that with the world emerging from the global recession, now was the right time for Malta to take a fresh look at its position and come out with a strong message. 'Malta' has a unique combination of assets that can and should be harnessed to create emotional connections in the minds of both investors and tourists' Ms Johnson said in conclusion. Malta was a sophisticated, stable, well-run island with sound successful institutions with generous people and as well a quality of life that was hard to beat elsewhere.

April 2010

MHRA meets Mellieha Mayor

MHRA members in Mellieha, MHRA CEO Mr George Schembri and MHRA membership officer Mr Vincent Lungaro Mifsud met with Mellieha Mayor Mr Robert Cutajar to discuss the situation with regards operations at Ghadira for the coming summer. Mr Cutajar expressed his Council desire to obtain 'Blue Flag Beach' status by 2011 and this summer he wanted to introduce quality standards amongst all operators in the area. He indicated that the Mellieha Local Council was prepared to invest in upgrading the bay by refurbishing the public conveniences, landscape the rocky area between the two sandy beaches, enforce proper use of encroachments given to operators, and introduce more effective waste collection and cleaning in the area. It would not be permissible to have skips on public land or openly visible to the public. He indicated that he was also clamping down on boat owners leaving boat trailers parked all summer in public areas taking up valuable space and creating an eyesore to the aesthetic look of the area. The Mellieha Local Council was set in continuing with its work to upgrade the quality of the area for a better quality experience for residents and by those that came to enjoy the surrounding areas of Mellieha. Mr Schembri confirmed MHRA support in working towards upgrading

the area through more efficient enforcement on the environment and services in the area. Operators would welcome regulations as long as these were applied equally to all and did not give a competitive edge to some. It was agreed to hold regular meetings to assess progress in the area.

George Schembri
MHRA