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Winston J Zahra

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MHRA head dismisses "illegal actions"

James Debono

Justin Zammit Tabona, President of the Malta Hotels and Restaurants Association, yesterday poured cold water on rumours that his organisation will be directing its members to stop their contributions to the Malta Tourism Authority when talking to Business Today.

"I will not direct my members

to do anything illegal. If there are any problems in the MTA, these should be addressed through legal means," Zammit Tabona told Business Today.

Fortina Hotel and Spa managing director Michael Zammit Tabona has been the only hotelier so far to publicly call on hoteliers to deprive the MTA of its lifeline.

"Our union should direct all



Justin Zammit Tabona

members to stop paying funds to the MTA and instead pay them to the MHRA, which shall surely make better use of them," Michael Zammit Tabona told sister newspaper MaltaToday, last Sunday.

Michael Zammit Tabona's point of view is also shared by others in the industry, even if they refrain from saying so in public. On Monday the MHRA

announced that the extraordinary general meeting will take place on 11 April.

The call for the extraordinary general meeting was made by the former president of the association, Winston J. Zahra, at a conference last week when a Deloitte report commissioned by the MHRA fuelled a barrage of criticism over the current state of tourism. > page 5

Air Malta sounds cautionary note over low-cost airlines

Matthew Vella

Air Malta chairman Lawrence Zammit yesterday hoped for a decision on low-cost airlines that will be "in the interest of the whole industry" and not just "part" of the tourism sector, in what could be interpreted as veiled cautionary advice to government.

With urgency on the long-drawn out debate on the intro-

duction of low-cost airlines nearing a final decision by government some time this week, the chairman of the national airline yesterday cautioned government to keep in mind the issue of safeguarding tourism as a whole.

Zammit told Business Today that Air Malta had been updating internal reports on the impact of low-cost airlines, but said it would not be "appropri-

ate" to publish its details.

"It is just like any report dealing with competition. You don't ask HSBC for its analysis on Bank of Valletta, we wouldn't want to wash our dirty linen in public."

The monitoring reports on the impact of low-cost airlines on the national carrier are known to the cabinet and may be the major stumbling block for a final decision to be taken. > page 5



"My actions are for all to see, I have taken the bull by the horns and I mean action"

- Francis Zammit Dimech page 5

More on low cost airlines and tourism

FATTA says advent of low cost airlines may cause tour operators to move away from Malta page 5

Editorial: That sinking feeling page 9



Pension bill increases by 51.3 per cent since 2000



First wave: 2005 was the first year which saw baby boomers reaching pensionable age

The pension time bomb is ticking louder as the first recruits from the Maltese post World War II generation have started to join the ranks of pensioners.

As the generation born in 1944 celebrated its 61st birthday last year, the pension bill jumped up by Lm6.7 million from Lm51.7 million in 2004 to Lm 58.2 million in 2005, an increase of 13 per cent.

According to the National Office of Statistics this increase was brought about by a net increase in the number of beneficiaries.

A spokesperson for the ministry for the family and social solidarity told Business Today that this sharp increase is owed to the fact that 2005 is the first year which saw baby boomers reaching pensionable age. > page 7

Casino licence for Lux Pavilion



The newly-opened Lux Pavilion, Portomaso's high-end retail store outside the Hilton Hotel, is set to become a new casino. Lotteries and Gaming Authority chief executive officer Mario Galea yesterday confirmed a new licence for the operation of the casino had been awarded to the operators for the Lux Pavilion.

Another application for the operation of a casino at San Lawrenz, in Gozo, is also pending.

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