



"Home loan rates cannot remain as low as they are now so pressures will be inevitable"

Prof. Lino Delia INTERVIEW ■ PAGE 10



"A high level gaming industry conference in Como is important for Malta"

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THROUGH THE KEY HOLE



Palestinians inspect the damage to a destroyed metal workshop after an Israeli missile strike in Gaza City. Clashes between militant factions of terrorist group Al Qaeda and Lebanese government forces continued yesterday as the situation in the Middle East continues to move towards greater turmoil

Slow but steady response to Government scheme on hoarded cash

Karl Stagno-Navarra

Banks and stockbrokers are reporting a "slow" but "steady" response from the general public to a government amnesty intended to encourage a gradual and orderly surrender of an estimated Lm250 million undeclared hoarded cash, and to facilitate its integration into the formal economy through the financial system before the country's adoption of the Euro as its national currency.

Speaking to BusinessToday, leading stockbrokers explained that it is still very early to determine if the scheme managed to leave its mark, given that the closing date is set for July 31.

While Government and the Central Bank are regarding the scheme as a "one-time opportunity" for individuals to regularise their position in respect of their holdings of eligible assets in those cases where the associated income has not been declared for the purposes of the Income



Tax Act, many stockbrokers are receiving enquiries from a number of persons.

"It seems that many are doing their homework and weighing their options well," said one financial advisor, adding that interest towards the scheme is expected to gain momentum by mid-June when the count-down begins towards the end of the scheme.

Also eligible to benefit from the scheme are deposits in both Maltese Lira and in Euro held with local banks, where such assets

represent income which was not declared for the purposes of the Income Tax Act.

Registration will be covered by confidentiality and all appointed registration agents and the Central Bank are bound by the duty of professional secrecy.

Registration of Maltese Lira or Euro notes will be subject to the one-time payment fee of four per cent of the registered amount, while registration of Maltese Lira and Euro deposits with local banks will be subject to a six per cent fee. ▶ page 4

Drop in tour operator business, 'much greater than anticipated' – MHRA President

Gerald Fenech

Although tourist arrivals for the first quarter of the year have increased considerably, this does not mean in any way that we have overcome or are about to overcome the current crisis in the tourism industry. Adding to this scenario, the drop in tour operator business for the months ahead appears to be much greater than had initially been anticipated.

This was revealed by Malta Hotels and Restaurants



Josef Formosa Gauci

Association President Josef Formosa Gauci in comments to Business Today on the current state of the market.

"We are seeing a slow but steady increase over last year's tourism figures but one also has to keep in mind that last year was not a great year either. So every increase must be taken in a context, and that's apart from the other fact that tourist stays are decreasing as the traveller is now opting for shorter stays or holidays". ▶ page 4

MIA likely to invest in new Sicily airport

Charlot Zahra

Flughafen Wien, the Austrian company running the Malta International Airport (MIA) has been mentioned as one of the investors in a new airport in Sicily, BusinessToday has learnt.

Other possible investors in the new airport, which will be built at Valle dei Templi in Agrigento, are Venetian company Save, which is quoted on the Milan Stock Exchange, and the Milo Radici group.

Private investors will make up

around half of the 70 million Euros investment, with the regional administration in Sicily forking out the remaining half.

A joint venture has already been set up between the Chamber of Commerce of Agrigento and the provincial government to issue the tenders and manage the construction works.

Works on the new airport are expected to start next year and they will take around 20 months to complete.

This will be the fifth airport in

Sicily. The other four are situated in Catania, Palermo, Trapani and Comiso, which was recently destined back to civilian use after hosting a NATO airbase there.

Flughafen Wien AG owns a majority shareholding of 57 per cent in Malta Mediterranean Link Consortium Ltd (MML), the company holding 40 per cent of MIA. The other shareholders in MML are SNC-Lavalin Inc. with 39 per cent, and Airport Investments Limited, an associate company of the Bianchi Group of Companies.

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