



"Businesses and individuals can vastly improve their potential with access to EU funding"

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"Malta is a constructive partner in EU issues and knows how to work well with different allies"

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Social partners cautious about pre-Budget document

The social partners were generally cautious in their reactions to the pre-Budget document presented by Prime Minister Lawrence Gonzi last Saturday as they still had to analyse the contents of the 155-page document.

General Workers' Union (GWU) Secretary-General Tony Zarb said that the pre-Budget document contains "interesting proposals which one has to see how they will be implemented".

Among these proposals there are some on which the GWU has been insisting for many years, such as the training of workers, the conditions of part-time employees and the granting of the full Cost Of Living Adjustment (COLA) to pensioners, Zarb said.

"The GWU has been insisting for a lot of time that the time has come to alleviate the burden that was saddled on workers, their families and pensioners as their purchasing power is constantly plummeting.

"On our part we will be discussing this document both internally as well as within the Malta Council for Economic and Social Development (MCESD) where we will also be making our proposals.

"It is positive to have a pre-



Not yet please: social partners reacted with caution with most stating that they are still studying the government's Pre-Budget document which was launched by Prime Minister Lawrence Gonzi and Parliamentary Secretary Tonio Fenech last Saturday

Budget document as one will know the general lines on which one can make and build one's proposals," the GWU Secretary-General told BusinessToday.

BusinessToday also contacted Gejtu Vella, Secretary-General of the Union Haddiema Maghqudin

(UHM), who said he had not yet read the pre-budget document, telling us he would call us back with his comments.

Vella did not keep his word and attempts to reach him were proved futile.

The Federation of Industry

(FOI) would not comment on the pre-Budget document as Director-General Ray Muscat was abroad. An FOI spokesperson told BusinessToday yesterday that they needed to have the questions at least 24 hours in advance before commenting. ▶ page 3

Easyjet might soon start operating in Malta

Sarah Attard Gialanze

Sources told Business Today that the low cost airline Easyjet is close to signing an agreement with the government to start operating to and from Malta.

Contacted for comment, Malta Tourism Authority (MTA) Sam Mifsud said the MTA has been involved in discussions and negotiations however, nothing has been finalized yet.

During the last few years, Malta has attracted various international low cost airlines, such as RyanAir, British Jet, Clickair, and JAT.

If the deal with Easyjet is clinched, the new low cost airline would be the most cost-effective international airline on the Maltese islands.

Easyjet fly 289 routes between 74 key European airports across the UK, France, Spain, Switzerland, the Netherlands, Denmark, Italy, Czech Republic, Greece, Germany, and Portugal.

Amongst the cities in which Easyjet operates are Milan, Pisa, Rome, Catania, Paris, Bordeaux, Brussels, Madrid, Barcelona, Lisbon, Edinburgh, Birmingham, Gatwick, Copenhagen, and Athens, Zurich, Amsterdam and Berlin.

Melita Cable share transfer deal to be signed tomorrow

Charlot Zahra

The agreement for the transfer of telecoms operator Melita Cable's shares from the Gasan Group to the UK-based equity firm GMT Group Communications Partners will be signed tomorrow, Melita Cable CEO Philip Micallef told BusinessToday.

The 170 million EUROS agreement, which is the largest foreign investment in a Maltese private company to date, will be signed by Massimo Prelz, Senior Partner of GMT Communications Partners and Joseph Gasan, Chairman of Melita Cable. The Gasan Group will remain minority shareholders in the company.

Asked whether Melita Cable

have the intention to apply for a mobile telephony licence so as to become a quad-band telecoms company and about the plans of the new ownership with regards to the company's operations and services Micallef said: "For the past six months, we have been concentrating entirely on selecting the right investor and with due diligence exercises.

"Now that the deal is concluded, the first on the agenda of the new shareholders will obviously be to devise a strategy for the future, which includes new activities and of course they will assess the potential of completely new areas such as mobile telephony. "They will also

be looking at what new or improved services Melita can roll out as well as an investment programme," he said.

Asked by BusinessToday whether Melita will retain the current employment levels or whether rationalisation was on the agenda, Micallef said: "Yes Melita will be retaining its current employment levels and hopefully increase the numbers as we gain more customers for our different business areas."

After the acquisition of GO (formerly Maltacom plc) by Tecom Ltd of Dubai last year, both major telecoms companies in Malta have now passed into foreign hands.

Malta benefits from Spanish student flood

Gerald Fenech and Sarah Attard Gialanze

A large influx of Spanish students which have put hotel and host family occupancy at record levels has had an extremely positive effect on the tourist industry this year, sources told Business Today.

Speaking to this newspaper, Malta Hotels and Restaurants President, Josef Formosa Gauci said the Spanish government has come

up with the initiative of offering students a scholarship where they are being given the opportunity to study a language in different country.

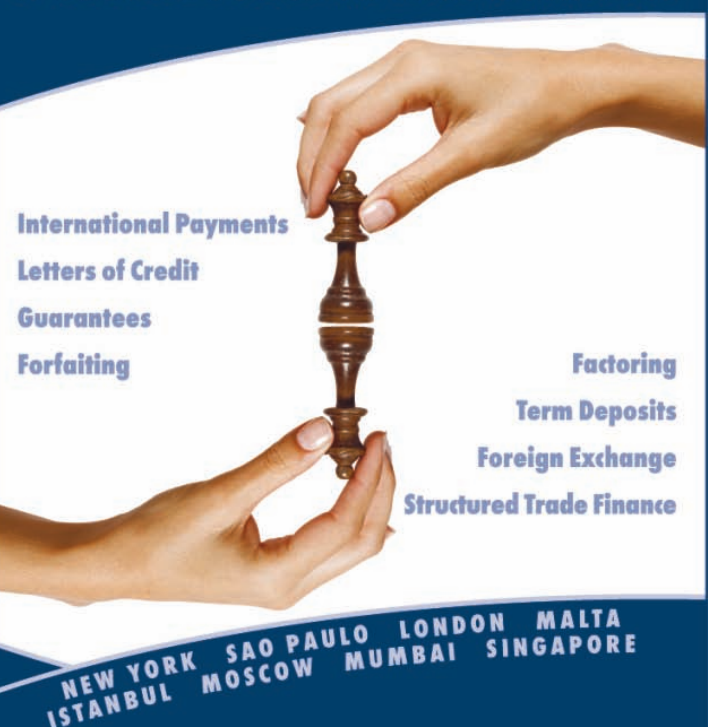
The president of MHRA added "the Spanish students coming to Malta are of a better quality due to the fact they are more concentrated on studying, especially when compared to other groups of foreign students."

Formosa Gauci also said that

Air Malta and Clickair are being used by the Spanish students at a frequent rate, boosting passenger numbers to the island.

The students are mainly residing in a number of hotels, although there might be some who are being hosted by local families. Asked whether the residents of the hotels lament about the students, the MHRA president said the fact the Spanish students are more mature and focused ▶ page 3

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