

STATEMENT BY THE GSLP/LIBERAL OPPOSITION 69/2007

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The Opposition is concerned that the number of tourists arriving at our hotels last year has fallen to the lowest figure since 2002. This is clear from the latest official statistics released by the Government in the Hotel Occupancy Survey.

The figures show that there were 39800 tourist arrivals at hotels during 2006. This compares unfavourably with 41900 in 2005, 44500 in 2004, 40900 in 2003 and 41500 in 2002.

The Government has failed to produce the results after spending nearly £1 million in marketing practically every year in recent times. This raises questions about the marketing strategy that is being employed. This strategy has to be judged by its results. The fact that there is a lot of activity and propaganda is not reflected in the results. It must be very disappointing for hoteliers, who have spent money in improving their facilities in anticipation of the demand, because of all the Government propaganda, and that demand has not materialised.

The drop in tourist arrivals is reflected in other hotel statistics. In respect of all arrivals, whether tourists or not, room occupancy is down by 10% in 2006 from what it was in 2005. The average length of stay is down, guest nights sold are down, room nights sold are down, and sleeper occupancy is the lowest since 2000.

In respect of tourist arrivals only, the room nights sold to tourists is down, the room occupancy in relation to tourists is down, the sleeper occupancy of tourists is down, and the guest nights sold to tourists is down. The average length of stay of tourists is also down.

Commenting on the matter, Shadow Minister for Trade and Industry, with responsibility for tourism Dr Joseph Garcia said:

“It is clear to the Opposition that the drop in air arrivals that followed the cancellation of the Monarch flight to Manchester last year has had a negative impact on the number of air arrivals from the United Kingdom and a negative knock-on effect on the number of tourists staying at hotels. This was followed by the loss of the GB Airways flight to Heathrow in the autumn. As a consequence of the loss of these two air routes, air arrivals from the United Kingdom dropped in 2006 from what they were in 2005. The latest figures available to the Opposition show that from January to April 2007 there were less UK arrivals by air than in the corresponding period in 2006.”

Dr Garcia added:

“In this context, the news that the Fly Gibraltar operation was not going to materialise was a bitter blow to the industry and to Gibraltar as whole. The

Opposition encouraged and welcomed this project at the time it was made public. This follows a string of announcements by the Government of new routes to the United Kingdom none of which have materialised. In fact, what has happened is actually the opposite with the loss of Heathrow and Manchester.”

The Opposition consider that there is a direct link between the loss of UK air routes and the decline in tourist arrivals at our hotels. The official figures suggest that over 8000 people last year chose to fly direct to their destination from elsewhere, probably Malaga airport, rather than use Gibraltar airport and break their journey in Gatwick or Luton.

“The Government have generated expectations by making announcement after announcement none of which have materialised. Instead we have a worse picture for hotels and air arrivals from the UK in 2006 than we had in 2005. Given the vast sums of money that have been spent, the Government have a lot to answer for,” said Dr Garcia.

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