

NEWSTRING

GRTU End of Year Survey



GRTU has published the results of the study that analysis how businesses fared in 2018. The study includes a whole year review; with a special focus of the 2018 festive season.

It is very positive that 51% of the respondents have expressed that compared to last year, they have increased their sales by up to 30%. 32% have exclaimed that they have remained the same, considering that overall last year was also a positive year. Respondents have respectively explained the reasons they believe led to a positive or negative year for them.

Positive: Businesses have engaged in new services, an increase in population and an increase in spending power were among the

three popular choices.

Negative: Increase in production costs, more competition in the market and unfair competition were indicated to have been the main issues throughout the year.

When asked how in their opinion Black Friday has affected the overall year; 63% said that it was neutral, 22% said it increased and 9% said it decreased.

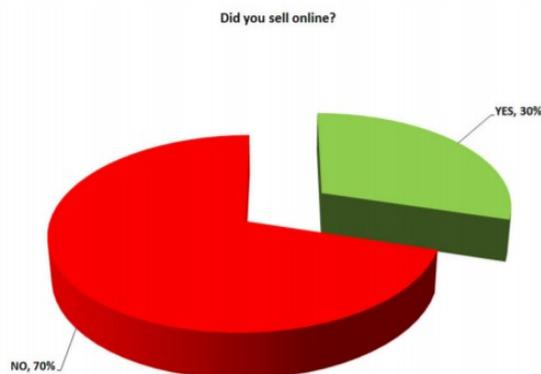
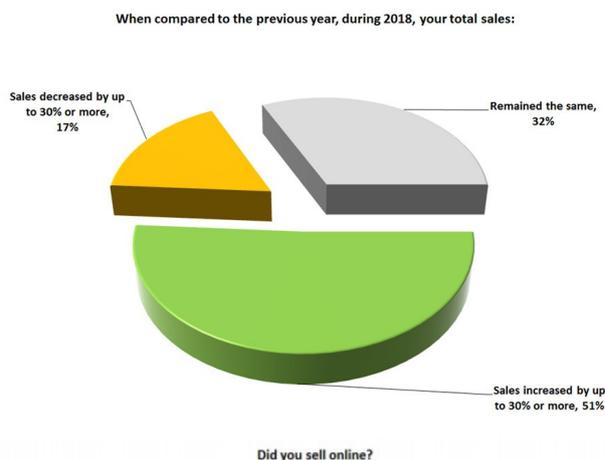
Our survey also focused on eCommerce, as we asked respondents whether they sell online and what percentage of their sales is attributed to online sales.

The survey indicated that only 30% of the respondents actually sold online, while the

other 70% did not. This was namely due to the fact that, that particular business could not sell their products online, others did not have the resources necessary to do so. Furthermore, from the 30% that do sell online, the most common response suggested that 73% of the respondents attributed up to 10% of their sales to this, while 11% have indicated that their sales increase to up to 50% or more. This is encouraging when comparing to last year's answers, when only 18% said they sold online in 2017.

Respondents are excited about 2019— as 41% are expecting the year to be better, 50% are expecting it to be the same, while only 9% are expecting it to be worse. 27% have also shown interest in expanding their business in Malta.

Should you wish to check out more of the results of our survey, click [here](#).



In line with the Customs Department's strategy on the need to improve customer experience and in accordance with the planned initiatives in preparation to Brexit, the Department's customer care services will be included in the one-stop-shop Business 1st initiative of Malta Enterprise.

For this reason, as from **Thursday, 14th March, 2019**, one Customs official from the Customs Economic Procedures Unit, and/or an official from the Department's Customer Services, will be reporting for work at the Business 1st premises, in Mrieħel, once a week, to assist the business community in its queries.

The Customs Department is committed to employ an approach that puts customer understanding at the heart of its initiatives and to proactively strive to improve stakeholders' satisfaction. This means that

the Department will maintain its dedication to enhance quality service.

Last week, Prime Minister Joseph Muscat met UK Prime Minister Theresa May at the her office in London. The two Prime Ministers discussed the latest updates on the United Kingdom's exit from the European Union.



Valentine's Day - A case where laws are outdated and abused

This year's Valentines Day marks another strike in the injustices suffered by flower and plant shops whose' success on the day is heavily undermined by the make shift shop stalls selling flowers and gifts.

The situation is very unfair. Prices from the stalls are either comparable of more expensive and the product is usually of a lower quality since shops keep flowers refrigerated to preserve them. Random individuals set up camp next to the busiest junctions contributing to an already impossible traffic congestion and creating a health and safety hazard to pedestrians and

shoppers.

Along the years GRTU has taken many different actions. We have tried changing the law, we have reported the stalls because of misuse of permit, called out local councils for issuing permits that fall outside their competence, but nothing has worked.

The problem cannot be fixed if the responsibilities remain spread as they are. A law that is unclear coming from the commerce act, is implemented by local councils and enforced by police is a legal

Scheduled Road Works

Through its constant cooperation with both Transport Malta and Infrastructure Malta, GRTU has been informed that a number of road works will start to take place in the current weeks and months.

The list of different streets can be viewed by clicking [here](#).

In light of a number of works and as part of its representation to its members, GRTU is asking its members to inform us if any of these works will directly or indirectly effect their business and operations. Should members foresee any issues, GRTU will ensure to represent the business interest of its members in its discussions with authorities.



From whichever angle you look at it, we are losing out more in retaining our smallest denominations than we are in doing away with them.

There might be some romantic historic attachment to these coins since in Malta we used them also when we made use of the Maltese Lira, before the Euros, but in reality the Maltese 'centezmu' and 'zewg centewmi' already had a low value and the Euro cents have half this value.

The Economic argument

It is up to each Member State to produce our coins. With this comes a cost and for a small island country like Malta, where everything costs more to produce, this cost is bigger. In Ireland, one of the 5 countries who faced out the 1 and 2 cents, the cost of making these coins over a span of 10 years outweighed the value by €4.7Million Euros. The savings Malta could make would also run in the millions of Euros over the years and that is money that can be put towards better use.

The Business Side

Businesses explain the burden and cost administering these small denominations has. The whole process from getting them from the bank, placing them in the till, receiving them from customers and giving them as change, sorting them, counting them, packing them and going to the bank, is too much of a laborious exercise compared to the value of these coins to justify use.

The Consumers' Side

Consumers have turned out to be non-supporters of using these coins themselves. Many times consumers feel burdened and would rather have the shop keep the change

or put them in the charity box than carry the additional weight in their purses and waste time counting them before paying.

The Authorities

The Authorities have been long advocating on the cost of using cash and asking GRTU for help to reduce the use of cash because it costs business, banks and the central bank a lot of money to administer cash apart from the fact that Malta is amongst the member states with the highest use of cash, when compared to electronic payments.

This would be a step in the right direction.

Will this generate inflation?

Absolutely not. There are phasing out methods that will work and through past experience we believe that this would be a deal for all. It would not involve general price rounding but the rounding of the final bills. This would be done in a fair manner.

GRTU is therefore advocating for a system that would see the final bill rounded up to the nearest 5c when paying in cash. Therefore, a bill of €21.32 will see consumers having to pay €21.30, while a bill of €21.37 will see them having to pay €21.40. Rounding up is easy and consumers would know what to expect.

Where will this leave the charities?

We believe that charities have also more to gain than to lose. The new lowest denomination of coin would become the 5c and consumers wanting to donate will still do so using the 5c this time.

Other EU countries such as: Italy, the Netherlands, Ireland, Belgium and Finland have already phased out 1c and 2c coins.

Should Malta be the next in line?



GRTU is giving you the opportunity to attend this exciting event and is offering you, our members, a special discount.

Participation Fee: €140

GRTU Members: €110 — A €30 Discount!

Just write the code MIA-SME-GRTU in the 'Other Comments' question when filling in the registration form.



Open Markets Reform A Step in the right direction

GRTU recently issued a position paper on the Open Markets Reform. The aim of this position paper is to ensure that GRTU members are represented on all Fora's. Although GRTU does not represent directly open market hawkers, its members have a keen interest in this reform since open markets in their majority have a direct effect on the commercial entities in the area and can effect businesses both positively and negatively.

GRTU believes that open markets are still relevant and form an integral part of the Maltese culture as a whole. Open markets serve an important function in the community and this should encourage all stakeholders to be involved so as to ensure that open markets complement the social and economic dynamics in localities.

Of the main proposals put forward, GRTU proposed that the commerce department should have an independent enforcement unit which ensures that open market hawkers follow the obligations mentioned rather than leaving the responsibility on the Malta Police Force as currently is. The current responsibility for local councils to ensure proper position and allocation of stalls is also beyond their duties and therefore GRTU proposed that such responsibility falls directly under the proposed centralised competent board.

GRTU believes that the changes being proposed in the white paper will strongly benefit hawkers and the business community within the different localities around Malta and Gozo. Finally these changes will ensure that open markets are more organized and regularized.

GRTU Calendar of Events

EVENT	DATE	TIME	LOCATION	REGISTRATION
Business Enhance Scheme	20th February	15:00	Business First	http://www.business1st.grtu.eu/
FSS /VAT return online submission	21st February	15:00	Malta Life Sciences Park	Contact GRTU
Business Enhance Scheme	20th March	15:00	Business First	http://www.business1st.grtu.eu/

AI in Business MALTA SUMMIT

22 February 2019

Over 80% of small businesses believe that Artificial Intelligence (AI) can help them improve their efficiency, competitive advantage and return on investment.

AI is set to transform the economy, with new technologies constantly being developed to help more efficient use of resources and cost reduction.

AI in Business Malta Summit is a new initiative that will help the local business community maximise on this new opportunity. World-class guest speakers will provide a practical overview of AI technology and how it is already transforming business.

Can you afford not to be informed ?

Ticket Price : € 175

GRTU Members price : € 75

CLICK HERE TO BOOK.



Official Speakers:

Irakli Beridze, Head, Centre for AI and Robotics, United Nations, UNICRI

Charlotte Stix, Advisor, European AI Policy

Matthew Fenech, AI Policy Consultant, UK

09.00 Registration Breakfast

10.00 Conference

13.00 Networking Event

This event is supported by the Ministry for the Economy, Investments and Small Businesses

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Kindly confirm your reserved seats on **9931 0957**
www.aibusinessmalta.com

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