

Tourism Opportunities (I)

Medical Tourism – What Prospects?

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In its recommendations to the National Reform Programme, the Malta Employers' Association fielded various proposals related to upgrading the tourism product and developing new ideas to penetrate new market segments to ensure the survival and growth of this crucial industry for Malta. One of the recommendations in this report was to establish Malta as a centre for health and medical tourism.

Some facts. Medical tourism is a booming industry in Asia, it is expected to generate 4.4 billion dollars a year by 2012. It is a sector that is growing by an estimated 20 – 30 per cent in countries like India, Singapore and Thailand. Singapore alone attracts more than 370,000 medical tourists per annum, and Malaysia had an influx of 100,000 medical tourists in the first half of 2005.

There are many reasons why Malta should break into this market. Firstly, Malta has a history of being an international hospital. The Mediterranean Conference Centre was originally a state of the art hospital in the times of the knights. It is no secret that our medical school has an established international reputation, and is considered as being one of the best around. Malta can provide medical services at competitive rates compared to many European Hospitals. We have excellent private hospitals and clinics and the government is in the process of completing a hospital that, in spite of the various controversies related to it, will rate among the best in Europe. Communication with clients is essential in this sector and the fact that Maltese personnel speak good to perfect English will be a vital asset. Our climate is ideal for a convalescence period and the short distances between sites are ideal for patients seeking to combine healthcare with leisure, which is what the other destinations that are targeting this sector are offering. Maltese weather during the shoulder months, when our tourist arrivals are at their lowest ebb, would be the most attractive for this segment.

Malta has also recently been ranked among the top five countries offering the best health services in the world. This factor should be advertised internationally to attract medical tourists to Malta. Our geographical location is also ideal for such a niche market, since Malta can be an attractive destination for clients from North Africa, the Middle East and also Europe. Patients from the Middle East can be drawn to Malta on the basis of a reliable service of a high quality. On the other hand, European clients may be interested in competitive prices. Health insurances could be eager to endorse treatment in Malta on this basis.

Medical tourism can generate diversified job opportunities, not just in areas directly related to hospitality and catering, but also in terms of jobs for nurses, doctors, and specialists which result in a much higher value added to the economy. The country can also benefit from economies of scale, in the sense that the fixed cost of specialised equipment will be spread over a larger number of patients, thus making such equipment more cost effective and less costly even to Maltese patients.

This sector also offers opportunities for specialisation. Changing demographics in many European countries are increasing demand for hip replacement, and heart by-pass surgery, for example. Malta can easily build a reputation of specialising in specific areas of treatment and surgery. Cosmetic surgery is another area with expanding demand, and can therefore be a substantial segment that Malta can tap into.

Globalisation is a phenomenon that is not limited only to manufacturing. The provision of health services will also transcend national barriers in time. Indeed, this process has already started and Malta cannot afford to miss out. The consequences of letting such opportunities pass us by are not limited to the foregone investment, jobs and foreign currency earnings. As other destinations develop their health tourism market, they risk luring our best human resources in this sector by offering better conditions of employment, to the detriment to the average Maltese citizen. In a sense, developing health tourism may not be a matter of choice. We need to consider whether it is time to start producing more doctors and nurses instead of chefs and receptionists as part of our tourism strategy.

Mr Farrugia is director general of the Malta Employers' Association.