

# Tourism sector profits 'should be net of taxes, subsidies'

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PROFITS made by the tourism industry should be "net of taxes and subsidies", Prime Minister Datuk Seri Dr Mahathir Mohamad said last night.

"Government encouragement by way of allocations and subsidies to the tourism industry is an investment."

As such, the industry's contribution to the nation will be meaningless if it is solely through taxes not collected and subsidies given to the operators.

"We do not have unlimited monetary sources. It comes from taxes and various payments which are collected according to law. The collection is important to stabilise the nation's finances. The industry should contribute this," he said at the Tourism Industry Night in Kuala Lumpur.

Datuk Seri Dr Mahathir said the industry's contribution to the country has reduced the deficit in invisibles trade. "As such, it is important for us to upgrade the industry.

"It is not impossible for us to receive 20 million tourists by the year 2000. It is also not impossible for the tourist to spend \$1,000 each if they stay here longer.

"If we plan and structure our move well, the idea of having the ratio of one tourist to one citizen is achievable," he said.

Datuk Seri Dr Mahathir said the Government will not neglect its responsibility towards the industry.

"Questions as to whether the Government will continue to give encouragement to the industry should not be raised."

Under the Sixth Malaysia Plan we have allocated more than \$100 million a year for the industry. The Ministry of Culture, Arts and Tourism will also continue to carry out promotions.