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Go for long-term profits, Dr M tells hoteliers

By CHAN SIEW WAH

PULAU KAPAS (Terengganu): Datuk Seri Dr Mahathir Mohamad advised hoteliers and chalet owners yesterday to plan for long-term profit rather than try to make quick money by overpricing their rooms.

The Prime Minister said they would only price themselves out of business and kill the growing tourism industry if they charged unreasonable rates.

"No doubt they will make a high profit but they can make such a profit only once," he said when launching the \$2.8 million Primula Kapas Island Village Resort.

"The same guests feeling cheated will never return to their hotels or chalets again and neither will they recommend them to friends and relatives."

Dr Mahathir arrived on the island in a Customs patrol boat from Kuala Terengganu accompanied by his wife Datuk Seri Dr Siti Hasmah Mohamed Ali including Menteri Besar Tan Sri Haji Wan Mokhtar Ahmad and ministers.

He said he knew of some ~~surry~~ un-roofed chalets ~~without~~ windows and air-conditioners being rented out for \$70 or \$80 a night.

"These days the anxiety to get rich quick has become a disease in a lot of people.

"But many, in their haste to get rich, have turned out poorer than they were before," he said.

Dr Mahathir cited the example of a Langkawi hotel which charged \$1,000 a night for a room when it was not as comfortable as a five-star hotel in Kuala Lumpur.

He also said most domestic tourists would normally shy away from five-star hotels to look for cheaper accommodation, which was as comfortable as a five-star hotel.

Such hotels were difficult to find but it was not impossible, he said, pointing to the record four-month construction of the country's largest hotel with 1,200 rooms in Langkawi which was expected to be ready this month.

He said the rooms, complete with air-conditioners, carpet, hot bath, television sets, telephones and mini-bars, would each be rented out for only \$55 nett.

Dr Mahathir added that he was not sure if the developer of the hotel could make a profit from the low hotel rates but the developer himself was confident of deriving profits.

Earlier, Wan Mokhtar said Terengganu had been allocated \$49 million for tourism development under the Sixth Malaysia Plan.

The Menteri Besar said \$800 million would be needed to develop the various islands, waterfalls, recreation parks and the Tasik Kenvir.

He said 2.5 developers had shown interest in investing in such development and five had submitted development plans.