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Penang to maintain RM2.3m tourism allocation

PENANG, Sun. - The State Government will not slash the RM2.3 million allocation for tourism development under its 1998 Budget because tourism is the State's second highest revenue earner.

The allocation is to carry out promotions, marketing and product development strategies for the tourism sector.

State Tourism Committee chairman Datuk Kee Phaik Cheen said today she hoped the State Government's stand would boost the confidence of the tourism industry in Penang which had been badly hit over the past two years by cholera outbreak and haze.

Although the Federal Government has tacitly urged State Governments to reduce expenditure in their respective 1998 Budgets, Kee said Prime Minister Datuk Seri Dr Mahathir Mohamad had urged the Penang Government not to reduce expenditure on strategic plans especially to promote, market and develop tourism.

"The plans are vital to control the outflow of the ringgit and stimulate inflow of foreign currencies," she said after closing the 10th Baba-Nyonya Convention.

A total of 159 delegates from Singapore, Penang and Malacca took part in the three-day convention.

Comparatively, the tourism budget for next year has increased from this year's RM2.1 million.

This year's tourism revenue is expected to decline by at least 20 per cent compared to last year's RM3.319 billion.

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