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Team up, small tour operators urged

KUALA LUMPUR, Wed. - Small tour operators and travel agencies should join forces because their combined efforts will benefit the tourism industry and bring them bigger profits.

Culture, Arts and Tourism Minister Datuk Sabbaruddin Chik said today the small companies have always been advised to form one consortium but it looked like that plea had failed.

If the small companies do not want to form a consortium on their own, they can join Pempena Sdn Bhd, a company formed by the Malaysian Tourism Promotion Board to conduct tourism activities.

"If they do not want to join Pempena, the Ministry might decide to release tour operating and tour agency licences through Pempena," Sabbaruddin said before receiving a cheque for RM2.5 million from Pempena.

No force will be used on the tour operators. Instead they will be educated on the advantages of expanding their activities through one consortium.

He added that there were many who wanted to form small tour operating companies with a paid up capital of RM30,000.

Sabbaruddin said most of the small companies now sold airline tickets, umrah packages and tourist packages overseas but have failed to organise packages bringing tourists into Malaysia.

"When big companies offer attractive holiday packages, the small companies complaint to the Ministry."

As at the end of 1996, 2,086 licences were issued to tour operators out of which 326 were not active.

Earlier, Sabbaruddin accepted a cheque for RM2.5 million from Pempena which is trying to expand its services in the tourism industry.

When it was first established, its main purpose was to allow Tourism Malaysia (then called the Tourism Development Corporation) to expand the industry through developing the hotel sector.

"Pempena now wants to become the catalyst for Tourism Malaysia's new scope which is promotional activities and finding new opportunities or investments in the tourism industry," Sabbaruddin said.

Out of the contribution, RM1.5 million is for promotional activities in Indonesia and other Asean countries. This is in-line with Prime Minister Datuk Seri Dr Mahathir Mohamad's wish to increase promotional activities in Indonesia which has a large number of potential tourists.

"Indonesians are also big spenders and Malaysia will benefit in terms of revenue," he said.

In 1995 there were 233,996 Indonesian tourists and the first five months of 1996 saw 100,640 Indonesian tourists.

The remaining RM1 million from Pempena is to establish a Convention Bureau to supplement the convention sector which is fast gaining popularity.

Holding international conventions here will give businesses in the tourism industry better opportunities. It will also increase the country's image as a convention and tourism destination.

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