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'Slowdown will not affect industry'

KUALA LUMPUR, Mon: The slowdown in the US economy will not have much impact on the tourism industry in Malaysia, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

He said most tourists coming to the country are mainly from the Asean region.

"The US might go into a recession but that is not going to affect us much. Therefore, we will encourage regional tourism where there is growth and we can depend on countries like India and China which have large populations," he said at the opening of the 50th Asia Pacific Travel Association annual conference here.

Mahathir said that for the first two months of the year, there were about two million tourist arrivals into the country.

"If this continues, we can expect about 12 million tourists this year and that is a very good increase indeed," he said.

Last year, a total of 10.22 million tourist arrivals was recorded.

Mahathir said the government had provided many incentives for the industry in the 7th and 8th Malaysia Plans.

The prime minister also said the stoppage of air services to the Kuala Lumpur International Airport (KLIA) by four airlines has little effect on the tourism industry here.

British Airways, All-Nippon Airlines, Lufthansa and Qantas have stopped flying into KLIA, citing various reasons, including economic feasibility.

Mahathir said a meeting with airline officials will be held and Malaysia will see what can be done for them.

"They can put up a wish list for us and we will try to meet all their wishes," he said.