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Hotel-F1

HIKE IN HOTEL RATE CAN AFFECT TOURISM INDUSTRY

KUALA LUMPUR, March 1 (Bernama) -- The exorbitant increase in hotel rates during the Formula One (F1) Grand Prix in Sepang can have an adverse effect on the country's tourism industry.

Culture, Arts and Tourism Minister Datuk Abdul Kadir Sheikh Fadzir said although the number of tourists coming into the country was increasing every year, the industry was still fragile.

"If we are not careful the situation could revert to the old days because tourists come here because our room rates are very cheap compared to the other places," he said at a media conference after attending the launching of the Silk Air services between Langkawi and Singapore at the Hilton Hotel, here today.

He said the rise was exorbitant and not a normal increase. He warned that if the situation persisted, international programmes which the government intended to bring to the country in future would fail.

"We bring the F1 (race) to assist our tourism industry in the long term...if the government stops the F1 later, everyone will have no business," he said.

Prime Minister Datuk Seri Dr Mahathir Mohamad recently warned that a levy would be imposed on hotel operators because of their move in raising room rates during any international programme whereas their contribution to the country was minimal.

F1 race organisers Sepang International Circuit Sdn Bhd had said that the increase in hotel rates had affected the F1 ticket sale with only 25 per cent of the 98,000 tickets having been sold although the race was only 16 days away.

When asked on the increase in Malaysia Airlines (MAS) domestic fares, Abdul Kadir said: "If there is any increase, it will not affect local tourism but I wish to suggest that MAS reconsiders the proposed increase."

He said if the fare was expensive, people could still travel by car as the tourist destinations in the country were not far off and the communication system had improved much now.

In his speech at the launching of the additional seven flights a week by Silk Air to Langkawi from four flights last year, he said the Singapore Airlines (SIA) subsidiary had carried 36,000 passengers from Singapore to Langkawi last year and Silk Air played an important role in the growth of the tourism industry in Langkawi.

-- BERNAMA

SLR AHH AO