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Tightening `tourism' beat

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CULTURE, Arts and Tourism Minister Datuk Abdul Kadir Sheikh Fadzir has a bone to pick with the Treasury for cutting down the allocation for tourism promotion.

"We are the one Ministry that brings instant money to the Government and they do this to us," says Abdul Kadir, referring to Budget 2002 announced by Prime Minister Datuk Seri Dr Mahathir Mohamad recently.

"I cannot tell you now how much they have reduced the allocations but it's all there. I will have to hopefully get something done about this because less allocations will translate to less tourist arrivals."

The Ministry, says Abdul Kadir, brings in some RM17.2 billion in foreign exchange earnings annually, besides another two to three billion ringgit in corporate taxes and between RM400 and RM500 million in service taxes.

"That's a lot of money. We won't be able to sustain bringing so much of money if the Government doesn't invest money."

There are other countries in this region, he pointed out, who have jumped on the tourism bandwagon and are going all out to promote themselves.

To be ahead of them, Abdul Kadir says Malaysia has to have good tourism infrastructure and this also means going ahead with mega tourism projects while upgrading existing destinations.

"There is a common misunderstanding that the Ministry is being allocated more funds and we are unable to comprehend this. It is actually the tourism fund that received an increase in allocation," he explains.

The allocation for the fund from which the private sector can borrow for projects worth RM5 million and below at 6.5 per cent interest has been doubled to RM400 million.

According to Kadir, some of the terms and conditions of the fund should be looked into and reviewed.

He is of the opinion that interest rates should be below 6.5 per cent, the loan repayment period increased from one-two years to three-five years as some projects take a longer time to break even and make money or perhaps repayment terms should be considered on a case-by-case basis.

"Some of these projects should be treated like the highway schemes where the repayment period is between 20 and 30 years. Here, the Government should understand that the private sector takes the risk in undertaking the project and so they should be given more time to repay the loan.

"When a private firm takes a loan for a project, it often cracks its head to ensure its success."

Interest rates, Abdul Kadir suggests, should be at three per cent.

On tourists arrivals, he says till September this year, the country has chalked up some 10.5 million visitors.

He attributes this success story to the Ministry's motto of getting everything done today, injecting a sense of urgency, getting everyone to work together and making absolutely sure there is no procrastination.

"We are going for the number one place and we will not be happy being the second best."

The Sept 11 terrorist attacks on the World Trade Centre in New York has put a damper on tourism in Malaysia. The busiest period in Malaysian tourism, which is from October to February, will most likely see less tourists visiting the country.

Despite the gloom, Abdul Kadir himself is optimistic that next year,

Malaysia will do better.

In order to sustain tourist arrivals, Abdul Kadir says there should more interesting places to visit besides upgrading existing infrastructure. The standard of service should also be improved.

With all that in mind, the Ministry is embarking on a campaign, Mesra Malaysia, aimed at making the country a super clean, super polite and super efficient destination.

"It's a tall order but we are determined to make a start, a serious start. The campaign will give visitors something extra and, at the same time, make Malaysians a new breed of better people."

Mesra Malaysia was to have been launched this month but the Ministry has postponed it to January because it wants the campaign to involve the whole nation.

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