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Mahathir-Langkawi

MOST OF THE RM2 BILLION RETURNS ENJOYED BY ISLANDERS

LANGKAWI, April 5 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today most of the RM2 billion earned from the arrival of two million tourists to the island annually have been channeled back to the local people.

The Prime Minister said most of the revenue earned from tourists spending on the resort island was not enjoyed by the federal government as most of the goods sold on the island were duty free.

"The federal government receives less than RM10 million from corporate tax from businessmen on the island annually," he said during a question and answer session at a People's Gathering With the Prime Minister at a hotel here.

On the other hand, the federal government provided much more in terms of development allocation to the tourism city compared to the returns gained from the island.

The income gained from tourist spending was enjoyed by the businessmen while the public benefited from the rapid development taking place on the island.

"When tourists spend, the businessmen make money by selling goods and services while the government receives only a small portion of the profits through corporate tax," he said.

Dr Mahathir gave examples of development projects that were being implemented such as the cable car project worth RM46 million linking the Oriental Village Integrated Shopping Complex at Teluk Berau to Gunung Machinchang.

"The project cost is provided by the federal government. If we are to depend on tax collection, the project can never be implemented. Even the state government cannot be depended upon for the project as it does not have the funds," he said.

He also said that almost the whole island has metalled roads.

In his speech at the function, the Prime Minister said government officers and staff should not debate on the development policies and programmes decided by the government.

"The matter has been debated at the cabinet level. So, at the implementation stage, they (government officers and staff) need only to implement the policies and programmes," he said.

The gathering was attended by government and private sector employees as well as community leaders.

-- BERNAMA

JM NH AO