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Budget-Toursim

RM215 MILLION FOR TOURISM PROMOTION

KUALA LUMPUR, Sept 12 (Bernama) -- The government has allocated RM215 million in the the 2004 Budget to promote the tourism industry with focus on the regional markets, especially China, Taiwan, Hong Kong, India and the Asean countries.

Prime Minister Datuk Seri Dr Mahathir, when tabling the budget in the Dewan Rakyat today, said promotional efforts would also be intensified in the West Asian market and new markets like Pakistan, Indo-China and New Zealand.

The government would also continue to undertake more effective tourism promotion efforts together with Malaysia Airlines and AirAsia as well as tour agencies, he said.

Dr Mahathir, who is also Finance Minister, said that for this purpose, the Malaysia Tourism Promotion Board would be restructured to undertake more systematic and effective marketing and communisations programmes.

He said the government had also established tourism funds amounting to RM1.1 billion, that is RM400 million under the Special Tourism Fund and RM700 million under the Tourism Infrastructure Fund which are managed by Bank Pembangunan dan Infrastruktur Malaysia Berhad (BPIMB).

He said priority would be given to the financing of new tourism products and to increase its effectiveness, the government, through the Finance Ministry, would monitor its implementation with respect to approvals and disbursements of the funds.

The government, he said, also proposed to give a second round of pioneer status or investment tax allowance to encourage operators in the tourism industry, including hotel operators, to undertake expansion, modernisation and renovation.

Hotel operators should work together to set up tourism information centres at all entry points, including airports as well as major railway stations to enable tourists to make hotel reservations upon arrival as well to encourage them to provide on-line reservation facilities.

"The government will develop portals and provide access to these portals at airports, railway and bus stations throughout the country," he said.

The tourism sector, especially hotel and tour operators, had been adversely affected by the Iraq war and the outbreak of the Severe Acute Respiratory Syndrome (SARS), he said.

To assist them, the government had implemented prompt measures under the Package of New Strategies, such as the deferment of income tax payment by tour agencies, discounts on electricity bills to hotel operators and the provision of the "Special Relief Guarantee Facility" to reduce the financial burden of borrowers.

He also said that the government had provided micro-credit facilities to enable food traders to replace their stalls with new pushcarts made of stainless steel as well as colourful canopies and proper tables and chairs like those in Bintang Walk, Kuala Lumpur.

The traders would only be allowed to use stalls or pushcarts approved by the local authorities, he added.

-- BERNAMA

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