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PACKAGE-TOURISM

SIX MONTHS OF REDUCED ELECTRICITY BILL FOR HOTEL OPERATORS

KUALA LUMPUR, May 21 (Bernama) -- A five percent discount on the electricity bills of hotel operators are among some of the measures the government announced today to help cut cost of business in the tourism industry which has been affected by the Iraq war and the Severe Acute Respiratory Syndrome outbreak.

The reduced electricity bill will be effective from Jun 1 to Dec 31 this year.

Prime Minister Datuk Seri Dr Mahathir Mohamad announced the measures under the special economic package unveiled here today.

Measures to increase the disposable income of Malaysians were also announced. These included the reduction in the employee contribution to the Employees Provident Fund to nine percent from 11 percent and a one-time 50 percent reduction in road tax for taxis for six months.

To facilitate communications, especially among countries affected by SARS, import duties and sales tax on tele and video conferencing products have been removed with the condition that the products are not manufactured in the country.

As a form of assistance to duty-free shops and other outlets in Malaysian airports, Malaysia Airport Holdings Bhd (MAHB) would reduce the rental rates for them by 50 percent.

The one percent rate imposed on promotion and advertisement would be reduced to 0.5 percent of the sales value.

The rental rates for the airport premises and the sales value rate would be effective from June 1 to Dec 31 this year.

To ease the financial burden of borrowers in the tourism sector, such as travel agents and operators of hotels, restaurants and shopping centres, Bank Negara Malaysia has prepared a "Special Relief Guarantee Facility" (SRGF) of RM1 billion, especially for working capital.

Banking institutions would meanwhile provide financial relief to borrowers by restructuring or rescheduling loans for all types of borrowings and credit facilities and mortgages undertaken by employees whose remuneration have been reduced by employers.

Stamp duty exemption would be also given for these loan documents.

Other measures announced in the economic package include the provision of special critical allowances for officers and staff in government hospitals directly involved in the provision of treatment to SARS-affected patients. An allowance of RM400 a month for doctors and RM200 for other staff would be given effective April 1 till the epidemic is over.

The Institute of Medical Research would be made the Centre for Disease Control (CDC) to undertake research into the prevention of contagious diseases such as SARS, dengue and JE.

Another RM200 million would be also provided to Local Authorities to undertake cleanliness programmes as part of efforts to contain, control and prevent the spread of contagious diseases. -- BERNAMA

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