

Funds cut, Penang tourism in jeopardy
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As the federal government continues to cut and divert funds that can be used to stimulate tourism growth in Penang, the new state government plans to set up the Penang Tourism Council (PTC) with the help of the private sector.
MCPX

danny lawAt the same time, executive councillor Danny Law Heng Kiang, who handles the state Tourism Development, Culture, Arts and Heritage portfolios, plans to meet Tourism Minister Azalina Othman Said to resolve prevailing issues that had caused anxiety among industry players.

The state government wants to forge closer working ties with the federal government as it badly needs federal funds to carry out major tourism programmes in the state, such as the International Dragon Boat Festival, Lantern Festival, Penang Bridge Run and World Music Festival.

Over the years, the federal-funded Penang Tourism Action Council (PTAC) had been organising these events.

However, recently the federal government severed PTAC's link with the state government by cancelling the memorandum of understanding (MOU) signed in 2001.

It's learnt that under the MOU, which was signed between the federal and state authorities, PTAC would back the state government's major tourism projects only if Penang was being ruled by Barisan Nasional.

azalina othman 02Law plans to meet Azalina to get more information on PTAC's own tourism events in Penang.

At present PTAC is organising its own events without informing the state authorities. Due to this, industry players and event organizers are in the dark as to whom to approach.

"The state government is in the dark and so are the tourism players. We have to meet the minister to resolve all outstanding issues that had affected the industry," said Law.

However, the state government is not placing much hope on the state-federal meeting.

Backlash expected

The state executive council will decide on PTC in its meeting next week. The Law-headed state tourism committee is preparing the working papers to be tabled at the meeting.

The idea to establish PTC was mooted to offset the loss of PTAC's relationship. The federal government also allocated RM1.6 million yearly for Petac's operation fund.

"We have to set up PTC to clear the confusion and appease the anxiety among tour operators, hoteliers and event organisers," said Law.

Until PTC has been formed, the tourism section of the Penang Development Corporation (PDC) would handle tourism activities in the state.

"We will utilise our private sector resources to operate PTC and boost tourism in Penang," said Law.

Tourism industry is the state's highest revenue earner after the manufacturing sector.

Last month the federal ministry terminated its tourism MOUs with the five state governments administrated by the Pakatan Rakyat coalition.

Azalina said the federal government would appoint new chairpersons to head the respective state tourism action councils and state executive councillors in charge of tourism would no longer chair the council meetings in Penang, Kedah, Kelantan, Perak and Selangor.

Although the political backlash on the five states ruled by Pakatan Rakyat was anticipated, Law believes rational thinking should prevail over political vendetta.

He said the state government badly needed the funding to organise successful tourism events as it not only would benefit Penang but also the country.

The ministry has promised to provide RM1 million for the annual International Dragon Boat Club Crew World Championship scheduled to be held in July.

However, it has only released RM500,000 to PTAC and has now ordered the council to withhold the funds.

"The federal ministry should not do this since international events put both Penang and Malaysia on world tourism map," said Law.

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