

'4 years for tourism industry to recover'

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PUTRAJAYA: The country's worst affected industry, the tourism sector, will need four years to recover from the impact of the Covid-19 pandemic, Prime Minister Tan Sri Muhyiddin Yassin said.

He said the four-year timeframe, which was forecast by the Economic Action Council (EAC), would see new industry players taking part in the tourism sector.

While admitting that four years was a long time for the current industry players to recover, Muhyiddin said this was one of the reasons the government came up with its recent economic stimulus packages.

"Among the sectors that are heavily affected is tourism.

"Based on the projection made by the EAC, we were told that the tourism sector will need four years to recover and this is a long time. Perhaps, in these four years, we will see the emergence of new players because the old ones are suffering from losses, and this will give birth to new industry players.

"They, too, need support and assistance so that tourism can once again become one of the country's biggest revenue generators because I think we (were) able to generate about RM80 billion from the tourism industry alone," he said.

Muhyiddin said the Movement Control Order (MCO), which halted economic activities since March, had resulted in losses

amounting to RM2.4 billion per day for the country.

Therefore, he said, the government's economic stimulus packages announced in recent weeks were proof that Putrajaya was determined to get the economy back on track.

"It is not easy to restart economic activities and we know this based on our conversations with those on the ground, which was why the government took immediate action to disburse aid to the people in all economic sectors."

He was speaking during the Prime Minister's Department's monthly assembly here yesterday, which was attended by ministers in the Prime Minister's Department and representatives from 56 government agencies.

This year was initially earmarked to be a significant one for the local tourism sector, with it being designated Visit Malaysia Year 2020 (VMY2020).

The government had projected that 30 million tourists would visit the country and revenues of RM100 billion would be earned for VMY2020.

However, the Covid-19 pan-

demical had hit the industry hard, including the approximately 3.5 million people employed in it.

The Malaysian Association of Tour and Travel Agents in March said the tourism industry saw a 90 per cent plunge in revenue and was looking at a near total loss in business until June.

The Tourism, Arts and Culture Ministry said tourism industry players, such as hoteliers, travel agents as well as food and beverage businesses, were hit with total estimated losses of around RM9 billion in the first quarter of the year.

Its minister, Datuk Seri Nancy Shukri, last month updated the figures and said losses suffered by the tourism and culture industries in the first half of the year from the pandemic

amounted to RM45 billion.

Among initiatives introduced in the Penjana economic recovery plan for the tourism sector were the tourism tax exemption from July 1 to June 30 next year and a RM1 billion Penjana Tourism Financing facility to finance transformation initiatives by small and medium-scale enterprises in the tourism sector.

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TAN SRI MUHYIDDIN YASSIN

Prime minister