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(PATA) ANNUAL CONFERENCE

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TIME:

First and foremost, allow me to bid you all a very warm welcome and 'Selamat Datang' to Kuala Lumpur for the 50th Pacific Asia Travel Association (PATA) Annual Conference.

2. I am delighted and honoured to be given this opportunity to share with you PATA's 50th Anniversary celebration. Permit me to congratulate the PATA 2001 national host and Organising Committees as well as PATA Headquarters for bringing together leaders of the travel industry from the Asia Pacific region to Malaysia for this important international conference on tourism. We hope our garden city - Kuala Lumpur - with its lush greenery and warm Malaysian hospitality, will meet all your expectations for a memorable and enjoyable stay.

3. Malaysia is proud and privileged to be accorded the opportunity to host the PATA Annual Conference for the third time, especially at this point in time when PATA is celebrating its Golden Jubilee. The two previous PATA conferences held here, in 1972 and 1986 respectively, were significant milestones in the history of tourism development in Malaysia. In 1972 we saw the setting up of Tourist Development Corporation of Malaysia and Malaysia Airlines which helped to put Malaysia on the world tourism map. The 1986 Conference, held 15 years ago at this very same venue, signalled the beginning of a major drive by the Malaysian Government to establish tourism as one of the country's main generators of foreign exchange. Since then, many changes have occurred but it has certainly not affected the warm hospitality that we extend to our guests, something that is very much a part of our tradition.

4. Considering that this year's annual conference coincides with PATA's 50th anniversary, and in keeping with the conference's theme "Proud Past - Promising Future", it would be appropriate to step back in time and reflect on the current state of the world tourism industry and ponder briefly on its past achievements, current challenges and future prospects.

5. The tourism industry has established itself as one of the three strategic national industries of the new

millennium, together with the information communications technology or ICT and environmental industries. Tourism is a high value-added industry, with its added value rate estimated at more than 50 percent, thus exceeding that of the semiconductor industry. As a source of foreign exchange earnings, the tourism industry has done better compared to exports of automobiles and electronic goods. Its job-creating potential is also among the highest, compared to all other industries. Furthermore, the tourism industry is a clean and environmentally-friendly one.

6. In 1999, travel and tourism generated directly and indirectly, across the global economy, 11 percent of Gross Domestic Product (GDP); 200 million jobs and 8 percent of total employment. The World Tourism Organisation (WTO) has projected that the number of tourists travelling worldwide will increase to 1 billion by 2010 reaching 1.6 billion by the year 2020. About 15 years ago, when Malaysia hosted the PATA '86 Conference, tourists worldwide numbered only about 330 million while the world tourism industry then generated only about US \$110 billion.

7. The rapid growth of the tourism industry has contributed towards the overall economic development of countries in the Asia-Pacific region. Since those involved in the travel and tourism trade have clearly benefited, it would only be proper and fitting to expect reciprocity from them in terms of their responsibilities and obligations vis-...-vis the host countries, the natural environment and the consumers of tourism services.

8. I am indeed very glad to note that many of the issues of concern regarding the rights and responsibilities of stakeholders in the tourism industry, which were raised in my opening speech at this venue 15 years ago on the occasion of the 1986 PATA Annual Conference, have been addressed in the 10 articles that make up the "Global Code of Ethics for Tourism" recently formulated by the original WTO i.e. the World Tourism Organisation.

9. Promoting an equitable, responsible and sustainable world tourism in the context of an open and liberalised global economy should be the shared responsibility of all stakeholders in the tourism industry. The benefits tourism brings to developing countries far outweigh the negative aspects of tourism. Environmental protection and the preservation of culture can be reconciled with economic development, if the latter is carried out on the basis of sustainable development. The preservation of an indigenous people's way of life for the sake of the transient tourists, should not deny the former their right to opportunities for a higher standard of living and modern

conveniences.

10. Since tourism represents an important force for peace, by fostering friendship between peoples and communities, tourism should be conducted in harmony with the attributes and traditions of the host communities, with due respect for their laws and customs. On their part, Governments in the host countries should ensure the safety of tourists, maintain political stability and ease tourist movements through the minimum of regulations for visitors. The press and other media should provide honest and balanced coverage of events and developments in host countries so as to give consumers of tourism services, accurate and reliable information. Indeed they should help promote tourism for if the countries prosper through tourism, the media will also prosper. Countries are entitled to issue advisories to their people but there should be based on facts.

11. In the context of a rapidly globalising world, and an increasingly integrated international economy, the tourism industry has reached a high level of sophistication with high technology having found its way into the industry. Advances in telecommunications and information technology, especially the Internet have been of great benefit to the traveller. He no longer has to deal with a human voice at the end of the line but hook his telephone line to the computer, dial up his service provider and undertake transactions, be it airline seats or accommodation in the country he will be visiting for business or leisure.

12. But there is still the need for the human element or personal touch. Even in a knowledge-based economy of the future, human resource or people remain as one of the most important or key factors. Interacting with people is an art that needs to be nurtured for the betterment of society and enrichment of the nation.

13. In Malaysia, the tourism sector is a major foreign exchange earner, ranking second after manufacturing. In 1999, we registered a total of 7.93 million arrivals and earned US \$3.24 billion in receipts, the highest ever in the history of the industry. The encouraging growth for 1999 continued to be experienced in the year 2000, with Malaysia achieving a new record of 10.22 million tourist arrivals, ranking third after China and Hong Kong. This influx of visitors has enabled Malaysia to earn US\$ 4.95 billion in terms of tourism receipts.

14. Malaysia has invested a lot of resources in building the necessary infrastructure for the tourism industry. Incentives to encourage the development of tourism have been incorporated into the 7th and 8th Malaysia Plans. While the Government strongly supports the tourist trade and aims to accelerate the growth of

the tourism industry, at the same time it will continue to ensure that the industry is managed on the concept of "sustainable development." The growing popularity and demand for nature tourism or eco-tourism has made sustainable development an imperative for the tourism industry. This has motivated the United Nations to designate the year 2002 as the "International Year of Eco-Tourism."

15. Many believe that eco-tourism may represent the world's best hope for saving our fragile eco-systems. By establishing a lucrative business that provides an opportunity for tourists to visit and see some of the truly pristine places on earth, including the tropical rainforests, the environmentally sensitive travel and tourism companies, with assistance from the Government, are helping to preserve part of mankind's natural environment.

16. In Malaysia, the Government has advised those intending to develop all tourism projects to adopt a responsible attitude and be sensitive towards environment conservation. Efforts to market nature as a tourist attraction should take into account water cleanliness, river pollution, landslides and the preservation of endangered species of flora and fauna when planning the development of a particular tourist destination.

17. Just as cooperation and coordination is crucial for tourism development at the national level, collaboration is also a key prerequisite for tourism promotion at the regional or sub-regional level. Since Malaysia is not parochial in its approach to tourism promotion, opting instead for a "prosper thy neighbour policy", it has participated actively and positively in various regional and sub-regional initiatives on tourism, with a view to drawing a greater flow of international tourist traffic to the region, and of course to Malaysia. The region around Malaysia is growing rapidly and offers many new and exciting opportunities for tourism development. Since the majority of visitors to many countries in the region comes from the region itself, cross-border investment in the tourism industry is an added opportunity for Malaysia as well as for other countries in the region.

18. Malaysia aims to be an exciting, value-for-money travel destination for both local and international travellers. Since the country is already on its way towards achieving the status of a tourism cosmopolis, visitors would require a really long stay to find out why Malaysia has become a "must visit", "must shop", "must see", and "must invest" destination.

19. Finally, I would like to wish you all a successful conference and an enjoyable stay in Malaysia. The wide

choices offered in the post-conference tours will make the selection of a tour package difficult. However, you can always come back to Malaysia in future to find out what you have missed.

20. On that note, it is now my pleasure to officially declare open the 50th PATA Annual Conference.