Hotel owners applaud measures to promote tourism industry

THE Malaysian Association of Hotel Owners (MAHO) views the Budget 2003 proposals as having a positive effect on the tourism industry.

MAHO executive director Shahrudin M Sanid said: "The increase in the Special Tourism Fund from RM200mil to RM400mil will benefit the industry, especially the key players in the city, including the hotels in Kuala Lumpur."

He said however, that the recognition sought by the hotel sector as a strategic sector within the tourism industry had not been favourably considered.

"MAHO, in the recent budget dialogue, had sought industrial rates/tariffs for utilities and reinvestment allowance for upgrading and refurbishment purposes of existing hotels, which is essential to maintain quality of the hotels in the country," said Shahrudin.

Value Hospitality Management Sdn Bhd group general manager Dennis Tan said the increase in funding was a big plus for the industry.

"The Government's funding initiatives to develop the tourism industry is commendable," Tan said, adding that the increase in funds would encourage banks to give more loans for hotel projects.

"Since the 1997 downturn, banks have been fairly conservative with such loans," he said, adding that funds should be specifically allocated to educate those in the hospitality industry to achieve international standards.

"This should be in tandem with the improvements to our landscape and hotels," Tan said, adding that it was important to invest in people in the industry.

Sunway City Bhd managing director Wong Cheon Kee said the extra funds would have a direct impact on hotel occupancy and the general state of health of the industry.

"The Government initiatives, which include more funding, has been very encouraging to the industry," said Wong, adding that the Sunway Resort Hotel had been experiencing good occupancy rates, especially from the Middle East.

He said the Government had embarked on heavy promotional campaigns to sell Malaysia as an ideal tourist destination and many hotels were now reaping the rewards.

Travenet Sdn Bhd, a leading travel agency expects the extra funds to greatly improve the volume of inbound tourists to the country.

Its group executive director Tan Hock Chye said: "It's definitely a budget that would speed up the growth of the local tourism industry."