MEASURING THE ECONOMIC IMPACT OF TOURISM IN EUROPE: THE TOURISM SATELLITE ACCOUNT (TSA)

HOW TO USE TSA DATA FOR TOURISM POLICIES?

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Outline

1. Malaysia Plan
2. Economic Transformation Programme
3. Malaysia’s 2018 Budget
4. TSA Users
The provision of relevant information for effective strategic planning, coordination and implementation

- efforts will be made to improve the tourism database

- establishment of the Tourism Satellite Account (TSA) will greatly strengthen the tourism database.

- TSA is designed to organize information about the effects of tourism activities on production, income, wealth and employment

- consistent with the System of National Accounts. the improvements in the database will facilitate and support efforts towards customer-focused product development and promotion
Research and Planning

8.54 Efforts to ensure sustainable tourism development will include the utilisation of a more integrated approach in project planning and implementation. This will entail continuous research and impact evaluation of tourism-related programmes and projects. Market intelligence in collaboration with the private sector will be continuously undertaken to analyse tourist profiles and changing trends in global and domestic travel. In addition, the Tourism Satellite Account (TSA) will be fully developed. The TSA mechanism will, among others, be able to quantify the contribution of the tourism sector to economic growth, incomes and investments in order to support subsequent policy making and readjustment of strategies and programmes for the tourism industry.

Safety and Security

8.55 As comfort, safety and security are an integral part of the travel and tourism industry, increased efforts will be undertaken to ensure Malaysia is a safe and pleasant place to visit. The tourist police force will be strengthened
5) Tourism

Malaysia ranked 16th in terms of global inbound tourism receipts, capturing approximately 2% of global market share in 2008. The tourism industry employs 1.7 million workers or approximately 16% of total employment in 2008. Between 2006-2009, revenue from the tourism industry increased 67.1% to RM8.4 billion and tourist arrivals increased 45.6% to 23.6 million.

Despite these achievements, several issues need to be addressed, including the need to develop vibrant and iconic tourism products, improve maintenance of existing tourism sites and adopting focused tourism promotions. During the Plan period, the target is to improve Malaysia’s position to be within the top 10 in terms of global tourism receipts and increase the sector’s contribution by 2.1 times, contributing RM11.6 billion in receipts and providing 2 million jobs in the industry in 2016.

To achieve the 2016 target, the focus will be on attracting a larger share of high spend travelers and capturing a higher share of high growth segments, particularly from Russia, India, China and Middle East, in addition to increasing the number of tourist arrivals. For this purpose, select key strategies are as follows:

- Promoting destination strategies to cater for unique and distinctive travel patterns and needs such as for nature adventure (including eco-tourism), cultural diversity, family fun, affordable luxury, and Meetings, incentives, Conferences and Exhibitions (MICE);
- Improving tourism products through the creation of focused tourism clusters that will leverage on existing and new iconic tourism products. For example, Langkawi (the GeoPark and Pulau Payar Marine Park), Pulau Pinang (Georgetown UNESCO World Heritage Site), Sabah (Sandakan Island and Kinabalu Park UNESCO World Heritage Site) and Sarawak (Sarawak Cultural Village and Gunung Mulu National Park UNESCO World Heritage Site);
- Developing new iconic tourism products through the private sector and public-private partnership. Examples include Kidzania and Malaysia Truly Asia Centre in Kuala Lumpur and Legoland Malaysia in Iskandar Malaysia, Johor. Tourism products and activities such as parks and gardens, arts tourism, shopping, signature events and festivals will also be promoted;
- Improving maintenance of tourist sites through multiple approaches, including through GLOs and corporate sponsorship, stronger enforcement and imposition of pets fees, particularly in environmentally sensitive and heritage sites;
- Realigning promotional and advertising activities and physical presence of Tourism Malaysia offices overseas by focusing on core markets, particularly Russia, India, China and Middle East, and introducing progressively certification of tourism products and activities to ensure quality, sustainability and safety.
Malaysia continued to be one of the world’s leading tourist destinations with an increase in tourist arrivals from 24.6 million in 2010 to 27.4 million in 2014. Tourism remained an important sources of foreign exchange earnings at RM72 billion in 2014, an increase of 27.4% from RM56.5 billion in 2010. The industry provided 2.2 million jobs or 16.8 % of total employment in 2013. In addition, the healthcare travel segment recorded an increase of 82% in total revenue to RM690 million with 770,000 foreign patients in 2013, compared with RM379 million and 393,000 foreign patients in 2010.
NKEA is defined as an important driver of economic activities that potentially and directly contributes towards the Malaysian Economic Growth measurable by the National Gross Income (GNI) indicator.
Malaysia’s 2018 Budget

Expected **28 million** tourists will visit Malaysia in 2018

6. Revitalise Tourism Industry
   - Visit Malaysia Year 2020;
   - SME Tourism Fund with interest subsidy of 2%: (RM2b)
   - Tourism Infrastructure Development Fund: (RM1b)
   - Tourism promotion and development programme: (RM500m)
   - Expand eVisa Regional Hub;
   - Tax incentive for investment in new 4-star and 5-star hotels extended for 2 years; and
   - Tax incentive for tour operating companies extended to 31 December 2020.

7. Healthcare Tourism Industry: Malaysian Healthcare Travel Council (RM30m)
   - Create a high value healthcare packages as Asian Hub for Fertility Treatment and Cardiology;
   - Flagship Medical Tourism Programme especially for private hospitals;
   - Investment Tax Allowance for medical tourism extended until 31 December 2020;
   - Double tax deduction on expenditure incurred for dental and ambulatory services; and
   - Increase special tourism healthcare incentive from 50% to 100%.
Promotional Strategies

- Tourism Malaysia able to identify where and what to promote

Tourist from Japan

Tourist from Singapore & Europe

Tourist from China

Beach & Forest

Food

Shopping
Malaysia is convinced that will meet its 36 million tourist arrivals by 2020 with the implementation of visa exemption and e-visa system from China tourists. The Chinese tourists could help achieve the target and bring in a revenue of RM168 billion from tourists receipts.”

Datuk Seri Mohamed Nazri Abdul Aziz
Minister of Tourism and Culture, Malaysia
19 February 2016
TSA Users

Policy Makers
- 11th Malaysia Plan

Stakeholders
- Economic Transformation Programme
- Government Transformation Programme

Researchers

Academics
• Memorandum of Understanding (MoU) between DOSM & Universities

Journalists
• Briefing on economy (every quarter) to Journalists

Students

Public Universities 10
Private Universities 4
Neoliberal Governance and International Medical Travel in Malaysia
Meghann Ormond

Borderlands and Tourism Development in Kalimantan Island: Kalimantan Barat, Indonesia - Sarawak, Malaysia “Head to Head”
Syaiful Muazir & Horng-Chang Hsieh

Entrepreneurial Orientation for Small and Medium Travel Agencies in Malaysia
Saiful Bahri Mohd Kamal, Dahlia Zawawi & Dahlan Abdullah
“Statistics are the barometer that reflects the pulse of the country”

Dato’ Sri Dr. Mohd Uzir Mahidin
The Star, 14th July 2016

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