

AN EVALUATION OF THE 1998 BUDGET ALLOCATION FOR TOURISM INDUSTRY

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ABSTRACT

This research is concerned about the factors that affect the tourism industry. Budget 1998 is chosen to be the base for the identification of the variables. The effect of the factors is identified through the environment analysis and the computation through the multiple regression analysis. The information for the environmental analysis is mainly from update web sites or published magazines. Besides, interviews were conducted to gather further detail information. From the environmental analysis, many challenges and threats are identified. Yet, this does not mean the tourism industry was bad, as there are still many opportunities that lying behind the economy crisis. For example, the decrease of the Malaysia's currency attracts tourism from the Europe countries. While in the multiple regression analysis, there is an unusual finding discovered, the GDP does not have positive relationship with the tourism sector budget allocation in the linear relationship. Therefore, the private should be more confident with the tourism industry. That is because the decrease of the GDP will raise the budget allocation for the tourism industry to boost the national income. Then the research will discuss about the incentive aids that provide to the tourism industry started from 1968. The incentive policy keeps changing to suit the need of the public. Lastly, there are conclusions and recommendations. Many suggestions are recommended both to the government and the private sector on how they can help the development of the tourism industry. The limitations might be that the information used, such as budget 1998 is used instead of budget 1999, and is current enough, as there are not enough of the references for it.