



**PERSATUAN EJEN-EJEN PELANCONGAN DAN PENGEMBARAAN MALAYSIA
MALAYSIAN ASSOCIATION OF TOUR AND TRAVEL AGENTS**

**COVID-19: MEETING WITH THE ECONOMIC PLANNING UNIT OF
THE PRIME MINISTER'S OFFICE AND MEASURES TO
STIMULATE THE TOURISM INDUSTRY**

8 April 2020

Dear Members,

On 7 April 2020 (Tuesday), I had the pleasure of representing the President and MATTA members in a meeting with the Economic Planning Unit (EPU) of the Prime Minister's Office in Putrajaya.

In attendance were a few key NGOs and tourism organisations which included MAH, Malaysia Airlines Berhad, MYBHA, MITA and the MHTC. Also in attendance were representatives from various government agencies most notably MOTAC. The purpose of the meeting was to look into short and mid-term measures to stimulate the tourism industry post MCO and post Covid-19 which will be presented to the EAC in its weekly meetings.

MATTA's general stand is that the tourism industry requires special, additional assistance due to the unique nature of the industry and the negative multiplier effect the pandemic and various restrictive policies put in place globally as a result.

Here is a short briefing on the proposals raised by MATTA:

1. Short Term (Immediate measures)

MATTA stressed that the tourism industry and more specifically travel agents required a longer, bigger lifeline to ensure sustainability of the industry through the tough times and to ensure readiness for when the industry is poised for recovery. This includes the following:

- 1.1 That the wage subsidy be extended for another 3 months (for a total of 6 months beginning April).

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- 1.2 That employers be exempted from paying EPF and other related levies till the end of the year.
- 1.3 That the government needs to ensure that leasing companies adopt a similar moratorium similar to the banks.

2. Mid Term (Domestic Tourism & Promotions)

MATTA has also indicated that the industry will take at least 6 months to a year to see the beginnings of recovery due to the unpredictable nature of the pandemic and a highly possible change in travel habits and trends as a result. The EPU wanted to know what could be done in terms of domestic tourism and tourism promotions. Our proposals included the following:

- 2.1 Increase of the funds available through the GAMELAN program and a relaxation of the requirements in order to access those funds.
- 2.2 A special allocation or even a matching grant for travel agencies doing online promotions.
- 2.3 More emphasis on Tourism Malaysia promoting domestic tourism to help kickstart the tourism economy. It must however be noted that MATTA also stressed that a large majority of travel agencies will not benefit sufficiently from this as the nature of domestic travel means that holidaymakers will be highly independent and self-sufficient.

3. Policy

The EPU also wanted to know how industry infrastructure and policy could be improved to ensure ease-of-business. MATTA stressed that what the industry would need to ultimately recover was **INBOUND** as well as **OUTBOUND** traffic - MATTA's proposals were designed to ensure that travel agencies could quickly re-establish relationships with their various markets and resume business as quickly as possible. The following are what MATTA proposed:

- 3.1 To modernise or do-away altogether with the Fourth Schedule and other outdated aspects of the Tourism Act. MATTA stressed that travel agencies needed more flexibility to conduct business and not have its competitiveness hampered by overly restrictive legislation.
- 3.2 To simplify the process of permit renewals for tourism vehicle owners by streamlining the process and reducing the number of government agencies involved.

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3.3 To have Bank Negara Malaysia (and banks) re-evaluate the status of travel agencies as 'high risk' to enable greater adoption of technology especially in the area of online and cross-border payments.

3.4 To expand the scope and relax the eligibility criteria of the GAMELAN fund as mentioned earlier in point 2.1 above.

We will continue to follow up and engage with the government as we have been doing since before the start of the pandemic and we will keep you informed.

Thank you.

Best Regards,



NIGEL WONG

Honorary Secretary General
MATTA



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