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Hotel Operators Brace for Cost Pressures Amid Tax and Tariff Hike

The hotel sector is set to encounter greater financial pressure following the implementation of new electricity tariffs and the expanded Sales and Services Tax (SST) beginning July 1. Chairman of the Negeri Sembilan Hotel Association, Haziz Hassan, noted that the recent rollout of a higher minimum wage, combined with rising utility costs and tax burdens, would collectively strain hotel operations.

Haziz highlighted that the rapid introduction of these policies leaves little time for adjustment. Operational costs are expected to rise significantly, prompting the likely increase of room service prices by 10 to 15 percent. While such price hikes may dampen occupancy rates, hotel operators see them as unavoidable given the circumstances.

He further explained that business volumes have already weakened due to reduced consumer spending and fewer government programmes hosted at hotels. In response, many hotels are tightening their budgets by freezing new hires, cutting overtime, and lowering electricity usage, signalling a broader shift towards cost containment in the industry.



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MyBHA Calls for Fair Regulation of Sabah's Hotel Sector

The Malaysia Budget and Business Hotel Association (MyBHA) has urged Dewan Bandaraya Kota Kinabalu (DBKK) to address the imbalance between licensed hotels and unregulated Short-Term Residential Accommodation (STRA) operators. MyBHA President Dr Sri Ganesh Michiel stressed that licensed operators bear high compliance costs while illegal STRA units often bypass safety checks and regulations. This, he warned, creates both safety concerns and an uneven playing field for legitimate businesses.

MyBHA is calling for several reforms, including a tiered licensing fee structure, especially for budget hotels serving domestic travellers and Sabahans. They also propose a tourist tax or bed levy in place of steep licensing hikes, improved enforcement against illegal STRA operators, and greater transparency on how hotel licensing fees are spent. Strengthening tourist policing and raising public awareness are key to enhancing visitor confidence.

The association praised recent community-led tourism initiatives and reaffirmed its commitment to collaborate with DBKK in creating a regulated, and sustainable hospitality environment across Sabah.



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Malaysia Courts Thai Travellers Ahead of Visit Malaysia 2026

Malaysia has launched a targeted campaign in Bangkok to attract more Thai tourists ahead of Visit Malaysia 2026 (VM2026), positioning the country as a leading destination for sustainable and inclusive travel. Tourism Minister Datuk Seri Tiong King Sing highlighted Malaysia's diverse offerings—from eco-parks and Unesco sites to multicultural cities and coastal escapes—aimed at meeting evolving traveller expectations.

The campaign focuses on accessibility, infrastructure upgrades, and experiences shaped by sustainability. Tiong emphasised the strong cultural and economic ties between Thailand and Malaysia, calling for deeper tourism collaboration within ASEAN. He believes Southeast Asian nations must work as partners to enhance travel corridors.

Tourism continues to play a vital role in Malaysia's post-pandemic economic recovery. From January to April 2025, the country recorded 13.4 million international arrivals, a 21% increase year-on-year. Thai visitors reached 833,610, reflecting 3.4% growth and reaffirming Thailand as a priority market in Malaysia's regional strategy.



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Sekinchan Port Project to Transform Selangor's Coastal Economy

The Selangor government has launched the Sekinchan Integrated Landing Port project, a flagship initiative under the Sabak Bernam Development Area (Sabda). With an investment of RM500 million, the project will anchor Sabak Bernam's transformation into a regional centre for seafood production, maritime services and sustainable tourism. Phase 1 spans 84 acres and will begin by end-2026, with 80% of the site built over water.

Led by Menteri Besar Selangor (Incorporated) and developed through a public-private partnership, the port will include a centralised jetty, cold storage, fish auction hall, commercial market, boatbuilding zone and a logistics hub. Coastal enhancements such as a public beach, retail spaces and accommodations will support tourism and community development. The facilities aim to strengthen the seafood value chain and uplift livelihoods across the region.

The port is expected to create jobs, improve operational conditions for fishermen and boost Sabak Bernam's profile as a long-term growth hub. It shows Selangor's commitment to balanced economic growth.



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Kompleks Arena Seremban Ushers Vibrant Growth and Community Unity

Kompleks Arena Seremban, a RM250 million integrated development, officially launched in Seremban on June 28. Developed by Karisma Perwira Sdn Bhd, under the Lee Tian Hock Yong Chou Lian Foundation, it spans 4.45 acres with 650,000 sq ft of built-up area. The project features five components: Karisma Arena, Arena Premier Hotel, Menara Karisma, Arena Square, and Arena Residences, creating a dynamic 5-in-1 destination.

Negeri Sembilan Mentri Besar Datuk Seri Aminuddin Harun officiated the event, marking a milestone in the state's urban agenda. Datuk Seri Lee Tian Hock shared that the complex is a long-term commitment to contribute to Negeri Sembilan's growth, offering a community hub where business, leisure, culture, and recreation thrive together.

The complex supports diverse activities, attracting concerts, sports, e-sports, expos, and corporate events. With modern infrastructure and strategic access, Kompleks Arena Seremban is set to boost tourism, investment, and economic vibrancy, strengthening Seremban's position as a regional destination.



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Sabah to Build Landmark Tourism and Culture Hub by 2027

Sabah is set to enhance its tourism and cultural profile with the development of a new landmark, *Wisma Pelancongan dan Kebudayaan*. Announced by Tourism, Culture and Environment Minister Datuk Seri Christina Liew, the modern facility will house all key tourism and heritage agencies under one roof, replacing the existing building on Jalan Tunku Abdul Rahman.

The new complex will feature a two-storey atrium, performing arts centre, dance studio, theatre hall, and an office gallery. A multi-storey car park with a 500-car capacity is also planned. Designed with updated IT and AV capabilities, the building aims to elevate public cultural infrastructure and offer a centralised, vibrant administrative hub for the state's tourism sector.

The announcement followed a financial agreement signed between the ministry, Sabah Parks, Sabah Tourism Board, and Sabah Cultural Board. With completion expected in two years, the new facility reflects the state's commitment to cultural advancement and tourism-driven development, positioning Sabah as a progressive destination.



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Aerotrain Returns, Boosting Efficiency and Comfort at KLIA Terminal

After more than two years, the aerotrain service at Kuala Lumpur International Airport resumed, delighting travellers seeking faster transit. The train, which can carry 270 passengers per trip, now shuttles between the main terminal and satellite building in only three minutes. Many passengers found the shuttle buses complicated and uncomfortable. Frequent traveller Amirudin Bahari welcomed the train's return, noting it was more efficient and required less walking.

Travellers like Chia Kim Yee and Priya praised the improved comfort and organisation. Nazihah Abdullah highlighted the new train's spaciousness and helpful displays. Project engineer Ng Yong Loon, experiencing the aerotrain for the first time, shared that the ride felt much better than the buses, which often became hot and crowded.

The aerotrain service had been suspended in March 2023 due to frequent breakdowns, prompting shuttle buses as a temporary solution. Prime Minister Datuk Seri Anwar Ibrahim also rode the train, describing it as "good and very fast."



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Malaysia Launches Campaign to Boost Thai Visitor Arrivals

Malaysia has launched a campaign in Bangkok to attract more Thai travellers ahead of Visit Malaysia 2026 (VM2026). Tourism Minister Datuk Seri Tiong King Sing said the campaign will showcase Malaysia's eco-parks in Sabah and Sarawak, UNESCO heritage sites, multicultural cities, and coastal retreats. It also focuses on better access, modern infrastructure, and sustainable experiences that meet travellers' needs.

Tiong highlighted the strong ties between Malaysia and Thailand, driven by cultural connections and cross-border trade. He stressed that post-pandemic recovery makes tourism essential for regional growth. He encouraged ASEAN countries to collaborate and offer richer travel experiences instead of competing.

From January to April 2025, Malaysia received 13.4 million international visitors, up 21 per cent from last year. Thai visitors reached 833,610, confirming Thailand as a key market. The campaign aims to further strengthen Malaysia's appeal as a preferred destination for Thai tourists.



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Desa Kirana Programme to Boost Rural Tourism by 2026

The Desa Kirana@KKDW programme will transform 20 rural destinations into vibrant tourism hubs by 2026. Led by the Rural and Regional Development Ministry (KKDW), the initiative aims to boost rural economies through structured tourism products and attract modern travellers. Deputy Prime Minister Datuk Seri Dr Ahmad Zahid Hamidi said the programme expects to increase local incomes by at least 20 percent, depending on the product and location.

Two pilot sites, Kampung Pulau Tanjung Surat in Johor and Kampung Lonek in Negeri Sembilan, were selected for their strong tourism potential. The initiative focuses on five core elements: heritage and culture, nature, gastronomy, traditional crafts and local activities. It also targets digital nomads with flexible living options and digital connectivity.

Desa Kirana@KKDW will offer training, use existing facilities like Village Community Centres, and activate online platforms such as Desamall for promotion. The initiative aims to bridge rural-urban gaps, reduce youth migration, and present Malaysia's village identity to global.



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Tourism Ministry Tightens Safety Rules After Boat Tragedy

The Ministry of Tourism, Arts and Culture (Motac) is accelerating efforts to implement a Driver Monitoring System following the Pulau Perhentian boat tragedy that claimed three lives. Tourism Minister Datuk Seri Tiong King Sing said the system will include mandatory drug screenings for all tourism transport operators, including boat and bus drivers.

Motac is also proposing to take back regulatory control of tourism vehicles from the Transport Ministry to improve oversight. Other measures include mandatory maintenance checks, regular inspections, and stronger maritime enforcement to monitor vessels.

Tiong said the tragedy revealed serious violations, including an expired boat licence and a drug-positive operator with past offences. He criticised the travel agency for negligence and ordered a full investigation. He stressed that safety must never be compromised for profit and warned that repeated lapses could lead to foreign travel advisories, damaging Malaysia's tourism industry in the long run.



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MOTAC Urges Bikers to Champion Domestic Tourism Nationwide

The Ministry of Tourism, Arts and Culture (MOTAC) is calling on motorcycle convoys to become “mini ambassadors” to promote local tourism ahead of Visit Malaysia Year 2026. Perak MOTAC director Muhammad Aminuddin Abdul Majid said bikers can showcase heritage sites and attractions by sharing their journeys on social media. This approach turns riders into storytellers who inspire interest in domestic destinations and stimulate local economies.

He made the remarks while flagging off the East Coast Heritage Trail 2025 convoy in Ipoh. The three-day programme, organised by Salam Taiping Motorcycle Club, involves over 50 riders and covers 1,185 kilometres across Perak, Pahang, Terengganu, and Kelantan. Stops include Cherating, Kuala Terengganu, Kota Bharu, and Rantau Panjang, ending at Dataran Warisan Taiping.

Club president Mohd Nordin Mohd Yusoff said the “Ride & Learn” concept combines motorcycling with learning about culture and history, helping participants appreciate Malaysia’s rich heritage.



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Selama Launches Durian Tourism to Boost Visitor Numbers

The Selama District Council (MDS) has introduced the Perak 2025 Durian Selama Package to attract more tourists to the district. Launched in partnership with Tourism Malaysia and Strategic Tourism Partners (RSP-MDS), the initiative offers six unique packages starting from RM90 per person. These packages blend agro and eco-tourism with the district's distinctive coffee culture, promising a memorable experience for visitors.

Tourism Malaysia's Roslan Abdullah emphasised that Selama's durians rival Batu Kurau varieties in taste and quality, thanks to their shared environment around the Bintang Hijau mountain range. Featured varieties include durian kampung and premium types like Musang King and Black Thorn. He encouraged more agencies to adopt this model to support Visit Malaysia Year 2026.

MDS President Nor Akmal Yang Ghazali highlighted that tourism has generated RM1.6 million over three years. Key attractions such as 7 Lata Selama waterfalls and outdoor activities continue to draw visitors and create economic opportunities.



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MITM Travel Fair Returns with Record Exhibitors and Big Prizes

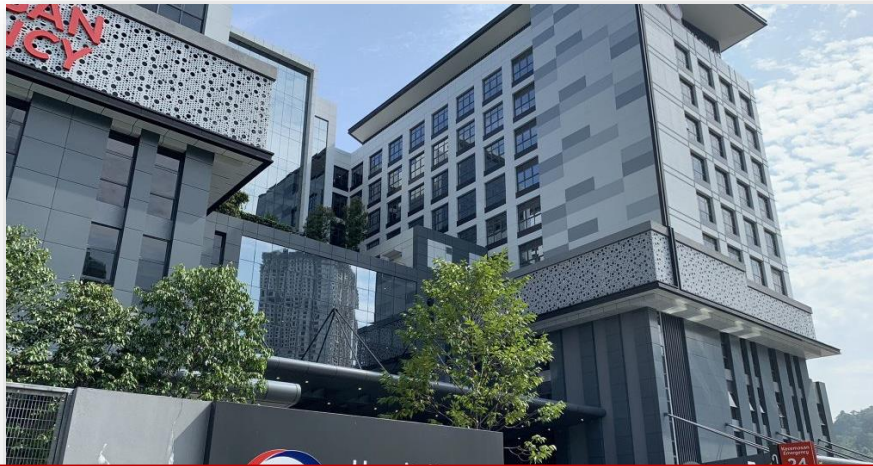
The Malaysia International Travel Mart (MITM) Travel Fair is returning to Johor, expecting over 60,000 visitors during its three-day run from July 18 to 20 at Sutera Mall, Skudai. Event organising chairman Vin Ng shared that this year will feature the highest number of exhibitors so far, with 19 travel agencies offering a range of packages on the mall's second level. The fair aims to generate over RM18 million in sales revenue, reflecting strong demand for accessible international holidays.

Edwin Tay, chairman of the Malaysian Chinese Tourism Association Johor chapter, highlighted that the Japan National Tourism Organisation will join for the first time, introducing fresh travel opportunities in Japan. The Taiwan Tourism Administration will also showcase destinations, while Sichuan Airlines supports the event as a sponsor.

Tourism Malaysia, the Tourism, Arts and Culture Ministry, and Tourism Johor have all endorsed the fair. Visitors spending RM500 or more can join a lucky draw to win a Perodua Axia. Admission remains free.



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KPJ Targets Indonesian Market in Regional Health Tourism Push

KPJ Healthcare is strengthening its medical tourism strategy, focusing on Indonesia's large outbound patient market. President and managing director Chin Keat Chyuan said nearly 20 percent of Indonesia's population seeks treatment abroad, with over 40 percent choosing Malaysia. KPJ aims to capitalise on this trend by expanding capacity, adding beds, and optimising advanced diagnostic tools like MRI and CT scanners to manage rising demand.

The group is investing in talent development, research, and digital integration to support long-term regional growth. About 70 percent of its current business comes from age-related and non-communicable diseases, and KPJ is expanding treatment in areas such as cancer, heart, lung and orthopaedic care. In 2024, KPJ invested RM406 million in capital upgrades and launched its 30th hospital in Kuala Selangor.

Chairman Tan Sri Dr Ismail Bakar highlighted 2024 as a pivotal year, marked by rollout of the KPJ Health System to integrate care, education and research. KPJ will continue to expand its regional presence and enhance healthcare access.



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AirAsia Launches Kuala Lumpur–Darwin Route to Boost Tourism Links

AirAsia Malaysia has officially launched its direct Kuala Lumpur–Darwin service, marking a key milestone in strengthening tourism and trade ties with Australia. The inaugural flight on 27 June 2025 achieved a 90% load factor, reflecting strong demand ahead of Visit Malaysia 2026. The route will operate four times weekly, offering over 1,400 seats and enhancing regional connectivity through AirAsia’s wider network of over 130 destinations.

Supported by the Northern Territory government, Tourism Malaysia, and Airport Development Group, the new route is expected to support local jobs, stimulate business, and drive inbound tourism. Minister Robyn Cahill welcomed the route, citing it as a boost for travellers and businesses alike. Promotional fares from RM319 (KUL–DWN) and AUD219 (DWN–KUL) are available for travel through March 2026.

AirAsia sees Australia as a key growth market. The Darwin route complements its Fly–Thru services to popular Asian destinations, making Malaysia more accessible while reinforcing cultural ties and long–term tourism cooperation with Australia.



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Genting Submits Bid to Build World-Class Resort in New York

Genting Malaysia has officially submitted a bid for a full commercial casino license in downstate New York through its subsidiary Genting New York LLC, operator of Resorts World New York City (RWNYC). This move responds to a request from the New York State Gaming Commission, which is offering up to three licenses in the region. RWNYC, operating since 2011, is New York City's only casino and aims to evolve into a full-scale integrated resort.

The US\$5.5 billion expansion plan includes a 5.6 million-square-foot resort with a 2,000-room hotel, 7,000-seat entertainment venue, casino, green spaces, Jet Center, wellness campus and workforce housing. Genting's "shovel-ready" status gives it a strong advantage, allowing operations to begin within six months of approval. The project is expected to create 10,000 jobs, with half from Queens, and begin generating tax revenue by July 2026.

RWNYC has contributed over US\$4.5 billion to education and expects to deliver over US\$1 billion to the MTA in five years. A decision is due by December 2025.



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