



Border town issues in tourism development: The case of Perlis, Malaysia

Goh Hong Ching¹, Tan Wan Hin², Ching Fei Ern²

¹Department of Urban and Regional Planning, Faculty of Build Environment, University Malaya, 50603 Kuala Lumpur & Universiti Malaya Spatial-Environmental Governance for Sustainability Research (UMSERGE), Sustainability Science Research Cluster, Universiti Malaya 50603 Kuala Lumpur, ²Department of Geography, Faculty of Art and Social Sciences, University Malaya, 50603 Kuala Lumpur

Correspondence: Goh Hong Ching (email: gohhc@um.edu.my)

Abstract

This paper discusses the state of tourism development in Perlis the smallest state in the country located at the northernmost part of Peninsular Malaysia where Malaysia borders Thailand. The focus is on the issues and challenges faced in developing tourism in the state. The collection of both quantitative and qualitative data was carried out in February and November 2010 involving site inventory, interviews, literature survey and desktop search. The findings reveal that despite the state's tourism potentials poor accessibility, improper and inappropriate development planning not in accordance to the uniqueness of local tourism resources, and poor maintenance have thwarted the potential role of tourism as a tool of development in the state, thus limiting its tourism function to that of a mere transit town and a minor border tourism destination.

Keywords: accessibility, border tourism, border state, border town, tourism resources, transit town

Introduction

Tourism has been widely recognized as a panacea for economic development especially in the developing countries. This significance can be reviewed through the empirical literature of tourism (Ley, 2010, Shubert et al, 2011); as well as the recognitions and strategies identified by international governmental and development agencies such as World Tourism Organization, UNESCAP, International Labor Office, Overseas Development Institute, Japan International Cooperation Agency and World Bank. Tourism has been recognized as a driver of economic growth and poverty alleviation in developing states and rural areas especially where other resources for economic development are limited or scarce (World Tourism Organization, 2004; World Tourism Organization, 2011). In contrast, these countries are often endowed with the free and abundant resources required for tourism development, such as sandy beaches and pristine forests. Notwithstanding this economic significance in a general context, studies in recent years have highlighted the practical difficulties in implementing and realizing the positive impacts of tourism (e.g., United Nation, 2001; Mohamed et al., 2006; Lee, 2010). These findings have concluded that policy makers and relevant development agencies should be more aware of the limitations and thereby adjust to a more practical expectation level from tourism particularly its economic impacts. Furthermore, many projects cannot sustain the momentum for profitability due to the poor access to markets and also because of issues related to governance (Mitchell & Muckosy, 2008; Goodwin & Santilli, 2009; Sebele, 2011).

Concomitant with other cases in many developing countries, tourism is an important economic sector in Malaysia, a medium income country in South East Asia. Tourism is the second largest foreign exchange generator in Malaysia after manufacturing, contributing 5.5% to the Gross Domestic Product

(GDP) in 2005 (Sime Darby Berhad, 2007). According to the World Travel and Tourism Council (2011), the direct contribution of travel and tourism to Malaysia's GDP is expected to be Malaysian Ringgit 56.9 billion (Malaysian Ringgit 1= US Dollar 0.33) or 7.2% of the total GDP in 2011. In terms of employment, the travel and tourism industry accounts for 768,000 jobs (6.7% of total employment) and contributes 1,587,000 jobs (13.8% of total employment) in a wider economic context, i.e., indirect employment. As stated in the latest national development plan, i.e., Tenth Malaysia Plan, Malaysia ranked 16th in terms of global inbound tourism receipts (2% of global market share) in 2008. Between 2006 to 2009, the tourism revenue increased 67.1% to RM53.4 billion while the number of tourist arrivals rose 43.6% to 23.6 million (Economic Planning Unit, 2010).

The economic importance of the tourism industry is officially recognized as exemplified by the efforts of federal government in promoting tourism through the formulation of policies facilitating its development and the implementation of tourism projects throughout the country since the late 1980s (see Awang, 2010). There are numerous cases where tourism has been successfully implemented thereby boosting the positive economic impacts at the local level such as in Langkawi, Kinabalu Park, Cameron Highlands, Genting Highlands, Malacca where the tourism resources are outstanding and unique. In the case of many other places, tourism has been promoted mainly to offer additional job opportunities to the local people where other economic opportunities are limited, for instance, in the case of Perlis, where development in the state has been financed mainly by the federal government due to the lack of economic resources in the state. This paper, thus, aims to review tourism development in Perlis. Specifically, it discusses the issues and challenges faced in developing tourism in a small state.

Perlis at a glance

Covering an area of 821km², Perlis is the smallest state in Malaysia. It is located at the northern part of the west coast of Peninsular Malaysia (6°30'N and 100°15'E), bordering Thailand with Satun and Songkhla Provinces in its north. In 2010, the total population was recorded at 245,636 persons with a density of 276.5/km², placing it 4th out of the 14 states in terms of population density. The capital city of Perlis is Kangar and the Royal capital is Arau. Padang Besar is a town located at Malaysia-Thailand border. The main port of Perlis is Kuala Perlis, which also provides ferry services mainly for passengers to the famous Langkawi Island (Figure 1). The state economy is dominated by agriculture accounting for 80.5% of land use in the state with the dominant crops being rice, sugar, herbs, rubber and fruits. Forestry and fishery are also important economic sectors (Majlis Perbandaran Kangar, 2010).

The history of Perlis can be traced back to 1800, when it was originally a part of the older kingdom of Kedah. It was then separated from Kedah in 1942 and became a Thai vassal state directly under Bangkok during the period of Siamese influence. During this period, Perlis was known as 'Palit'. The Anglo-Siamese Treaty in 1909 witnessed the transfer of suzerainty from Thailand to Britain but this was returned to Thailand during World War Two by Japan as a reward for Siam's alliance with it. Nonetheless, Perlis again came under the British rule until it became part of the Malayan Union and then gained its independence with the formation of the Federation of Malaya in 1957.

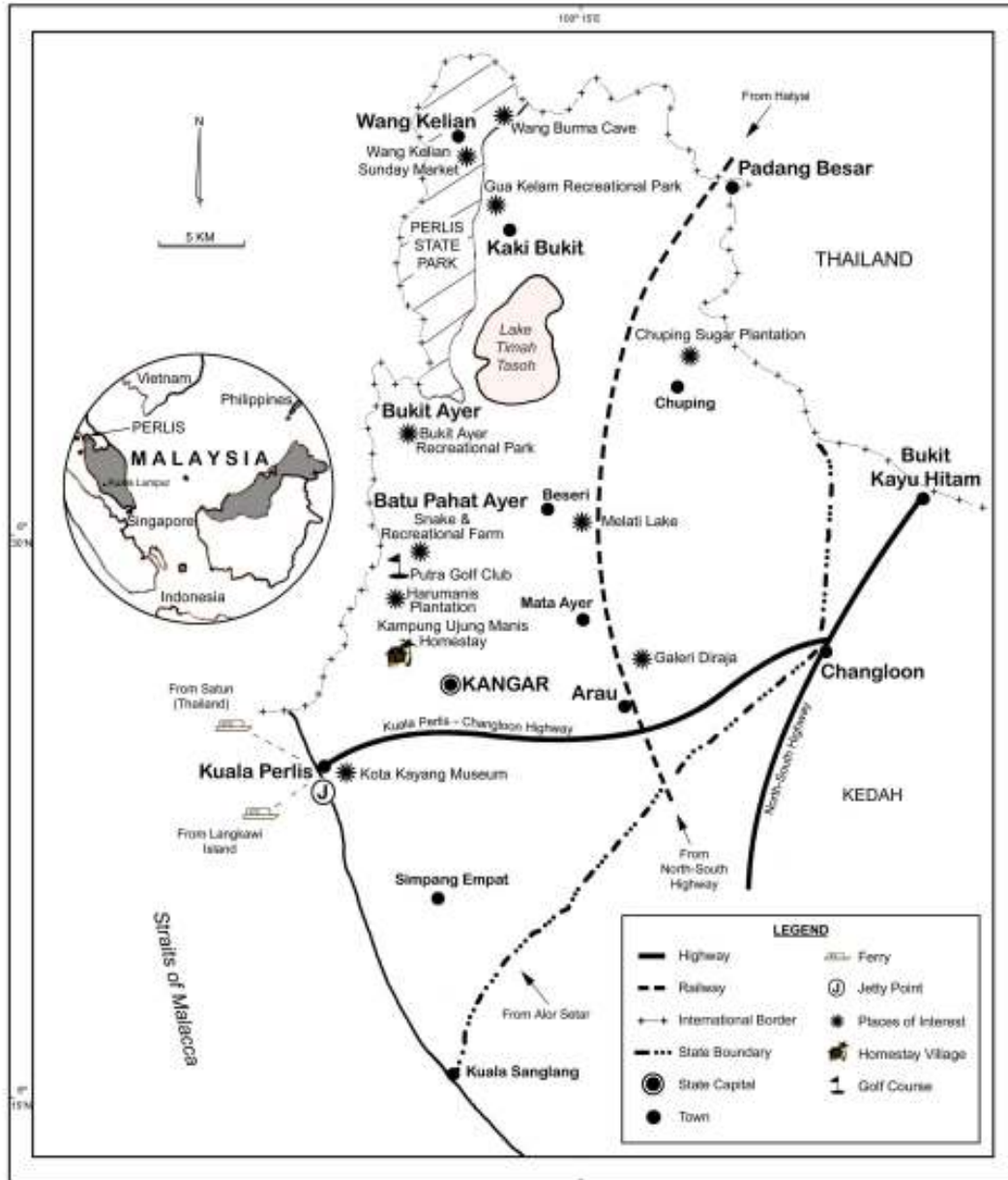


Figure 1. Location and tourism resources in Perlis

Research methodology

Interviews were conducted extensively with officers in the government agencies and private operators. Initially, a questionnaire survey was planned but this effort had to be aborted as nearly all tourists were on short stopovers on their trip in Perlis mainly to proceed to or return from Thailand or Langkawi at the time data was being collected. Interviews were conducted with the Forestry Department, Immigration Department, office of Ministry of Tourism, Department of Marine, Kangar Municipal Council Planning Department, State Economic Planning Unit, operators at Padang Besar bazaar and duty-free shopping complex, Kuala Perlis jetty as well as homestay operators. Interviews were conducted with visitors at the

entry points, which include Wang Kelian, Padang Besar (Thai-Malaysia land border and at KTMB train station), and Kuala Perlis jetty.

Tourism development in Perlis

Number of tourist arrivals

Statistics on tourist arrivals to Perlis were obtained from the Marine Department and Department of Immigration and from the sole railway service provider (Keretapi Tanah Melayu). The statistics focused on the major entry points (by road) to the state, i.e., Kuala Perlis, Wang Kelian, Padang Besar and Arau (Table 1).

Table 1. Number of tourist arrivals to Perlis

Entrance point	Padang Besar (by road)		Padang Besar (by train service operated by KTMB)		Kuala Perlis (by ferry)		Wang Kelian (by road)		Total	
	Nationality	Local	Foreigner	Local	Foreigner	Local	Foreigner	Local		Foreigner
2000		190,665	320,923	12,123	22,901	4,320	22,686	14,899	19,921	608,438
2001		252,895	381,200	15,311	24,264	2,819	18,561	21,245	21,318	737,613
2002		200,379	302,775	16,855	24,707	2,969	16,053	18,095	26,294	608,127
2003		142,436	798,787	14,018	21,441	2,177	11,654	18,040	30,932	1,039,485
2004		110,585	549,238	9,557	22,613	2,340	10,784	17,329	40,539	762,985
2005		65,667	446,832	6,976	16,040	3,640	8,514	16,179	51,566	615,414
2006		87,466	483,959	9,102	17,134	2,434	8,048	16,687	70,851	695,681
2007		135,561	435,949	7,649	16,207	1,573	7,026	18,231	79,770	701,966
2008		172,511	244,568	8,948	17,045	2,217	7,669	19,368	85,936	558,262
2009		162,578	242,001	7,056	15,642	1,667	6,900	40,644	98,762	575,250
2010		295,353	244,160	16,526	10,844	8,806	1,970	171,312	29,545	778,516

Source: Malaysia Immigration Department, 2011

Padang Besar and Wang Kelian are the national entrance points into Malaysia from Thailand. The KTMB service which has a railway station at Padang Besar is operated by KTMB West Coast line, where it connects with the State Railway of Thailand's network in the north and Singapore in the south via Butterworth and Kuala Lumpur. The passenger jetty at the Kuala Perlis gateway caters both to foreign and local tourists from Langkawi Island as well as from Satun, Thailand via water transportation.

As of 2010, a total of 778,516 tourists visited Perlis, indicating an increase of 26.1% from 2009. Padang Besar is the major entry point to Perlis contributing 72.82% to the total number of tourist arrivals followed by Wang Kelian at 25.8%. Based on the statistics, nearly two thirds of the visitors to Perlis were domestic tourists (63.2%). Thai nationals dominated the foreign tourist component by contributing 91%. Other recorded foreign tourists to Perlis include nationals from Laos, United Kingdom, Germany, USA, Australia, France, Indonesia, Singapore and Canada.

Based on a 10-year analysis, Padang Besar remains the main gateway into the country with 84% of the foreign tourists to Perlis and Malaysia using this entry point, compared to 10% through Wang Kelian, 2% via Kuala Perlis and 4% via KTMB. Except for Wang Kelian, other entry points indicated a decreasing number of foreign tourists for the period 2000-2010 while local tourists showed an increasing trend to visit Perlis via Kuala Perlis.

The high number of tourist arrivals to Perlis in 2003 can be closely associated with the state campaign on 'Tahun Melawat Perlis' (Visit Perlis Year) 2003-2005; whereas the high inflow of tourists at Wang Kelian can be linked to the government policy of encouraging border tourism activities by creating 'free

flow' among the Malaysian and Thai nationals. The 'free flow' concept allows nationals from both countries to enter the other country without any travel document. The policy is applicable only during the weekends (Saturdays and Sundays) and visitors are only permitted to stay within a 2km radius from the border check point. This policy was formulated in light of the higher outflow of Malaysian tourists to Thailand as compared to the inflow of Thai tourists to Malaysia which indicated higher spending by the Malaysians in Wang Pratchan (the border town in Thailand).

Tourism resources

Tourism development in Perlis is guided by the Pelan Halatuju Pelancongan Perlis 2015 (Perlis Tourism Direction Plan 2015). The tourism resources of Perlis are a combination of nature-based, agro-based and man-made (e.g., shopping, cultural/heritage) resources (Pejabat Kementerian Pelancongan Negeri Perlis, 2005; Tourism Malaysia, 2009; Jabatan Perancangan Bandar dan Desa Semenanjung Malaysia, 2010).

1. Nature-based resources

Gunung Perlis is the highest point in Perlis, located in the Perlis State Park. It rises up to 732.711 meters above sea level. Gunung Perlis marks the border of Malaysia and Thailand. It is also the northernmost point of Peninsular Malaysia. The trail ascending the hill covers three stages and it normally requires about 5 hours for a return trip. For safety reasons, a licensed guide and permit from Perlis Forestry Department is required for trekkers.

The Perlis State Park is the icon of tourism resources in the state. It forms the western border between Peninsular Malaysia and Thailand. It is also a showcase of a joint trans-frontier conservation effort between Malaysia and Thailand, involving the Perlis State Park of Malaysia and Thaleban National Park of Thailand in creating large protected areas of a larger habitat which is more stable biologically and capable of supporting more species in the long run. At present, the park is managed by the Perlis Forestry Department. The Mata Ayer Forest Reserve of 1000ha was first gazette as the Wang Kelian State park in 1995, and later, the Wang Mu Forest Reserve was added to form the Perlis State Park in 2002. The park covers approximately 50 square km and is located in Mata Ayer Forest Reserve and Wang Mu Forest Reserve on the longest continuous range of limestone hills of 38km in Malaysia- the Nakawan Range. The Nakawan Range is a semi-deciduous forest with unique fauna and flora that are endemic to this region. Bogak Perlis (*Cycas clidicola*) for instance, which can only be found in Perlis, Langkawi and southern Thailand, are widely distributed in the limestone hills in Perlis State park. Bogak Perlis are living fossils that have existed for more than 250 million years ago. Apart from that, there are at least 68 species of mammals including the Stump-tailed Macaque which is an endangered primate species endemic to the Perlis State Park. Others include the white-handed gibbon (*Hylobates lar*) and dusky langur (*Semnopithecus obscurus*), black panther (*Panthera pardus*), crab-eating mongoose etc. Altogether 32 species of bats, 211 species of birds from 14 families, 6 species of hornbills, 35 species of reptiles including 27 species of snakes have been identified in the state park. Perlis State Park is also home to the white meranti-gerutu species, which is endemic to northern Peninsular Malaysia (Rahimatsah, 2006; Osman et al, 2002; Perlis Forestry Department, 2011).

Kelam Cave is located in the town of Kaki Bukit, which was a tin mining town in the 1970s and 1980s. Kelam, which is a Malay language literally means dark. The 370m cave is estimated to be already 100 million years old. In the cave, there is a hanging bridge that spans the entire length of the cave which originally served as a mean of transporting ore and other supplies to the mine at Wang Tangga as well as the main access route for villagers residing in the remote Kampong Wang Kelian. Kelam Cave II with its length of 3.8m is believed to be the longest cave system in Peninsular Malaysia. There was an electrical train service carrying tourists into the cave but the service was stopped for safety reasons since 2010 and cave II has been closed for maintenance and repair due to the damage caused by flood.

Timah Tasoh Dam is located 17 km north of Kangar, on the Kangar-Padang Besar road. This man-made lake covers an area of 13.30 ha in the sub-district of Berseri. The dam derived from the Timah and

Tasoh rivers which irrigated this area before the dam was constructed in 1987. The construction of the dam took 5 years. In 1993, the dam was declared a security area by the Perlis State Government. Apart from supplying water for irrigation to a total of 3,000 ha of paddy fields, and 54 million litres daily for domestic and industrial use, it also functions as a flood mitigation measure with a retention capacity of 40 million cubic meter of water at a normal pool level of RL29.1m. The dam, together with the Bukit Chabang range which runs in the north and Nakawan range in the south, forms a breathtaking scene. The lake is also well-known to bird watchers for its migratory birds from October to March yearly (Department of Irrigation and Drainage Perlis, 2009).

Apart from the above, there are a few nature-based tourism resources and recreational sites known in Perlis. These include Lake Melati, Bukit Ayer Recreational Park, Snake and Reptile Farm as well as the Rimba Herb. Lake Melati is located about 8km north of Kangar. It lies on marshy lowland and there are approximately 150 sand bar islets which are accessible by rowboats or *sampans* (Jabatan Pengairan dan Saliran Negeri Perlis, 2009). Bukit Ayer Recreational Park is located at Sungai Batu Pahat, about 10km from Kangar. Jungle trekking and camping are popular activities in the park. Adjacent to the park is the largest snake and reptile farm in Malaysia. The Snake and Reptile farm is one of the national development projects by Ministry of Health and is currently managed by the Institute of Medical Research (IMR). Established in 1981, the farm has a collection of more than 20 species of live snakes including the King Cobra, Common Cobra, Short Pit Viper, Malayan Krait and Short Python. There are also various species of dead snakes preserved in glass cubicles for public viewing. Information on the practical purposes of snakes, facts and fallacies, first-aid and ways to avoid snakebites are displayed in the farm. Covering an area of 12ha and located just adjacent to the Bukit Ayer Recreational Park, is Rimba Herb (Herb Garden) which hosts over 1,000 plants of local and foreign origin in a semi-wild environment.

2. Agro-based resources

The grapes vineyard in Perlis was built at the initiative of the State Department of Drainage and Irrigation together with the Agriculture Department of Perlis. It is officially known as Ladang Perintis Tanaman Anggur JPS Perlis (The Perlis Department of Irrigation and Drainage JPS Pioneer Vineyard). Planting work in the grape farm started in mid-2005 with a few varieties that have been successfully cultivated. These include the IAC from Philippines, ISABELLE from United States, KYOHO and NEW HITE MALAGA from Thailand. The farm is located 17km north of Kangar. Another agricultural farm that is popular among tourists is the *harumanis* mango plantation located at Bukit Bintang Agriculture Centre, a plantation covering an area of 64.6ha. The mangoes are mainly cultivated for export, and marketed to the East Asian countries, especially to Japan. Apart from that, the mangoes are also very popular among local tourists. This species of mango is well known for its fragrant smell (*harum*) and sweet taste (*manis*) as its name implies.

Near Bukit Chuping, there is the 22,000 ha sugar cane plantation. As the sugar cane is harvested in the months from December to June, visitors can also make an educational guided visit to the museum to learn more about sugar manufacturing processes. A visit to the sugar factory located in Chuping is possible if prior arrangements have been made.

A homestay program is also available in Perlis, with a total of three enterprises registered with the Ministry of Tourism. The best known is Kampung Ujung Bukit Homestay which is located five kilometers away from Kangar town with the paddy fields surrounding it and limestone hills forming its backdrop. Attractions here include local delicacies, opportunities to assist in the fields, mock weddings, cultural performances and food demonstrations as well as participation in the traditional games.

3. Man-made resources

In addition, various man-made attractions such as museums, shopping arcades as well as food courts, supplement the attractions cited above.

The Kota Kayang Museum displays archaeological relics and also historical artifacts such as royal regalia, replica documents, Neolithic stone tools and other antiquities in Perlis which reflect the 400-year old history of the state. The museum is located 12km away from the capital city, Kangar and surrounded by limestone hills. Built when Perlis was under the rule of Kedah during the reign of Sultan Dhiaudin Mukarram Shah I (1661-1687), the museum was once the palace and ceremonial hall of the ancient Indera Kayangan Kingdom. Galeri Diraja is another attraction of the same kind. The gallery is located next to the Istana Arau (royal palace) in Arau and has a range of collections on royal regalia, portraits, ceremonial court items, ancient weapons as well as souvenirs belonging to the Perlis royal family.

Kuala Perlis has been popular for its seafood among the locals and tourists. Its location which is by the sea and as a port of embarkation point to those taking the ferry services to Langkawi Island and Satun in Thailand provides advantages in attracting transit tourists.

At Padang Besar, there are two shopping places which are popular among the visitors. The first is the Padang Besar Bazaar, a two-storey shopping arcade located at the Malaysia-Thailand border. It offers products ranging from food and clothing to handicraft as well as household items. The second is a duty free complex, located less than 500meter away from the Thai Immigration check-point which offers a wide range of imported goods such as chocolates, perfumes, cigarettes, liquors and souvenir items.

The Wang Kelian Sunday Market takes place at the Malaysia-Thailand (Wang Prachan) northern border. It is located 45km from Kangar and 7km from the nearest town, Kaki Bukit, within the Mata Ayer Permanent Forest Reserve which was later gazette as the Perlis State Park. The Sunday market offers mainly handicrafts, local food and fruits, clothing, as well as kitchen utensils. With the 'free-flow' concept, visitors may visit the market by crossing the border without any travel pass. The road journey to the Wang Kelian Sunday Market entails a scenic drive through an undulating route which curves around the hilly terrain offering one a panoramic view of the valley.

In addition, Perlis also has an 18-hole par 72 golf course, the Putra Gold Club, located 10km away from Kangar, and near to the Snake and Reptile Farm. There is also the small Primate Park and Bird Park located in the vicinity of the Snake and Reptile Farm.

Issues and challenges

Despite a variety of tourism resources, tourism development in Perlis faces a few key challenges which have thwarted its further growth.

Accessibility options and competitiveness of tourism products

One of the critical issues with tourism development in Perlis pertains to its location at the northernmost tip of Peninsular Malaysia. Based on the interviews with visitors, the majority of them visited Perlis to 'visit friends and relatives' (VFR). The setting-up of higher education institutions such as Universiti Malaysia Perlis and Universiti Teknologi MARA in Perlis has boosted this type of visits as family members of students visit Perlis during the opening of the semester and convocation days. While it contributes to tourism development, it has also created the seasonality issue as tourists' facilities are crowded during such periods but are often unutilized at other times.

Apart from that, interviews reveal that the long travelling distance has actually thwarted the desire of the tourists to visit Perlis. In addition, product similarities with other destinations have intensified the competition for Perlis to attract visitors to the state. As noted by some European foreign tourists, 'I don't see a single distinctive tourism attraction in the state that I must come here for instead of going to other states in the country. Since I have only a 3-weeks holiday, I have to choose very carefully for the most value of the money and time that I spend in Southeast Asia'. The issues of offering similar products, the poor level of accessibility and competition with other attractions with better accessibility and a combined package have made Perlis merely a complementary destination among the western foreign tourists,

particularly those who are visiting the country for the first time. The lack of fast connections through a highway is another shortcoming observed in Perlis.

At present, Perlis can be reached by train, bus and ferry. However, there is no airport in the state for commercial flights and the North-South Highway which links the southern gateway of Malaysia, i.e., Johor Bahru to all states in the west coast of Peninsular Malaysia by-passes Perlis, and connects to the Thai border in the north through Bukit Kayu Hitam in Kedah. Since the completion of highway connecting Bukit Kayu Hitam, nearly all the coaches transporting tourists from both countries have used this route for faster accessibility in crossing the border compared to the past when most of them used Padang Besar as the entry and exit points. This has significantly affected tourism development in Perlis especially border tourism in Padang Besar.

Ambiguity of tourist statistics

At the moment, the statistics on tourist arrivals do not take into account the tourist arrivals by the state road but only the national entry points thus making the statistics incomplete. On the other hand, the records obtained from the existing entry points to the state are unable to capture the length of stays among the tourists where most of the tourists stopped in Perlis only for short transit, i.e., less than 5 hours, before continuing their journey to other parts of Malaysia. This is especially so among the Thai tourists who enter Perlis through the Wang Kelian entry point. Most of them come for shopping which takes up less than 5 hours before returning to Thailand. A similar observation was made among Malaysian tourists (locals and from other states in Malaysia) who enter the Thai border for a-day visit and then return to Perlis before continuing their journey elsewhere or head for home. Furthermore, the number of tourist arrivals cannot be solely based on the hotel occupancy rate as many tourists to Perlis are on VFR, which implies that many would have actually stayed with friends or relatives who live in Perlis instead of putting up in the lodging facilities available.

A similar observation also yielded the same result at the Kuala Perlis entry point where most of the tourists who enter Perlis through Kuala Perlis spend their time in Langkawi Island and use Kuala Perlis as the disembarkation point for the ferry back to the mainland and do not stop overnight at Kuala Perlis. Instead, they proceeded directly on their return journey to their place of origin after disembarkation.

The feasibility of free-flow concept

The free-flow concept at Wang Kelian dates back to the launching of eco-tourism town at Wang Kelian on 14 June 1991. During the early years, the market was opened every Fridays. It was not until 6 December 1993 that the free flow concept was officiated by the Chief Minister of Perlis and Governor of Satun, Thailand. The main objectives of the concept are to form a commercial zone at the Malaysia-Thailand border as well as to create a tourism attraction which could generate economic benefits to the local people and the state. The free flow practice was briefly terminated once by the state government on 1 February 2008 because of safety reasons but it resumed again in 2009. In 2010, a total of 155 stalls were operating at Wang Kelian. Since the Mata Ayer Permanent Forest Reserve was gazette as part of the Perlis State Park, the town is now managed by the state Forestry Department, and placed specifically under the jurisdiction of the State Park Unit. The concept of free flow has threatened the conservation efforts of protected areas, e.g., issues related to cross-border poaching activities, overall conservation of Wang Kelian and the illegal smuggling of goods.

Operations of travel agencies and accommodation facilities

As of 2010, there were 11 travel agencies operating in Perlis. Based on the interviews with the travel agencies, their businesses cover mainly outbound tourism and ticket sales. Opportunities for inbound tourism package are very limited mainly due to the nature of travel in the state which focuses on VFR.

There are 23 hotels in the state with the main concentrations in Kangar and Kuala Perlis. Putra Palace Hotel is the most luxurious hotel in the state with a 4-star rating. These hotels also faced competition from hotels in Langkawi. Due to the proximity of Langkawi where a wide range of accommodation options can be obtained and the availability of vast attractions and facilities, most tourists would only make a short stopover in Perlis before proceeding to Langkawi.

Apart from these hotels, there is also a homestay program in Perlis. As of 2010, there were three homestay programs registered with the Ministry of Tourism, i.e., Kampung Ujong Bukit, Kampung Paya Guring and Felda Mata Ayer. Kampung Paya Guring hosted 1,440 local guests and 38 international guests with a total gross income recorded at RM163,000. This was followed by Kampung Ujong Bukit with a total of 590 local guests and 40 international guests and an income of RM59,000. The last homestay, Felda Mata Ayer, accommodated 1,750 guests in 2010 but all were local guests, and earned an income of RM79,000. Apart from these, there are at least five more homestays or guest houses operating without registration. As such, the lack of quality control has given rise to issues regarding the unhygienic premises, poor accessibility as well as the list of 'do's' and 'don'ts' with tourists due to cultural differences. In these cases, the village operators practiced their own individual perceived standards and hospitality without reference to the guidelines provided by the Ministry. Interviews with two of these operators revealed that despite the intention to register with the Ministry, they perceived no tangible benefits from such registration as they normally source their guests through the recommendation of friends and relatives and only operated in a small scale during festival seasons. Most importantly, they do not intend to expand their business to accommodate international tourists as they do not foresee that as a prospect mainly due to the language differences.

Management of tourism resources

Lack of coordination between the managing agencies of the tourism attractions is also a critical problem. In the case of Bukit Ayer Recreational Park, Snake and Reptile Farm, Rimba Herba, bird farm and primate farm, all these five attractions are managed by different agencies, which include the Perbadanan Kemajuan Negeri Perlis, Kangar Municipal Council, Wildlife Department, Institute for Medical Research, Agriculture Ministry, Forestry Department resulting in some overlapping responsibilities. These have caused difficulties in coordination and management, bearing in mind that these agencies do not have trained staff in tourism or recreational activities.

Limited demand and supply of tour guides

Tourist guides has been an urgent issue in Perlis, both in terms of the demand and supply. In 2010, there were a total of 13 guides in the state registered with Ministry of Tourism. Of this, 11 are city guides (blue badge) and two are localized nature guides (green badge). The majority of these guides work on a part time basis due to the lack of market demand. Furthermore, only two guides could conduct guiding in English or German while six guides could conduct guiding in the Thai language. The fee for the guide training courses is perceived as expensive. In 2011, the fee was RM4,000 per participant for a full-time course.

Back in 2001, Perlis State Forestry Department conducted localized nature guiding course with the assistance of the Danish International Development Assistance (DANIDA). A total of 40 guides attended the course. Nonetheless, most of these guides did not register with the Ministry after completing and passing the course. In addition, most of the guides served outside Perlis, mainly in Langkawi Island, Penang and Bukit Kayu Hitam which offer better job prospects.

Development approach

Tourism development has been implemented on an 'ad-hoc' and fragmented basis. Furthermore, the maintenance efforts have been poor. This issue is most evident at the Kuala Perlis jetty, Padang Besar

Bazaar and Bukit Ayer Jungle Park Resort. In the case of the resort at Timah Tasoh Dam, market demand analysis was not conducted before its development which resulted in the termination of the resort's operations within 3 years due to poor demand. This has not only been a monetary waste but the abandoned and un-kept structure was also an unpleasant sight. Nevertheless, a new operator has taken over the business from 2010.

Apart from the issues related to its planning and management, most of the attractions in Perlis are not 'prime national attractions' which can be promoted at the international level, thus making it difficult to market the state as a tourist destination. The attractions in Perlis can be identified as secondary/supporting tourism attractions, mainly serving a recreational purpose especially the forest parks whereas the border shopping destinations are mainly a shopping place among the locals from both countries, with a small number of domestic tourists visiting occasionally.

The lack of skills among the local small-scale operators is also a major problem as most of them are not trained in communication skills. The lack of knowledge in hospitality has further thwarted the quality of the staff available. Many of the operators are of the opinion that, involvement in tourism business would not incur additional cost to them but instead would generate extra income. This perception is rooted among the locals especially those who are involved in providing accommodation facilities and has resulted in the reluctance to pursue specific skills in tourism.

Concluding remarks

While tourism may have significant positive impacts on local development, starting from the planning phase expectations must be realistic in the sense that existing constraints must be examined together with the potentials in tourism development. Perlis' insufficient economic resources also extends to its tourism resources. Planning was done without realistic considerations of these limitations. The issues which have been raised are synonymous with the challenges faced by many small states where skilled tourism human resources are absent. A mistaken perception of the tourism industry is that participation in the industry can be done by any farmer without special training. This has then led to a situation where the development and planning of tourism were overblown in the early development stage in a rush to respond to government policies. Subsequently, the entrepreneur experienced issues of sustaining the tourism business during its management stage as observed in the case of the Timah Tasoh resort. The lack of coordination has also thwarted the integrated management of tourism resources in the state proving that border town tourism development should never be envisaged on an 'ad-hoc' and piece-meal basis.

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