

UNIVERSITI TEKNOLOGI MARA

**THE IMPACT OF TOURISM INDUSTRY TO
MALAYSIA'S ECONOMY**

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Bachelor of Business Administration (Hons) Investment Management

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Final Year Project submitted in fulfillment of
the requirements for degree of
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AUTHOR'S DECLARATION

I declare that the work in this thesis, was carried out in accordance with the regulations of Universiti Teknologi MARA. It is original and is the results of my own work, unless otherwise indicated or acknowledged as referenced work. This thesis has not been submitted to any other academic institution or non-academic institution for any degree or qualification.

I, hereby, acknowledge that I have been supplied with the Academic Rules and Regulations for Post Graduate, Universiti Teknologi MARA, regulating the conduct of my study and research.

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ABSTRACT

The tourism industry can be defined under the export category where it represents as third largest industry after the fuels and chemical industry. The tourism industry has been vital to the economy as it is one of the world's major economic sectors and in Malaysia, the tourism industry contributes 5.9 percent to the gross domestic product (GDP) and employs close to a quarter of the total workforce. This industry profit through the services that have been done such as hotels, transportation, food, and activities, which provide most of the tourism revenue indirectly. As a result, the purpose of this research is to investigate the four internal factors that influence tourism growth in conjunction with the local economy. Samples were taken from the year 1990 to 2020 to assess the relationship between the capital investment, the number of tourist receipts, the number of international revenue receipts, and the exchange rate with the tourism growth. This insight will assist tourism agencies, especially the Ministry of Tourism, Arts and Culture Malaysia (MOTAC) to develop an appropriate policy and consequently make the best judgments possible in the future especially after the outbreak of Covid-19's pandemic.

Keywords: Capital Investment, Economy, Exchange rate, Tourism, Tourist Receipts