

TRANSFORMING MALACCA RIVER TO ENHANCE ITS ECONOMIC POTENTIAL

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DECLARATION OF ORIGINAL WORK

“I declared that this project is the result of my own research except as cited in the references. This research project has not been any degree and is not concurrently submitted in candidature of any other degree.”

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DEDICATION

This thesis is dedicated

This research paper is special dedicated to my parent, who has been my main source of inspiration and encouragement during my studies. Thank you for giving me the opportunity and new experience in my life to complete this research. Also thanks to my friends that help and encouragement toward me when conducting research paper. Not forgetting, to those who indirectly contributed to this research, your kindness means a lot to me. Thanks you very much

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ABSTRACT

This study was carried out to follow up the current development along Malacca River and their importance to the transforming Malacca River to enhance its economic potential for future. The researcher had prepared to distribute the questionnaire to the 63 respondents, who are organizations involved in the development of the Malacca River. A set of research question was designed to gain primary data from the respondents about the development of Malacca River. The overall findings of the study indicate that this development of Malacca River is important with the Malacca City and community surroundings because it will give a lot of benefits. The benefits that will gain from the development are can attract more tourist come to Malacca and the economic state of Government also can boost up. In conclusion, some suggestions have been made to continue and improve more the development along Malacca River, so that it will improve the economics of the community surroundings and also with the government.

Keywords: Tourism, Malacca River. Economic

ABSTRAK

Kajian ini dijalankan untuk mengkaji pembangunan semasa di sepanjang Sungai Melaka dan kepentingan untuk mengubah Sungai Melaka bagi meningkatkan potensi ekonomi untuk masa depan. Penyelidik telah bersedia untuk mengedarkan soal selidik kepada 63 responden, yang merupakan organisasi yang terlibat dalam pembangunan Sungai Melaka. Set soalan penyelidikan direka untuk mendapatkan data primer daripada responden mengenai pembangunan Sungai Melaka. Penemuan keseluruhan kajian menunjukkan bahawa pembangunan Sungai Melaka ini penting kepada Bandaraya Melaka dan persekitaran masyarakat kerana ia akan memberi banyak manfaat. Banyak faedah yang akan diperolehi dari pembangunan ini, adalah dapat menarik lebih banyak pelancong datang ke Melaka dan ekonomi kerajaan juga akan meningkat. Sebagai kesimpulan, beberapa cadangan telah dibuat untuk meneruskan dan meningkatkan lagi pembangunan di sepanjang Sungai Melaka, supaya ia dapat meningkatkan ekonomi persekitaran masyarakat dan juga kerajaan.

Kata kunci: Pelancongan, Sungai Melaka. Ekonomi

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LIST OF ABBREVIATION

α	Alpha
β	Beta
CBT	Community-Based Tourism
DV	Dependent Variable
GDP	Gross Domestic Product
IV	Independent Variables
JPS	Department of Irrigation and Drainage, Melaka
MRA	Multiple Regression Analysis
MBMB	Malacca Historic City Council
PKNM	Malacca State Development Corporation
PPSPM	Coastal Development Corporation
RIB	Rigid Inflatable Boat
SPSS	Statistical Program for Social Science
s.d	Standard Deviation
UNWTO	World Tourism Organization
UNESCO	United Nations Educational, Scientific and Cultural Organisation

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CHAPTER 1

INTRODUCTION

1.0 Background of the Study

Malacca is a wonderful place for its cultural heritage, and in 1989, Malacca was declared as Malaysia's historic city and has been listed as a UNESCO World Heritage Site 26 since 7th July 2008. According to Official Portal Tourism Melaka (2016), tourism industry at Malacca State is continues to be the biggest contributor to the growth of Malacca as GDP. Economic Malacca in 2012 with gross domestic product (GDP) was 5.7%. The service sector has grown rapidly, accounting for about 55.90% of the country's GDP. The manufacturing sector is the second most important sector in the economy as much as 24.90%. Agriculture, construction, mining accounted for respectively approximately 7.30%, 3.40% and 4.40% (Official Portal Perbadanan Negeri Melaka, 2017). They also mentioned that since 1999 to 2015, a total of 130.47 million people had traveled to Malacca with an average increase of 10% per year, of which 75% of the tourists are domestic tourists and 25% were foreign tourists. Recognizing the importance of tourism to the economy of Malacca, the Malacca State Government has been developing and implementing various efforts and strategies to attract a total of 16.5 million in 2016. One of Melaka's tourist attractions is the Malacca River. As we know the Malacca River is the most important river during the Malacca Malay Sultanate government and it has its own historical value as the left-hand side of the river is a municipality, settlement,

cemetery, business, shipping, port and more from hundreds of years ago (Sungai Melaka, The Rejuvenation of a National Cultural Heritage, 2008)

Nowadays, various efforts and approaches have been undertaken in the effort to restore the glorious river which was once the main trading center in Southeast Asia. According to Utusan Online (2009) from Program Explore the UNESCO World Heritage City Malacca, a bit much, the Malacca River today was transformed through the allocation channeled by the Federal Government at RM320 million hence this effort was not in vain when today more new tourism products were added such as five star hotels, exclusive restaurants, and many souvenir shops built along the river. The transformation also involves treating the concept of lighting between the Hang Jebat Bridge and the Hang Tuah Bridge. At the same time, Hang Tuah Bridge and Hang Jebat Bridge were upgraded, pedestrian bridge repairs at Kampung Morten and pedestrian bridges near the old express bus station as well as repair of the Tan Khoo Cheng Bridge as well as several development projects in the estuary of the Malacca River. Around the village of Malay Morten Village, there is also a pedestrian walk along the Malacca River known as the River Boardwalk. A variety of new attractions were set up along the river between water wheel, Eye on Malacca, musical fountains and much more to popularize the Malacca River on the international stage. The most attractive of the Malacca Malay Sultan's watermill built in 2007 and completed in 2008 structured Islamic technology available in Syria and Lijiang, China.

Beside that Malacca River also located at the middle of a city and it is now a major tourist attraction. Malacca River is 40.0km long starting from Straits of Malacca to Kg. Gadek (Crossing obstacles. Stick with Saki Sg. Batang Malacca). There are several major tributaries that enter the Malacca River, Sg. Putat, Sg. Cheng, Sg. Durian Tunggal and Sg. Alor Gajah. There are 5 sluice gates along the Malacca River. The first structure at km 1.0 is a barrage of water control works with a certain depth for the river cruise and flood control. The above structure is under control PPSPM (River and Coastal Development Corporation). The second structure is at km 10.0, which serves as the control of municipal barrage tidal and water supply for agriculture, especially irrigation area in Bachang. A third structure at km 18.0 is the water gate / weir acts as a regulator of the flood diversion pass by Sg. Malacca to

Sg. Malim. The fourth structure at km 28.0 is the dam serves as a water reservoir for Malacca Water Company (SAM) as well as flood control. The fifth structure of the km 34.0 is the door to the use of irrigation water which is not used anymore. All four structures need to use electricity to run its operations, while at km 34.0 there is a pump house which serves to irrigate irrigation scheme Carambola Beach.

According Malacca Tourism (2016), Melaka River Cruise to places that are most popular with record visitor arrivals highest total of 278.766 people or 16.8%, followed by museums Melaka amounted to 246.201 persons or 14.8%, Memorial Independence total of 156.957 people or 9.4% and Menara Taming Sari amounted to 153,795 people or 9.2%. Domestic visitor arrivals continued to dominate in the sights of a total of 1,313,985 people or 79.0% compared with that of foreign tourists amounted to 348.881 persons or 21.0%. Table 1.1 showed percentage for tourism activity at Malacca State in the year of 2016. The Melaka River Cruise allows visitors to cross the Malacca River and now appears among the popular tourist activities in Malacca, especially at night. This boat provides nine kilometers of cruises along the Malacca River for 45 minutes, gives you the excitement of enjoying the beautiful scenery, the buildings and houses of the Dutch relics, traditional houses Malay, and various interesting sites about the history of the world's heritage (Malacca State Government, 2015).

Table 1.1: Tourism activities at Malacca State in the year of 2016

(Source: Malacca Tourism 2016)

Tourism activity	Total of people	Percentage
Melaka River Cruise	278.766	16.8%
Museums Melaka	246.201	14.8%
Memorial Independence	156.957	9.4%
Menara Taming Sari	153,795	9.2%

1.1 Problem Statement

Tourism is a significant contributor to the development of the world economy due to improved employment opportunities and contributes to the development of related industries (Martin and Bosque, 2008). Nowadays the Malacca River has contributed to the economy in the state of Malacca. The Melaka River and Coastal Development Corporation (PPSPM) on Melaka Chief Minister, Tan Sri Hj. Mohd Ali Bin Mohd Rustam (Melaka River and Coastal Development Corporation, 2016). The Malacca River need be upgraded to a more attractive and comparable to rivers outside the country such as the River St. Antonio in Texas and comparable River Venice in Italy. However the river still has limited economic activities, which mostly for river cruise, while the potential of the river as not been taken. The government should take an initiative to improve the Malacca River, it will increase profits for the long term. In addition, the number of tourists will also increase in the future. The improvement of the Malacca River will also reduce the problem of river pollution currently being encountered along the Malacca River. This research study is to solve the following problem:

- i. Currently, Malacca River still have limited economic activities
- ii. Malacca River has high economic potential, which needs to be transformed further

1.2 Research Question

According to Strauss and Corbin (1998), research question as a specific query to be addressed by this research, it is parameter of the project and it also determined method will be use in this research. Researcher identify several research question that is used in this research is

- i. What is the factor of tourism destination around Malacca River?
- ii. What are potential activities that can be done in Malacca River?
- iii. What are the innovation suggestions in order to improve high economic potential at Malacca River?

1.3 Research Objective

There are some activities related to tourism around the Malacca River. It is to improve the economic sectors in terms of tourism in Malacca. Thus, the research objectives are:

- i. To identify factor of tourism destination around Malacca River
- ii. To determine the potential activity that can be done in Malacca River
- iii. To propose an innovation suggestion in order to improve high economic potential at Malacca River

1.4 Scope, Limitation and Key Assumptions of the Study

This study is to enhance the economic potential of the Malacca River. The research focuses on tourism activities around the Malacca River and surroundings. The limitation and key assumption is the researcher assumes that the respondents are honest and they have adequate knowledge on the topic of research.

1.5 The Importance of the Study

Over the years, the transformation of the city is mainly focused on maximizing economic benefit and beautification of the area so the city amenities of life, the quality of the city environment and cultural diversity has been overlooked in the process of urban development. Beautification of the city also brought the loss of humanity, the essence of history and social identity, destruction of the natural ecosystem and worsens the city. The most basic thing to do is to instill the sense of ownership to the locals that they appreciate the sustainability of river function.

In the creation of the tourism industry and the promotion of the destination image is representative of a particular aspect. Image of destinations is the "image" that promotes the state travel agency, government, hotel, service industries and tourism company, wanted to describe outsiders, especially foreign tourists (Jenkins O.H, 1999). Images destinations reflect how the organizers looked at aspects of the country and the people, the landscape, and the culture they want to know. In the tourism industry promoter, to give the history and attractions of the country, to attract visitors.

Indirectly, the Malacca State Government's efforts to add more attraction to revive tourism in Malacca by organizing various tourism events which gave rise drastically on the number of tourists to Malacca. Thus Malacca State believes in the ongoing efforts to promote this tourism industry, it is doubtful that the Malacca will continue to be the choice of domestic and foreign tourists. The target of the Melaka