

## \* Bali's tourism industry, tourism statistics, and why invest in Tabanan

The following April 2011 New York Wall Street Journal article indicates Bali's thriving tourism industry and continued growth and highlights why the regency of Tabanan (home to Rice) has been pin pointed by the government as the area to now receive the most government support for controlled tourism development, and hence the strong forecasted capital growth in the short, medium and long term for land and property expected in this area.

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By [JOE COCHRANE](#)

*Bali, Indonesia*

**A record 2.3 million foreigners visited Bali in 2010, nearly double the number in 2002.**

**So far this year tourist numbers are up again compared with last, by 17% in January.**

The expectation is that the number of foreign visitors will reach a new record of 2.5 million or more in 2011.

Demand and growth continues in to this ever popular island destination, that seemingly resilient to any economic, natural or hostility.

### **Bali's Tourist Challenge**

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*Charlie Cole for The Wall Street Journal*

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Whilst Australia remains as the number one visiting country (24% of the market by country), Bali has also benefited from an upswing in regional travel by Asians, including Japanese, South Koreans and increasingly Chinese. Tourism and its supporting industries account for around 85% of the island's economy, and around 80% of all foreign visitors to Indonesia go only to Bali, according to immigration figures.

The surge in tourist arrivals has brought increased prosperity to much of the island. But it has also created a completely new set of problems for Bali's four million inhabitants: In the traditionally popular destinations of Kuta, Sanur, Nusa Dua and Seminyak the island is now home to horrendous traffic jams, a seemingly endless succession of new resort projects, and demand for power and water that threatens to outstrip the capacity of local utility companies.

The journey by taxi from Bali's Ngurah Rai International Airport to the popular tourist areas of Kuta Beach and Seminyak is less than four kilometres, but can now take up to a frustrating hour if visitors arrive at the wrong time of day. It's a stop-and-go drive with the air-conditioning on full-blast as cars, delivery trucks, buses and motorbikes jostle and honk along narrow roads built in the 1980s, when Bali was still mainly a backpacker and budget destination.

"Since lots of construction work has been happening here, it floods every time it rains in Kuta. It never happened before," says Sudika, a Balinese bartender at the Hard Rock Café on Kuta Beach. No one seems to be thinking about the infrastructure in the area when they're building new developments, he says.

In February this year, he issued a moratorium on restricting new hotel developments in the island's main tourist areas of Kuta, Seminyak, Sanur and Nusa Dua, and reminded district chiefs that it's against provincial law to approve building permits for hotels near sacred religious sites.

He also says that the problems stem not from having too many tourists but from having them all in one small area.

**"I want to balance the development in Bali. It's not because it's overloaded, it's because the southern part is crowded. We need to encourage and support development, in particular of higher end projects in the neighbouring regencies such as Tabanan, Negara and the northern areas of the island. This is where the growth for tourism lies. These areas are extensive and can withstand years of development and growth without the same overcrowded problems reoccurring" Mr. Pastika says.**

The governor talks enthusiastically about plans to build new expressways, a new airport in the northern district of Buleleng and perhaps even a railway circling the entire island. Two Indian construction companies, GMR Infrastructure and GVK Industries, have already visited Bali and submitted proposals to build the airport, Mr. Pastika said.



The Sunset Highway enables visitors to Tabanan to by pass the congested streets around Kuta and Seminyak