



Indian Tourism and Employment

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Abstracts

Tourism, a rapidly growing industry has numerous economic opportunities which also includes employment generation capability. India blessed with almost all types of tourism resources is facing problem of unemployment. The policy makers are keen to solve this problem by making an effective tourism policy. The present article is based upon secondary data and qualitative analysis are clearly indicating about solution of above mentioned problem through this industry. This study at the end also advocates some recommendations for those who are capable to influence the policy formation process and its structure.

Keywords: India, Tourism, Employment, Policy Interventions, Applied Strategies.

Immense potential of job opportunities in Indian tourism industry was witnessed by data released by Ministry of Tourism, Government of India in 2015 which indicated that about 8.7% of total jobs were in tourism. For year 2020, India has forecasted 20 million inbound tourists (WTTC 2018). Strategic formulation for this target has already started and the concerned ministry is pretty sure about its attainment.

India, as tourism destination is blessed with almost all types of resources and continuous transformation from resources to products has made the country's image significant not only with reference to mass tourism but also in niche tourism products like medical, cruise, sports, volunteer, film and village tourism. Rapid growth in budget allocation by the Government is another indication of sincere and honest dedication towards infrastructure and superstructure development which, in reality is backbone for tourism growth.

GDP contribution of tourism industry is US \$ 234.03 billion in 2017 which is expected to grow significantly and expected to touch US \$ 492.21 billion in year 2025. In year 'Incredible India' (2002) and 'Incredible India 2.0' campaign launched by government have witnessed the positive results. 'Atithi Devo Bhava' is another marketing tool to promote the warm welcoming nature of Indians. Apart that, after realization of contemporary trends of tourism, the Government has also started e-tourist visa which has showed tremendous growth in term of numbers. Strategic marketing for medical tourism has shown very positive results and number of medical tourists and JCI accredited hospitals have increased drastically. 'Incredible India Mobile App' for more convenient facilities is a unique venture which adds to the level of satisfaction perceived by international tourists as well as domestic tourists. The Ministry of Tourism has a set a target to achieve 2% of Global Tourist by 2020. Effective policy formulation by different states mainly to attract FTI seems to assist the ministry targets. The Ministry is also preparing a national policy by inculcating the information inputs not only from direct stakeholders but also from indirect stakeholders. The community participation and PPP Model are being given due weightage in planning and controlling.

The 'Statue of Unity', status of Vallabh Bhai Patel with 182 Mts. height, tallest in world is new addition in man-made tourism products and expected to increase the footfall of tourists. Ever increasing and growing crowd has compelled the management of this Statue to increase the visiting time by two hours. Introduction of e-bikes in surrounding of Statue reveals eco-friendly policy of State Government.

For development of world class infrastructure the Government of India has allowed 100% FDI in tourism industry. Apart that tax holiday for five years is being granted for 2, 3 and 4 star hotels situated in cities and towns consisting UNESCO World heritage sites. This tax holiday will not be permitted for Delhi and Mumbai based properties. Numerous other fiscal and non-fiscal incentives have been granted not only for accommodation units but also for other sectors of the industry. HR developmental strategies are also coming with more effective ways.

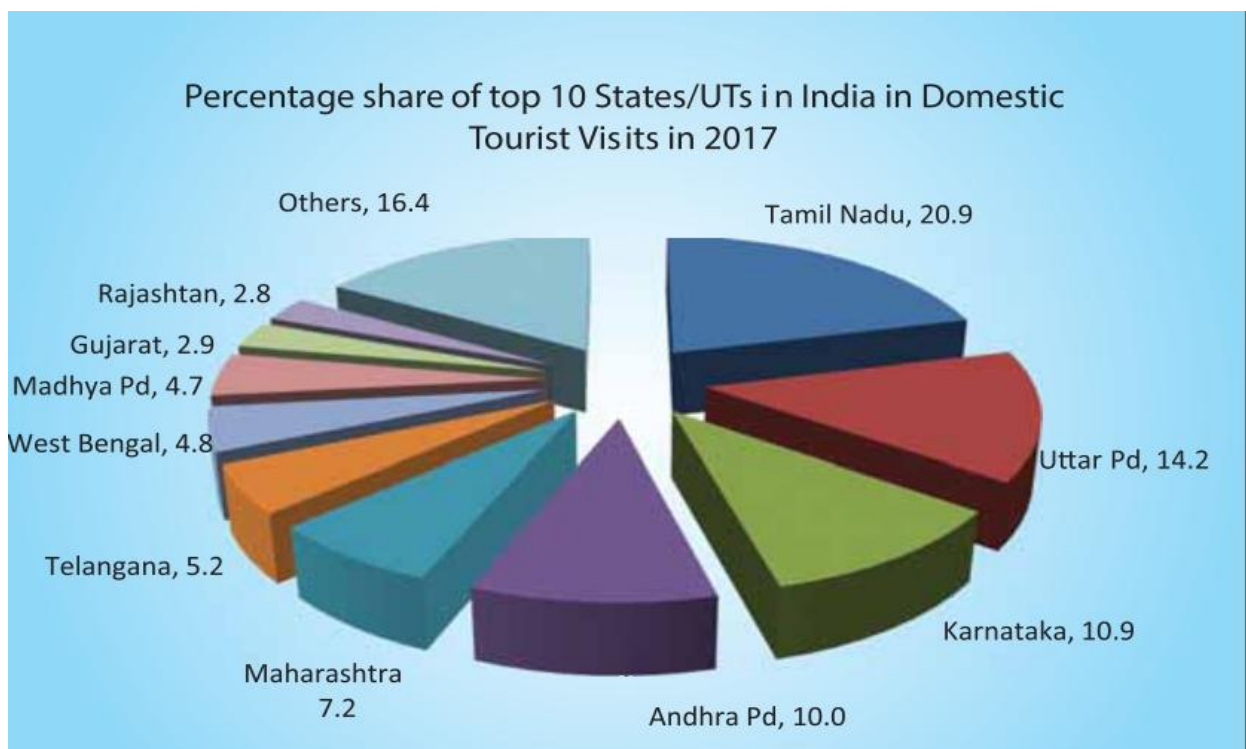
The results of all these initiatives are visible in term of growth in tourist traffic and receipt. As per date of tourism Ministry of India (2017-18), our ranking has been recorded 13th in tourist receipt while in traffic it is 26th with a wonderful growth rate of 14%, international tourist arrival has touched 10.04 million and its global share has reached to

1.2% Tourism as third largest foreign exchange earning industry has created US \$ 27.31 billion which is a remarkable jump in comparison to the foreign exchange earnings of 2016-17

Top 10 International Tourism Markets (Ministry of Tourism Govt. of India,2018)

Year 2016				Year 2017			
Ranking	Country	FTI	%	Ranking	Country	FTI	%
1	Bangladesh	1380409	15.68	1	Bangladesh	2156557	21.49
2	United	1296939	14.73	2	United	1376919	13.72
3	United	941883	10.7	3	United	986296	9.83
4	Canada	317239	3.6	4	Canada	335439	3.34
5	Malaysia	301961	3.43	5	Australia	324243	3.23
6	SriLanka	297418	3.38	6	Malaysia	322126	3.21
7	Australia	293625	3.33	7	SriLanka	303590	3.03
8	Germany	265928	3.02	8	Russian	278904	2.78
9	China	251313	2.85	9	Germany	269380	2.68
10	France	238707	2.71	10	France	249620	2.49

Top States receiving domestic tourists (Ministry of Tourism Govt. of India,2018)



In case of States receiving maximum international tourists, the positions of States has changed. Above figure shows top States in term of International Tourist Traffic.

Employment and Tourism

Being a labor intensive industry, it has huge potential of employment. Researches have revealed a comparatively high multiplier effect of employment in tourism industry. According to WTTC, one job in tourism industry is capable to create one and half job (on an average) in its allied sectors or industries. In year 2017, the industry (with its allied industries) provided more than 219 million jobs which is estimated to grow more rapidly at every level. Further forecasting indicates a remarkable growth in jobs creation capability of this industry for years to come. The contemporary challenges related to job creation, is faced by almost all countries of the world can be diluted by tourism industry if planned effectively. Indirect job opportunities assisted by industry are numerous. These may be visible in infrastructure development activities, small scale industries as well as in agricultural sector. Micro, Small and Medium Enterprises (MSMEs) contributes lion's share in tourism. The estimations shows that approximate 50% of employee working in tourism industry are in the organization with less than total ten employee and it is about 70% if total number of employees is increased to 50. In term of tourist traffic, UNWTO (2017) reports indicates that more than 90% of the tourism business is contributed by these small scale firms and surprising most of these firms are found family owned. Other report of stated that 40% of the tourism employee in Europe were found between (the age of 15 and 35 years which is only 32% in total job opportunities created in 2018. Women empowerment through employment is another major advantage. The same report state that 61% of total employee in European Tourism Industry were females. The same % was found only 46% in service sector while 42% in overall economy. In small scale entrepreneurship, the women were found in majority in a numerous researches. According to UNWTO (2017) reports, women entrepreneurs in hotels and restaurants at global level was 36% which was only 22% in all other remaining sectors and industries. Furthermore tourism has diversified job opportunities in remote and peripheral areas where other industries have negligible scope. The industry has also preserved a number of small scale handloom and handicraft industries in the villages where other economic development activities have progressed with very slow speed.

Employment through tourism in India

According to WTTC report (2018), tourism industry in India accounts 8% of total employment in 2017 and it is expected to grow speedily. The same report indicates that by

year 2028, a total 2% jobs will take place in this industry which will be very high in comparison to other sectors of Indian economy. To fulfill the skilled manpower, government has already launched tourism and hospitality short term as well as formal certificates and degree programs through its educational institutes. Presently our country has 43 institutes of Hotel Management run by Central and State Government and more than 13 craft institutes. Ministry of Tourism is successful in running various courses through Indian Institute of Tourism and Travel Management with its various chapters located in different states of our country. Apart that more than 30 central and state Universities are also imparting required skills in tourism and hospitality industries.

Applied Strategies to be adopted in Indian Tourism Policy

New tourism policy sensitive to the nature and scope of tourism in country is required with focus to create more and more jobs. It must be goal oriented, goals which can be measurable in form of quantity. Followings are some of the points which needs to be included in new tourism policy in order to attain the pre-decided goals in term of job opportunities.

Introduction of new tourism and hospitality courses in colleges and schools in order to create more jobs.

- ✓ Establishment of new tourism Research and development centers in country
- ✓ With PPP model, new start-ups, programs, fiscal and non-fiscal incentives to entrepreneurs are requirement of time
- ✓ Promotion of smart tourism to enable travelers in country and to improve their level of satisfaction
- ✓ To develop soft skill improvement centers in existing colleges and universities with specific focus on the requirement of tourism industry
- ✓ Forecast and filling the gap between human resources requirement by industry and supply of country in coming years
- ✓ Special scholarships and research grants to tourism studies focused on Indian tourism
- ✓ To include all direct and indirect stakeholders in policy formulation process in order to make the policy more practical

- ✓ Identification of major potential areas, development of specific circuits and commissioning the projects with objective to create maximum job opportunities for youth in general and women in particular

At present, unemployment has become global problem and majority of developing and underdeveloped countries are facing challenges because of it. According to International Labour Organization Report (2018), 190 million people are unemployed and need work. Tourism being a unique job producing industry can create employment opportunities if planning and its implementation is done rightly. Numerous researches have stated that tourism can support in sustainably development of both developed as well as underdeveloped world. The need to take support from grass root level in policy formulation, its implementation and controlling system so that development can take place in such a way where all negative impacts of industry can be diluted.

Forecasted Results of Strategies mentioned

Job creation, as top priority in tourism policy formulation will result a balanced growth in industry which will support availability of skilled manpower, eliminate gap between supply and demand of superstructure as well as infrastructure. The industry, then can be capable to contribute major share in GDP and employment. Due involvement of youth from remote and rural areas and women will be real indication of sustainable growth of Indian tourism industry in general and economic development in particular.

There is need of online travel trade, which provide competent and also alternative options for customers. The major niche type of tourism should be well promoted to cater big segments of tourists and enhance direct and indirect employment opportunities Allocation of funds for the development of attractions, mega projects, circuits as well as rural and village tourism infrastructure projects which can lead to sustainability of the tourism business in India. The natural and historical sites should be well preserved and maintained. There is need of presenting India in a global market.

Outcome in term of jobs opportunity

The skilled as well as the unskilled people will get employment. The gap between the required skills in man force will meet through regular training and advancement in technology. Skilled manpower will provide better services to the tourists which will enhance their satisfaction level. The locals will get opportunity of running their own business on small

scale and it will improve the destinations' economy also. It will play a crucial role in presenting India as a major tourism destination.

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