

Impact Of Tourism Industry In Relation To Employment And Income Generation: Evidence From Srinagar District Of Jammu And Kashmir

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Abstract

Tourism is a major economic and social activity of the present time. It is the temporary movement of people from their normal place of residence or work, mainly for pleasure. Due to the economic activities involved in the process of tourism, now it is emerged as an industry which is rapidly growing around the World. Tourism is the major source of foreign exchange earnings for many regions of the world. Tourism need to be addressed at the earliest as tourism has positive as well as negative impact on the cultural diversity, social standards, society and environment. The present study aimed to investigate the causal relationship between employment and income generation and tourist arrivals in district Srinagar of Jammu and Kashmir state. The results revealed that tourist arrivals accounts variation in the level of income and employment generation. Thus, tourism development has the potential to contribute to the economy of Srinagar district of Jammu and Kashmir State.

Key Words: Tourism, Economic, Social, Exchange, Earnings

Introduction

Tourism is one of the substantial and nimble growing industries around the globe. It is an extensive contributor of foreign exchange and a source of employment opportunities to all sectors of the community. Being a multi-disciplinary subject, it connects nearly every activity of human beings and therefore the study associated to

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tourism is achieving greater importance. Different areas of tourism have been studied so far since the subject is closely connected to the daily life of humanity and are interconnected to many disciplines like commerce, environment, economics, politics, sociology, psychology, management etc, each study is predominant and highly fruitful to community. A review of diverse studies so far made on tourism is fruitful in enlightening the current status of the tourism industry and identify the significance of the present study “Impact of Tourism on Economy of Srinagar District of Jammu and Kashmir” and to fill up the gap existing in the study related to tourism. Therefore, this article has been drafted with the principle object of assessing the various aspects and stages of development, opportunities and prospects and threats and difficulties of tourism during different periods. It unlocks new directions of tourism.

Tourism is only such an industry which has a vast business and it is considered a fastest growing industry throughout the globe. Though it was the service industry initially rather producing the Goods it was giving the services to different categories of people. With the passage of time the natural environment and economic life of human beings has been impacted by the development of tourism industry. The natural resources get degraded regularly by the growth of tourist activities. Air pollution, water pollution, soil depletion are the ill wills of tourist activities and these ill wills may affect millions of species. The author suggested remedial of these degradations at an earliest course of time. The author has given many suggestions which include monuments to be preserved, surrounding areas should be escaped from destruction, dumping of wastes in open area should be avoided etc. Awareness about the natural environment should be given to the public as well as tourist clients. Environmental pollution and exploitation of local resources should be reduced. Natural tourism should be boosted (**Malik Rashid 2013**). Moreover, due to the violence and disturbance, the tourism department has been seriously affected in the state of Jammu and Kashmir. For the growth and development in the state the disturbance which is prevailing in the valley has put the negative impact on both sectors. The author suggests that for the development of sustainable tourism and horticulture sector it needs the integrated planning which is to be considered as an essential component within the broad policy framework. Tourism planning and integrated horticulture should be made an exercise in the innovation and creation management of resources for the achievement of sustainable outcomes (**Rajni**

Sharma 2012). Tourism on the basis of (SERVPERF) model identified the four service quality dimensions namely responsiveness, assurance, empathy and tangibility. It has been found by the model that tourists are quite satisfied by the services which are given to them in Kashmir valley and suggested the need to improve the overall qualities of the services (**Mustaq Ahmad Bhat 2013**). In development economics, tourism is considered as the most exciting and progressive industry. Tourism can be especially important in the regional development because it diversifies the economic base of the areas and also expands the employment market. Many developing economies focus on the development of the tourism as it is an easy source for the economic growth and development of any country. Tourism industry has positive externalities and has desirable impact on economic growth of Jammu and Kashmir due to its spill over effects.

Research Methodology

Research methodology is the procedure to systematically solve the research issue. It is a way, structure, method for examination conceived so as to get replies to the research inquiries. The objective of the present study has been accomplished with the help of both primary and secondary sources of data. The primary survey has been collected on the basis of information from the different categories like Hotel owners, Shopkeepers, Tourist guides, Cab drivers etc. The data has been collected from 250 respondents in the study area. The secondary data have been collected from various government publications, like the Digests of Statistics of Jammu and Kashmir, Indian Tourism Statistics. The statistical techniques like simple percentage, regression have been employed in order to draw the precise inferences.

Results and Discussion

The tourism has innumerable benefits for the economic hosting and has also negative impacts as well. For the development of the economy the government is also looking at the tourism as a useful tool. Many benefits are provided by the tourism which comprises employment, tax revenue, entrepreneurial opportunities, foreign exchange generator, development of rural regions and other industries are encouraged by the tourism mainly the service sector of the economy. The tourism industry contributes in

four extensive areas of the economy which includes employment, income, regional employment development and balance of payment.

The tourism in Srinagar provides an exceptional contribution to income, employment, and profit and tax revenue. The direct effects arise within the primary tourism sector such as transportation, accommodation, restaurant, retail trade and amusement. It influences every sector of the economy through the secondary effects. Being a labour and income intensive industry tourism industry mutates a high amount of sales into income and corresponding jobs (**Daniel Stynes 2005**). There is no any uncertainty that tourism generates employment in the economy. The development of tourism strengthens salaries, wages, profits, interest and rent. It is obvious that tourism is labour intensive, so the notable amount of income comes from wages and salaries. It is back-breaking to evaluate the impact of tourism on the economy of the specific region.

The tourism industry in Srinagar district of Jammu and Kashmir has high-flown to various components of this sector by providing avenues of job, in certain regions it is ruling employer of labour. Without having adequate industrial network the workforce would be rendered jobless in the city. Currently, the heart core of the travel is the provision of superior comfortable accommodation. A large number of people are getting employment through this means who are working in guest houses, hotels, tent houses etc. Srinagar tourist destination contains hotels which range from low category hotels to star type hotels which are owned by private owners or tourist Development Corporation. Furthermore, to provide job to the jobless people, tourism quicken up the souvenir making industry. Moreover, a large number of tourist guides, cab drivers, helpers etc directly depend on tourism industry. Thus tourism has opened a new prospect for the development of the region in the valley. The tourist site which is far from the centres and is located in urban areas creates a kind of micro urbanization as a consequence of tourist demand. The construction of hotels, guest houses, railways lines, bridges, telecommunication networks and host of things are systematically improved and developed on regular basis to provide the infrastructural facilities required by the tourists. The tourism industry becomes affluent source to earn foreign exchange. The international tourists remunerates for the invisible goods by buying services from the region (**Asikha Akthar 2014**).

The income generation from tourism industry is closely associated with employment. Mostly, income comes from wages and salaries, interests, rent and profits. As it is obvious that tourism is a labour intensive, therefore the considerable proportion of income is in the form of wages and salaries. Most of the sites of Srinagar have a vibrant level of tourism accommodation which is labour intensive such as house boats, hotels etc. there is adequate number of attractions and accessible arrangements which are ground handled. Here the income generation depends upon the higher amount of employed labour (**Hilal 2014**). The high-rise of wages ensures the highest income. Srinagar tourist site of Kashmir is a bonus point because this yields good income to the people and is the only activity with which the local public earns their livelihood. Most of the population in the region depends mostly on tourism related activities for their livelihood. In case the tourism is not there, the population of the region would be jobless and would be rendered indolent because of the extant militancy in the region. Income is also prompted by profits, interest, and rent on tourism business in the region. It ranges from the interest which is paid on loans, rent paid to a hotel and the amount paid to the ownership of a taxi which is financed by the government. The income for the state is also capitulated by the taxation on the tourist related activities.

Impact of Tourism Industry on the Diversified Economic Activities in Srinagar

On the basis of information's which has been gathered from different respondents on the diversified economic issues the current study classified them and put them in the table under the positive and negative headings.

Table No.1 Impact of Tourism on the Economy of Srinagar

Positive impact	Negative impact
Employment generation- Skilled and Unskilled	Mismanagement of Resources
Regional development and economy	Uneven development of economy
Facilities foreign currency and revenue	Seasonal unemployment
Increase in exports and handicrafts	Hotels and infrastructure are used occasionally
Infrastructural development	Privileged treatment of tourists, imports for tourism

From the results, it is revealed that the first and foremost impact of tourism industry is that it generates employment opportunities in the host region and encourages cultural awareness and assists in preserving the traditions and local cultures. The tourists who are travelling to the region require services which can only be fulfilled by the involvement of local people. Thus in this way the tourism related activities help in providing employment opportunities to the needy people who are jobless. It also helps in raising the income of the region as well as the house holds of the region which in turn help to raise the living standard of the people.

However, with the expansion of tourist related activities, the demand for goods and services increases which lead to increase in prices of these goods particularly vegetables, fruits and transport fair in the region. The visitors doesn't face many difficulties with such kind of rise in prices but it badly impacts on the local people as it is difficult for them to pay more for the goods which they were able to get at low prices. It may also lead to an uneven development of the region as attention is being focused to only a few particular regions where the tourism related activities doesn't take place.

Table No. 2 Impact of tourism on the Employment of Srinagar

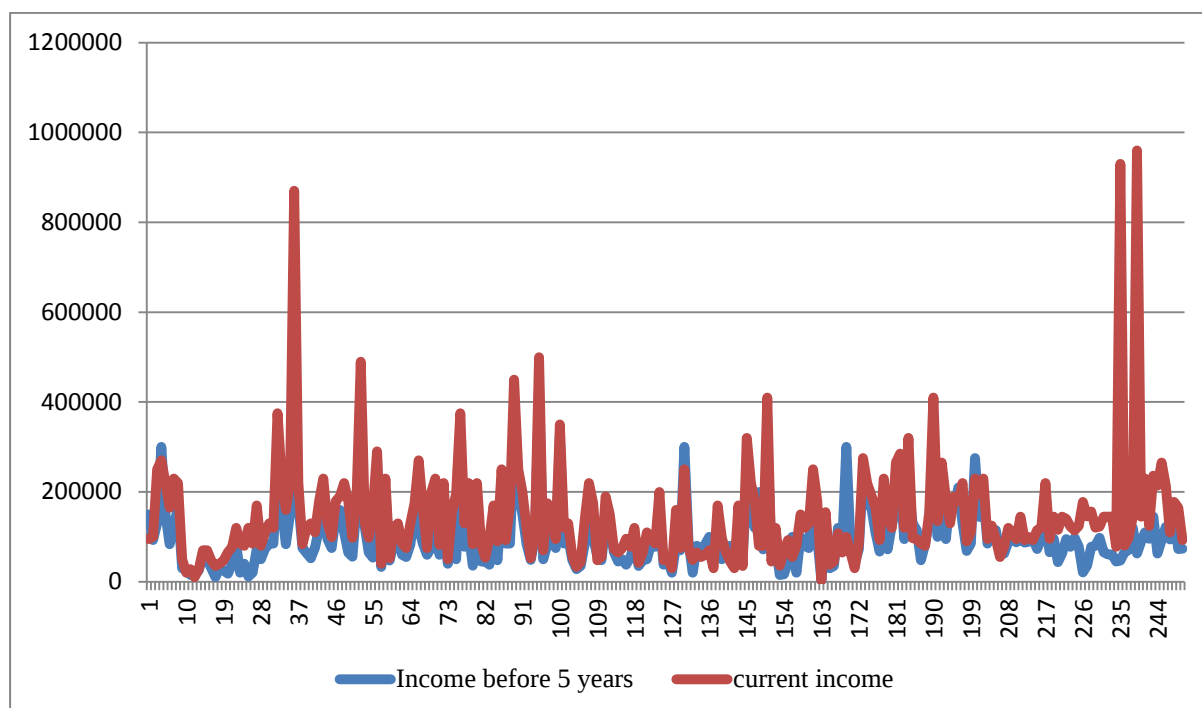
Categories	Dependence on tourism in post reform in percentage		Dependence on tourism in pre reforms in percentage	
	Yes	No	Yes	No
Hotel owners	40	10	5	45
Shopkeepers	32	18	5	45
Handicraft Businessman	35	15	0	50
Tourist Guides	50	0	0	50
Cab drivers	30	20	5	45

Source: Field work done by the Researcher

Impact of Tourism on Income

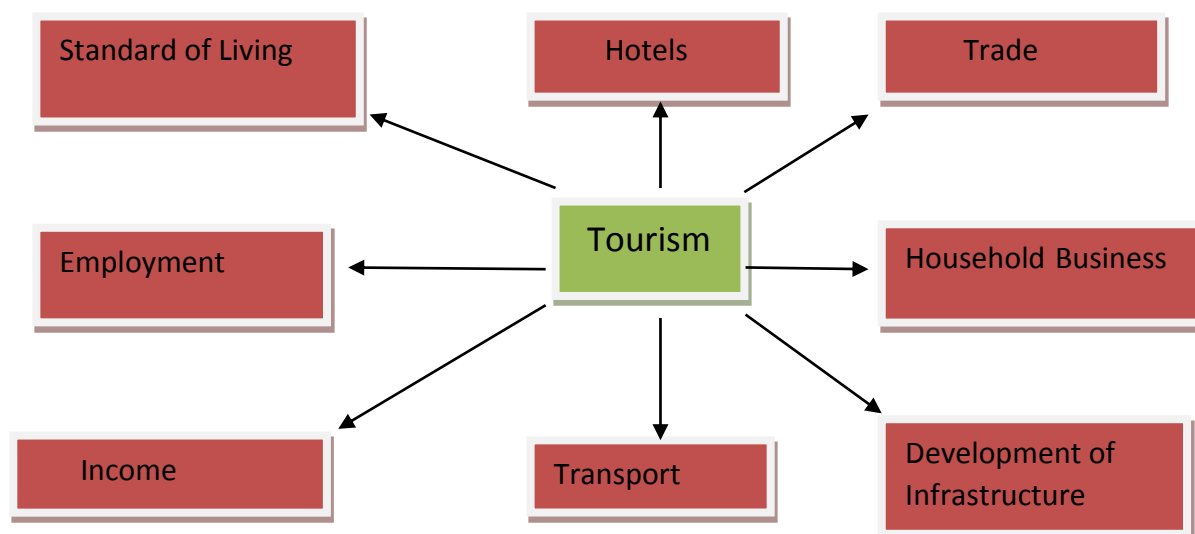
The study also examined and analysed the impact of tourism on the income of the residents of the tourism centre like Srinagar on the basis of information from the different categories like Hotel owners, Shopkeepers, Tourist guides, Cab drivers etc.

this analysis based on the respondents in yes, No and Don't know option has been shown in the table.



The above graph depicts the income of the respondents during the past 10 years. In the graph trend line of income shows the income before five years while as trend line in contrary shows the current income. When we talk about the Srinagar district before five years tourism sector witnessed an acute decline in terms of tourist arrival so in the income subsequently. Several parameters are responsible for the above mentioned sharp decline which comprises of both natural calamities like flood and some human inducing turmoil's like uncertain political fluctuations, terrorism and paucity of suitable road connectivity along to the tourist destinations. Considering above factors of tourism sector decline, a large number of people were suffered comparatively profound loss which eventually did result almost to zero level occupancy of people in both private and government sector specially who are directly associated with tourism sector.

Tourism Development Model



The above model depicts that the expansion and development of tourism sector can give rise to a large number of factors which can be accommodating for the growth and development of the economy. The tourism sector has the potential to uplift the household business very well.

Conclusion

Tourism is a major economic and social activity of the present time. It is the temporary movement of people from their normal place of residence or work, mainly for pleasure. Due to the economic activities involved in the process of tourism, now it is emerged as an industry which is rapidly growing around the World. The study has analysed the impact of tourism on economy of Srinagar district of Jammu and Kashmir. The aim of the study was to find out whether the tourism related activities has made any contribution in this tourism centre in terms of employment, income and other economic variables. The study found that the tourism related activities has positively contributed to the income and employment in the region. It was found that more than one fourth of people switched their business from other sectors to tourism sector for earning more income.

Moreover, the study has done a micro level study regarding the impact of tourism on the economy of Srinagar and found that the tourism related activities have both positive as well as negative impact on the economy of Srinagar. The study found that

tourism related activities have increased the income, employment, and regional development along with the infrastructural development. Concurrently, it was found that mismanagement of resources, increase in prices, uneven development of economy and seasonal unemployment are the negative effects of tourism related activities.

However, the study also analysed the impact of tourism on the employment of Srinagar and found that the number of households have switched their business towards tourism sector with the hope of earning more money. It has also been found that a major portion of the household switched their business towards the tourism related activities in post reform. Moreover, the study have also analysed the impact of tourism on the income of Srinagar and found that the tourism related activities have increased the income of majority of the households living in the region. The data revealed that there is a general agreement among the stakeholders depend upon the tourism related activities enhance the income of the region.

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