

## **TOURISM AS AN ALTERNATIVE STRATEGY OF INCOME AND EMPLOYMENT FOR THE HILL PEOPLE OF HIMACHAL PRADESH**

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DOI: 10.46609/IJSSER.2023.v08i04.022 URL: <https://doi.org/10.46609/IJSSER.2023.v08i04.022>

Received: 7 April 2022 / Accepted: 18 April 2023 / Published: 30 April 2023

### **ABSTRACT**

Tourism today finds a prominent place not only in the general planning process of almost every state in India but at the global level as well. The state Government of Himachal Pradesh has also realized the significance of tourism for its enormous economic potential and has given top priority to the promotion of tourism in the state. But unfortunately, in spite of vast tourist potential, Himachal has not been able to get its rightful share while a good deal of tourism potential. The present study aims at identifying the various problems faced by the tourists during their visit to the hill state and for solution there is an alternative strategy. The study is based on the secondary data obtained from the related books, journals and reports and various newspapers such as The Tribune, Business Line, Financial Express, The Economic Times etc.

**Keywords:** Fitting a straight line trend, SWOT ANALYSIS, Alternative Tourism Strategy.

### **1. Introduction**

While world tourism day is celebrated recently on 27th September across the globe, the government is planning to give boost to the local tourism industry in a big way to attract visitors. Tourism is travel for recreational, leisure or business purposes. Tourism as an industry is gaining importance with the establishment of the International Union of Official Travel Organization (IUOTO), now an Inter – governmental United Nations Agency called the World Tourism Organization (WTO), in 1924, tourism began to gain considerable popularity. The World Tourism Organization defines tourists as people "traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes. Tourism contributes about 11% of the world workforce and 10.2% of the global gross domestic product. The dynamic growth of this industry is evident from the fact a new job is added to the sector every 2.5 second.

Tourism is not only a growth engine but also an export growth engine and employment generator. The sector has capacity to create large-scale employment both direct and indirect, for diverse sections in society, from the most specialized to unskilled workforce. It provides 6-7 per cent of the world's total jobs directly and millions more indirectly through the multiplier effect as per the UN's World Tourism Organization. The Approach Paper of the 12th Five Year Plan prepared by the Planning Commission highlights the need to adopt "pro-poor tourism" for increasing net benefits to the poor and ensuring that tourism growth contributes to poverty reduction. Tourism plays a key role in socio-economic progress through creation of jobs, enterprise, infrastructure and revenue earnings. The Planning Commission has identified tourism as the second largest sector in the country in providing employment opportunities for low-skilled workers.

Tourism, as we understand it today, in Himachal Pradesh, received recognition only in the 19th century, when the British established their chain of hill stations. Earlier, Himachal had been a destination for pilgrims only. A fillip to tourism was administered when British declared Shimla as summer capital of India in 1864. Post independence and up-gradation as fledged State in the year 1971 led to more investment in the infrastructure sector leading to opening up of the state. However the biggest explosion in tourism occurred in the mid 80s and 90s with the Kashmir problem when the number of hotels and hotel rooms increased within this period from 350 to present 1710 and 6300 to 36000 respectively with its concomitant chaos and haphazard growth which the State would have done well without. With the wisdom of hind sight the State is now more equipped to deal with the problems of yesteryears and this document attempts to address those very problems. Tourism contributes nearly 8% of the State Domestic Product which is roughly the same as horticulture sector.

As an economic activity, tourism is especially important for the mountain areas for two reasons. First because of the limited possibilities of industrialization, non-farm avenues of employment are relatively scarce in mountain areas. Tourism thus offers an alternate avenue of income and employment for the hill people. Second, as the mountain eco-systems are fragile, amenable to damage, with limited capacity to rejuvenate, tourism activity provides a viable option for sustainable development. Studies in the state have revealed that tourism development in the state have been achieved at a heavy cost and in terms of degradation of environmental resources. Adverse impacts on natural and socio-cultural environment have been reported from the various parts of the state. The worst part is that while the local population has borne the cost in terms of environmental degradation and pollution caused by the tourism activities, the benefits have accrued elsewhere. Thus, there is a cause of serious concern.

## **2. Review of Literature**

Choi and Sirakaya (2005) recognize that in an era when sustainability for tourism development in destinations seems to be emerging as a major social paradigm, the tools currently developed to measure the positive and negative impacts of tourism may be inadequate. A number of studies have developed their own scales to measure resident attitudes to tourism development (Andriotis & Vaughan, 2003; Chen, 2001; Gursoy et al., 2002; Ko & Stewart, 2002; Lawton, 2005; Produce et.al. 2002). Few studies have replicated measurement instruments in their data collection and their ability to generalize results is limited. To ease this burden, this study uses a nearly identical survey developed by Chen (2001) for an urban destination, the Urban Tourism Impact scale (UTI). This work was based on the survey questionnaires developed by Liu et.al, (1987) and Akis et al. (1996). Liu et.al (1987) concentrates on the environmental tourism impacts and resident attitudes from extensive survey results and interviews in three international geographic locations: Hawaii, North Wales, and Istanbul. They find that environmental impacts are defined as not only quality of the natural environment, but also the quality of the condition of the man-made environment. Moreover, residents also defined environmental impacts as access to these types of resources. Akis, et.al, (1996) research focused on the social and economic impacts of tourism impacts. The economic impact statements addressed the perceived changes in investment and spending, standard of living changes, employment opportunities and their distribution between the local people and outsiders to the host community. The social impacts focus on local traditional culture including the exchange of ideas with tourists, and increased understanding among cultures.

## **3. OBJECTIVES**

- A) To study the tourism development in Himachal Pradesh;
- B) To suggest as an alternative strategy for the tourism development in Himachal Pradesh

## **4. Methodology**

The present study was based on the secondary data obtained from the related books, journals and reports. Besides, various publications of Ministry of Tourism, Govt. of India and Himachal Pradesh Tourism Development Corporation were also consulted. Further, various newspapers such as The Tribune, Business Line, Financial Express, The Economic Times and the Websites of various states and national and international organization were also consulted.

**5. Result and Discussion**

In this section, overview of tourism industry, structure of demand and supply of the industry are analyzed. The structure of demand is studied in terms of the tourist arrival and on the supply side, availability of the tourist infrastructure are analyzed.

Economics and Statistics department in 2002 conducted a study, according to which 98 per cent of the tourists visiting in the state are Indian nationals and only 2 per cent are foreigners. Whereas in the year 2011 the number of Indian tourists constitutes 96.79 per cent and 3.21 constitute the foreigner tourists as per the table 1.1.

**Table 1.1 Tourist arrivals in Himachal Pradesh**

Year	India	Foreigners	Total
2004	63.45	2.04	65.49
2005	69.28	2.08	71.36
2006	76.72	2.81	79.53
2007	84.82	3.39	88.21
2008	93.73	3.77	97.50
2009	110.37	4.01	114.38
2010	128.12	4.54	132.66
2011	146.05	4.84	150.89

Source: Department of Tourism, Himachal Pradesh

in the above table fitting a straight line equation ( $Y=a+bX$ ) for the foreign tourists worked out to be ( $Y=3.15+0.19X$ ) and for national tourists it worked out to be ( $Y=90.72+11.69X$ ), according to which it can be predicted that in the year 2015 national tourists constitute 97.62 per cent and foreign tourists constitute 2.38 per cent which in the 2020 constitute 97.81 in terms of national tourists and 2.19 per cent in terms of foreign tourists if the present trend continued. The following table explains the expected tourist's arrival in the state upto year 2020.

**Table 1.2 Fitting a straight line trend  
Expected Tourist arrival in Himachal Pradesh (in Lakhs)**

Year	India	Foreigners	Total
2012	149.17	3.91	153.08
2013	160.86	4.10	164.96

2014	172.55	4.29	176.84
2015	184.24	4.48	188.72
2016	195.93	4.67	200.6
2017	207.62	4.86	212.48
2018	219.31	5.05	224.36
2019	231.00	5.24	236.24
2020	242.69	5.43	248.12

As per the study of the department of economics and statistics 75 per cent of the tourists were found to be having an income of rupees one lakh and above per annum. In terms of reasons for visit, 57 per cent are on a pleasure trip, followed by business 15 per cent and pilgrimage 11 per cent. In terms of their mode of travel 91 per cent come as a independent travelers and 9 per cent come on conducted tours. Among the foreign tourists, the principal reason for visit remains pleasure and sightseeing.

From the economic angle, a major cause of concern is their limited stay and low expenditure. It is estimated that on an average an Indian tourists stays in the state for 2 to 3 days while the foreign tourists stays only for a day. The average expenditure per head in case of the Indian tourists was Rs. 2245 only and in case of foreign tourists expenditure per head was Rs. 5328. Structure of supply on the other hand, is expressed in terms of availability of infrastructure. There were 2150 hotels and guest houses in the state as on 31-12-2010 as shown in the table 1.3. Out of these 1471 have single bed rooms and 22244 having double bed rooms.

**TABLE: 1.3 Statistics Relating to Number of Hotels, Guest Houses, Restaurants, Travel Agencies, Tourist Guides and Photographers and Bed Capacity/ Number of Rooms as on 31-12-2010**

Sr. No.	Districts	Hotels/ Guests Houses( no.)	Rest aunts (no.)	Numbers of Rooms						Bed Capacity	Travel Agencies	Photo graphe r	Touri st Guide s
				SB R	DBR	D O R	F S	TB R	Total				
1	Bilaspur	60	16	27	436	30	59	11	639	1288	11	3	5
2	Chamba	150	20	57	1170	41	68	0	1336	2710	24	53	4
3	Hamirpur	30	8	62	179	1	6	2	250	456	0	0	0
4	Kangra	357	112	286	3725	57	131	2	4201	8568	119	27	89
5	Kinnaur	71	7	93	287	12	9	0	401	787	19	0	8

6	Kullu	580	54	25 8	7606	18	76 4	0	8646	18682	510	326	116
7	Lahaul- Spi	84	7	11 2	497	14	40	0	663	1307	11	0	4
8	Mandi	142	25	12 0	1113	28	45 17	1323	2697	39	3	5	
9	Shimla	388	90	30 3	3615	99	22 0	21 1	4448	9981	367	253	281
10	Sirmaur	59	29	57	870	17	25	18	987	1580	2	0	4
11	Solan	185	59	77	2411	17	2	45	2662	7157	23	0	6
12	Una	44	10	19	335	3	21	5	383	810	4	0	0
	<b>Total</b>	<b>2150</b>	<b>437</b>	<b>14 71</b>	<b>22244</b>	<b>33 7</b>	<b>15 00</b>	<b>31 1</b>	<b>2586 3</b>	<b>56023</b>	<b>1129</b>	<b>665</b>	<b>522</b>

Source: [www.himachal.nic.in/hptdc](http://www.himachal.nic.in/hptdc)

having double bed rooms. Total numbers of rooms' availability are 25863. It is clear from the table that 45 per cent of the hotels are available in the district of Shimla and Kullu. Districts with the rest of the state having only 55 per cent. The tourist season is divided in to two peaks. The first starts around April 15 and continues till 15<sup>th</sup> July. The second starts around September 15 and continues till November and December. Major tourist destinations, namely Shimla, Chail, Kullu-Manali, Dharmasala-Palampur, and Dalhousie-Chamba face different occupancy levels ranging from upto 90 per cent during the peak season to 28 per cent during the off season. Even though the spread of infrastructure is limited to a few places only in the state, the state is endowed with a large number of places of scenic beauty, cultural significance and architectural heritage. Most of the places in the interior parts of the state have remained unaffected by tourism activity for want of adequate infrastructural facilities. The places located among the national highways have been popular with the tourists, for reason of connectivity. A SWOT analysis may be useful to have a clear picture of the industry.

### SWOT ANALYSIS

In order to formulate a strategy, it is important to have knowledge of strengths and weaknesses of the regions. For this purpose SWOT analysis, a methodology developed by management is quite useful where:

**S = Strength**

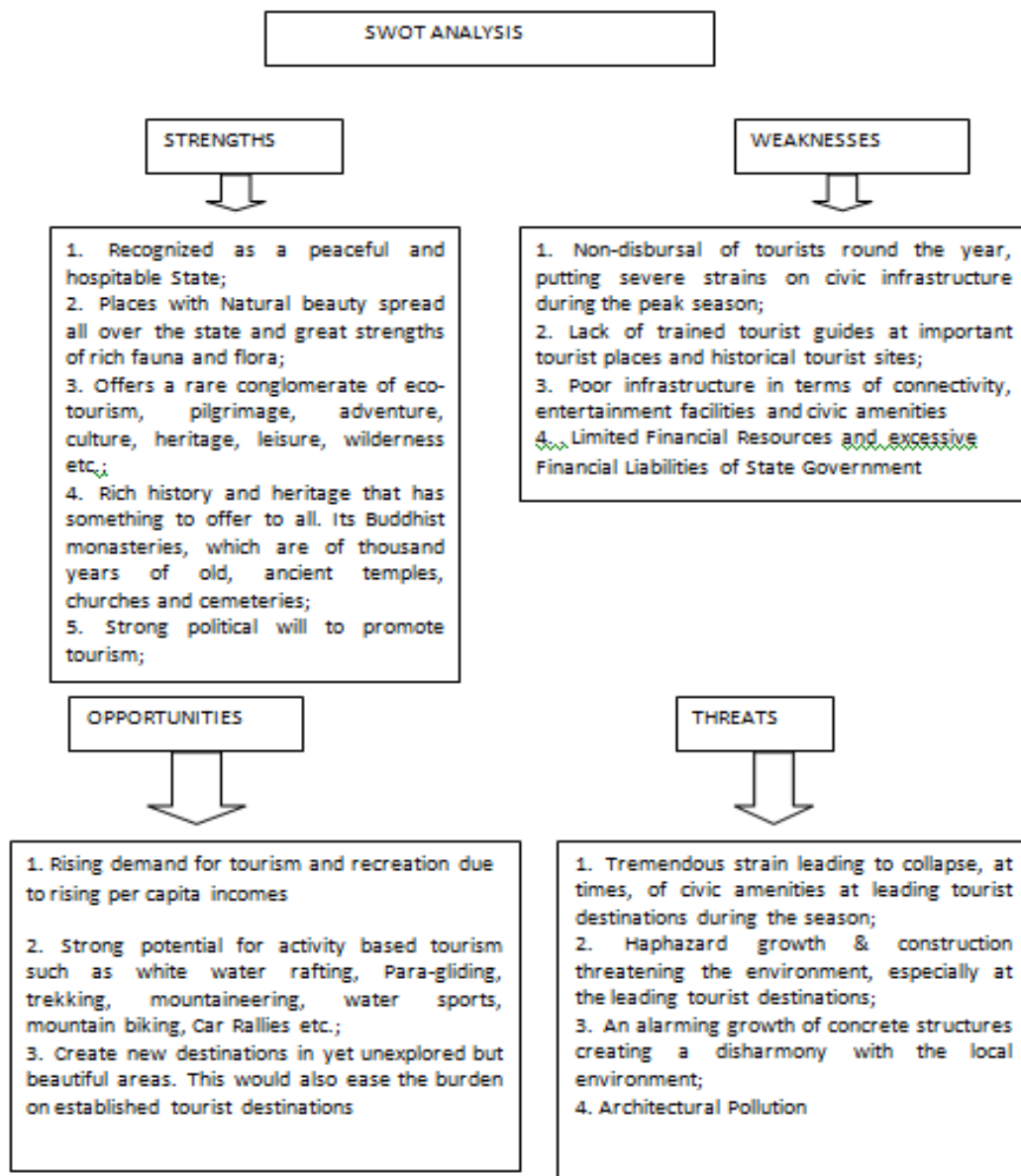
**W = Weaknesses**

**O = Opportunities**

**T = Threats**

Business environment of any region provide number of strengths and weaknesses along with opportunities and threats. The essence of the strategy formulation is that available opportunities must be exploited through the strengths of the region and threats and weaknesses must be handled properly to get the best results.

From the tourism point of view the state's strengths, weaknesses, opportunities and threats can be explained as follows:-



Thus, what is needed is a sound policy of tourism development which ensures that the strengths are utilized and opportunities are tapped, threats are secured against and weaknesses are overcome. In nutshell, big strengths and enormous opportunities justify a big push to the tourism development. Any effort in this direction has to focus on infrastructural development and an environment friendly policy for which an alternative strategy have been suggested.

### **Alternative Tourism Strategy**

By seeing the diverse resource base of Himachal Pradesh the following strategy is thereby recommended.

#### **Disperse tourism to lessor known area of the state**

This includes promoting tourism in rural and tribal areas and developing National Parks and Wildlife sanctuaries.

Develop pilgrimage sites: These can become important tourism destination by improving access, internal roads, sanitation and drainage and pilgrim facilities. In addition other tourism activities can be developed in nearby areas.

Break the seasonality factor: Himachal has always been a popular tourist destination in the summer. Tourism must be diversified to attract visitors in other seasons as well.

#### **Tourist Infrastructure**

Tourist infrastructure like accommodation, way side amenities, Parking, Tourist facilities at important tourist places etc. It is required to be undertaken for the development of tourism. The department also has to cater to up keeping of the various facilities like the sulabh shauchalayas, public parks, decorative illumuminations and musical fountains etc. The department of Tourism should propose to construct new information centres at new places including outside Himachal Pradesh.

#### **International Border should be open with China**

International border should be open with China which especially connects North Eastern part of Himachal Pradesh. It will benefit and uplift the socio- economic profile of interior Himachal Pradesh specially districts of Kinnaur, Lahaul & Spiti and Shimla.

#### **Need of International Air Ports**

Prior to the commencement of the seventh Five year plan, there was only one air strip in Himachal Pradesh at Bhunter in Kullu District, which was made operational in the year 1967



when the Indian Airlines started flights to Kullu from Delhi with this limited air service, the other important tourist places in Himachal Pradesh like Dharamshala, Dalhousie etc. remained without a link which was a big drawback in our overall development in general and tourism in particular. Thus there is need of International Airport in Himachal Pradesh. Therefore the tourist of the various parts of the world can come to Himachal Pradesh.

During Twelfth Five Year plan period, the main emphasis would be on the construction of Airstrips and Helipads and expansion of existing airstrips which have been proposed for execution during previous five year plans.

### **Development of Aero Sports / Training and Education**

Tourism department imparts training in the field of water sports, guide and trekking course etc. to unemployed youth to provide them with employment opportunities in the tourism sector. Himachal Pradesh has potential on the International tourism map as Aero-Sports Paradise. To give further boost to this activity, it is to provide training and infrastructure support for organizing aero sport activities. It is proposed to organize National and International level aero-sports events to attract the tourist to the state and also to keep them engaged in adventure activities.

### **Construction of Helipads and Airstrips**

There is need of more Helipads and Airstrips in the interior parts of Himachal Pradesh.

### **Need of More Roads and Bridges**

Roads are the only means of communication in predominantly hill state of Himachal Pradesh in the absence of railways and water transport out of its 55673 Sq Kms area, 36700 Sq Kms is inhabited and its 16997 villages are scattered over slopes of hill ranges and valleys<sup>6</sup>. Road transport is the only source of transportation of goods as well as passengers in the state barring two narrow gauge railway lines from Kalka to Shimla and Pathankot to Jogindernagar. Road Transport is thus playing a very vital role in the progress and economic development of the state. While goods are carried by the private operators through public carriers passenger transport is mainly provided by the HRTC which is a state government undertaking. It is therefore highly essential to strengthen the passenger transport services in the state as also to issue more permits to the operators for plying of more public carrier vehicles for providing adequate transport facilities in the state.

### **Need of broader gauge Railway Lines in Himachal**

The state barring two narrow gauge railway lines from Kalka to Shimla and Pathankot to Jogindernagar. There is need of broader railway lines in H.P. On the other hand there is need of expansion of these railway lines.

Although Himachal Pradesh has been blessed with excellent agro- climatic condition for horticulture, growing of cash crops, off- season vegetables and seeds, it has big potential for dairy development tourism, establishment of horticulture/ forest produce & mineral based industries and generation of hydel power yet this potential for economic growth could not be exploited up to the mark. Therefore need of infrastructural development and Tourism Strategy is necessary in H.P.

### **Suggestions and Conclusion**

By seeing the vast potential of tourism and increase in tourist's inflow, it is the right time for the Government to make a separate tourism master plan for the areas mentioned above. It should began with creating more infrastructure facilities, i.e. transport, accommodation and publicity and should be integrated with the regional planning. Local people should be educated to view long –term gains of tourism, by providing subsidy to local entrepreneurs for construction, organizing training camps of Guiding, Trekking, and other adventure sports activities and at the same time for environmental conservation and preservation of local culture so as to enable people gain more opportunities of employment and income from this industry.

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