

RESEARCH ARTICLE

ROLE OF TOURISM IN INCOME GENERATION AND EMPLOYMENT IN KASHMIR VALLEY

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ABSTRACT

Development and expansion of the tourism sector is the key for prosperity of any region. Tourism is considered as a leading industry in the service sector at the global level. It is viewed as new wave of economic opportunity as it acts as a major job generating sector. Tourism has become one of the largest and fastest growing industries in the global economy and is responsible for the transfer of wealth from nation to nation and re-distribution of income, leading to the gross increase in the host community of tourism region. Tourism industry is playing a pivotal role in the state economy which is evident from the fact that tourism sector accounts for 5.92% of India's GDP and 8% to J&K economy. There are wide prospects of tourism potential in Kashmir Valley. Besides the existing tourist potential, the valley is bestowed by nature with enormous natural beauty which has still not been explored.

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INTRODUCTION

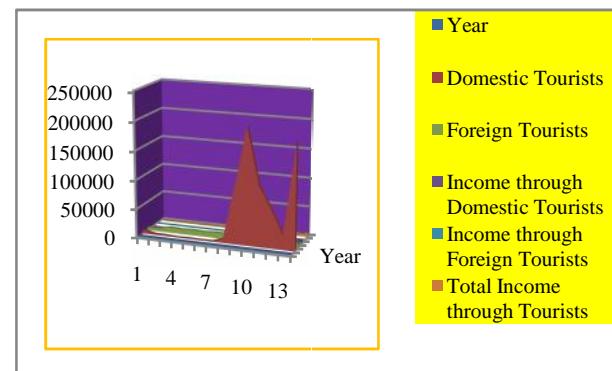
Significance

Tourist industry can play a major role in overall development of state in general and valley in particular and can prove a basic source of employment and that way growth and development will take place in socio-economic sector of the region. The paper shall be figuring out at length role of the tourism sector in income generation and economic development of the region. The paper shall be helpful to the planners in viewing out and shaping the future prospects of the industry.

Data base and Methodology

Present study mainly based on the data collected from the tourism department and other allied agencies associated with the tourism industry. Various statistical methods which mainly include correlation and time series analysis were utilized to find out the relation between tourist flow and income generation.

Data Analysis and interpretation



Tourist Flow and Revenue Generation

Attracted by the scenic beauty of the valley, tourists have always made the valley as their favorite destination. Both domestic as well as international tourists have visited and are visiting this paradise from the centuries together. Valley has always remained as the host for tourists from the different corners of the world. The tourist flow to the valley has shown a declining trend from 1990-1997 because of the turmoil in the

Table 1 Tourist Flow to Kashmir Valley and Income Generated (1990-2003)

Year	Domestic Tourists	Foreign Tourists	Income through Domestic Tourists (In Lakhs)	Income through Foreign Tourists (In Lakhs)	Total Income through Tourists (In Lakhs)
1990	6095	4627	116.17	208.68	324.85
1991	1400	4887	26.68	220.40	247.08
1992	1175	9149	22.40	412.62	435.02
1993	----	8026	---	361.97	361.97
1994	500	9314	9.53	420.06	429.59
1995	322	8198	6.14	369.73	375.89
1996	375	9592	7.15	432.60	439.75
1997	7027	9111	133.93	410.91	544.84
1998	99636	10247	3487.26	768.52	4255.78
1999	200162	17130	7005.67	1284.75	8290.42
2000	104337	7575	3651.80	568.12	4219.92
2001	66732	5859	2335.62	439.42	2775.04
2002	24670	2686	863.45	201.45	1064.90
2003	182205	8959	6377.17	671.92	7049.09

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valley for that very period. But after 1997 the situation in the valley remained calm to some extent which again paved a way for the development of this sector of economy. There after the flow of the tourists was so high that it touched the seven lakh mark in the year 2003. It is evident from the table 1.1 that with the increase in tourist flow the income has increased accordingly. There is a positive correlation between the tourist flow and the income generation. In 2004 the tourism departments take a good incentive in terms of formation of development authorities at various tourist places of the valley. The detail of income generation from these authorities is given below in a table 2

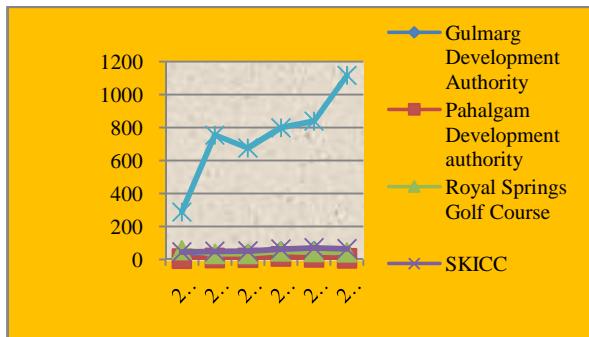


TABLE 2 Revenue generation (in Lakhs) by various tourist developmental Authorities in valley

Name of the Authority	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Gulmarg Development Authority	19.07	21.86	32.46	48.5	51.17	34.35
Pahalgam Development authority	5.12	9.16	9.95	19.00	12.73	6.68
Royal Springs Golf Course	57.26	35.09	34.73	50.06	45.66	44.25
SKICC	46.00	49.34	52.00	64.00	71.20	65.00
Cable Car Corporation	289.00	754.41	676.00	798.81	839.14	1116.00
Total	416.45	869.86	805.14	980.37	1019.90	1266.28

Source: Jammu and Kashmir Economic Survey

After the introduction of various Development Authorities by tourism department a new spirit was introduced in the tourism sector. These authorities which were established at different tourist destinations in the valley generated the revenue worth crores and provide employment to the good number of people especially to the locals hence boosting the local economy of that very area and also proved fruitful for the overall development of the tourism sector. It is obvious from the table that the development Authorities of the valley from the year 2004-05 has generated the revenue up to the tune of 416.45 lacs while as in year 2005-06 it raised to 869.86 lacs. Similarly the revenue generated in 2006-07 was 805.14. in the year 2007-08 the revenue generation touched the mark of 980.37 lacs. The revenue generation showed increasing trend and hence in year 2008-09 it raised up to 1019.90 lac mark. Again in the year 2009-10 it raised to the tone of 1266.28 lacs. In the income generation Cable Car Corporation and Gulmarg Development Authority figures at the top while as other Authorities have shown a linear trend in revenue generation. Besides the above mentioned authorities there are many other tourism development authorities which are also functional in many areas but there is an urgent need for further improvement so that they will also add to the tourism economy.

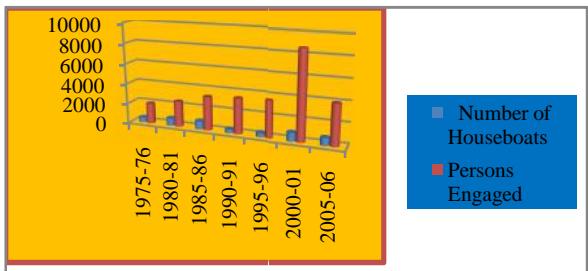
Keeping in view the significance of Dal lake in tourism industry it is pertinent to mention here that the house boats of Dal lake have a great role in the income generations, as a good number of tourists prefer to reside in house boats during the visit to valley and hence boosting the economy of the house boat and shikara owners. Table 3 gives the detailed

Description of the people engaged with house boat and shikara unions.

Table 3 Growth of Houseboats and Persons Engaged in Kashmir Valley

S. No	Year	Number of Houseboats	Persons Engaged
1	1975-76	500	2010
2	1980-81	740	2525
3	1985-86	825	3300
4	1990-91	367	3468
5	1995-96	395	3610
6	2000-01	850	8630
7	2005-06	750	4000

Source: Digest of Statistics, Jammu and Kashmir 2005-06



Graph Showing Growth of Houseboats and Persons Engaged in Kashmir Valley

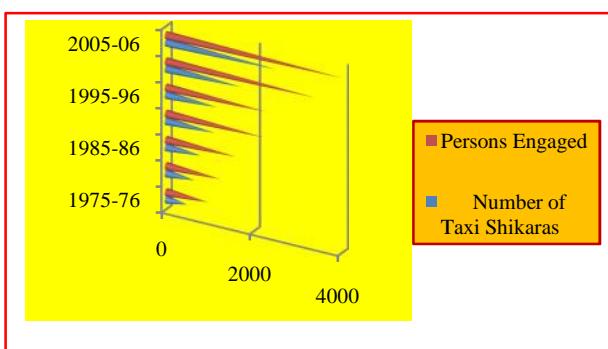
Houseboats are source of income for hundreds of families who work and run these houseboats. From the table (3) it can be seen that the number of houseboats has increased. In the year 1975-76 there were only 500 houseboats employing 2010 people. However, the number rose to 825 employing 3300 people in 1985-86. In this period of ten years 325 houseboats were added. The main reason for the increase in houseboat total is that this period was the golden period in the history of Kashmir tourism when large numbers of houseboats were needed to accommodate the tourists. From the table it can be seen that the number of houseboats in 1990-91 had decreased. Only 367 houseboats catered to the needs of tourists. The decrease in number was mainly because the number of tourists coming to valley had decreased substantially. The household owners were not able to bear the expenses of maintaining the houseboats. In the year 2000-01 the number reached to 850 employing about 8630 people. In the year 2007 the number of houseboats has nearly touched 1000 with an actual figure of 985.

Table 4 Showing Number of Shikaras and Persons Engaged

S. No	Year	Number of Shikaras	Persons Engaged
1	1975-76	470	940
2	1980-81	642	1212
3	1985-86	785	1570
4	1990-91	1100	2200
5	1995-96	1140	2260
6	2000-01	1700	3375
7	2005-06	2500	4000

Source: Digest of Statistics, Jammu and Kashmir 2005-06

Apart from houseboats are the taxi shikaras in which tourists sail to see the beauties of the Dal Lake. The number of taxi



Graph Showing persons Engaged with Shikaras

Shikaras has increased rapidly. In 1975-76 the number of taxi shikaras was only 470 and the persons engaged were 940. In the year 2005-06 the number has gone up to 2500 employing 4000. It is evident from the data that shikaras of the Dal Lake are also playing a role in tourism development and thereby generating a good amount of revenue and feeding a number of families.

CONCLUSION

The research paper has been carried out in a comparative methodological framework dealing with trends in flow of tourists and their impact on socio-economic variables within the valley of Kashmir. Coupled with this paper figures out generation of economy through exploration of tourist potential. It has also revealed that the establishment of tourist development authorities has played a tremendous role in

income generation. After analyzing the data it has been found that there is a great scope of exploration of new tourist destinations which will yield more revenue for the valley in general and for the local population in particular. The paper in longer perspective can act as a strong variable in boosting economy of the valley and can play a major role in solving employment problems and that way can lead to progress and prosperity of the valley.

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