

## **ECONOMIC IMPORTANCE OF TOURISM IN J&K ECONOMY**

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### **Abstract:**

The Tourism sector plays an important role in the socio-economic development of Jammu and Kashmir economy. The UT of Jammu and Kashmir has immense tourism potential. This sector is a major source of employment, revenue, foreign exchange, infrastructure development and development of handicrafts and handloom industries. The UT of Jammu and Kashmir has two divisions Kashmir and Jammu. Both the divisions have their unique potential for ecotourism, adventure tourism, spiritual tourism as well as pilgrimage tourism. The valley of Kashmir is popularly known as paradise on earth because of its unmatched scenic beauty and attractive landscapes, lakes and gardens while Jammu is known as the City of temples is an important destination for pilgrimage tourism. Every state and UT needs a strong economy so that employment is generated and revenue is earned. A strong tool known to be a pivotal sector for achieving economic development is tourism. This sector is one of the fastest growing sectors globally because tourism has a multiplier effect on income and employment generation and gives tremendous fillip to the overall economy. In case of Jammu and Kashmir the tourism sector contributes almost 7% to the total GSDP of Jammu and Kashmir and 5.6% to the GDP of India.

Keywords: Tourism, Foreign Exchange, Handicrafts, Handloom.

### **Introduction:**

The UT of Jammu and Kashmir is not just a place but a feeling that everyone wants to feel, the scintillating beauty of this valley is captured in each and every medium by poets, authors, philosophers etc. Despite of many geopolitical turmoils the UT of Jammu and Kashmir is known to be an attracting enigma for millions of tourists from all over the world. The swashbuckling rivers and lakes, eye-catching waterfalls, the soul-nourishing meadows, the soul healing lush green forests etc provide a picturesque appealing to the tourists from all over the world. The tourism sector has played an important role in employment generation with a great potential to increase it further in the coming years. Tourism in Jammu and Kashmir is a multi-segmented industry by providing different types of jobs like guides, tour operators, chefs etc. which further strengthens the economy of Jammu and Kashmir by increasing income and standard of living of the people of Jammu and Kashmir. The sector of tourism generates both direct employment in the form of hotels, restaurants, shops etc. which sell goods and services directly to the tourists and indirect employment in which goods and services are supplied to the tourism related businesses. The natural beauty and picturesque locations have made Jammu and Kashmir a favoured destination for tourists. The swashbuckling rivers and lakes, eye-catching water falls, the soul-nourishing meadows and parks, the soul healing lush green forests etc provide a picturesque appealing to the tourists from all over the world.

## **Objectives of the Paper**

The objectives of the paper is to find out the impact of tourism on the economic development of Jammu and Kashmir and to analyse the role of tourism in employment generation and infrastructure development.

## **Tourism and Economic Development in Jammu and Kashmir**

The UT of Jammu and Kashmir has a tremendous potential to become a major tourist destination domestically as well as globally. Tourism acts as a catalyst in the development of backward and far-flung regions of a particular area. same is the case of Jammu and Kashmir where tourists are attracted towards the areas located in remote regions of the UT like Lolab, bangus valley in district Kupwara. tourists visiting such unexplored attractive spots can give boost to the economic condition of the residents of such areas by promoting local art like handicrafts.

## **Tourism and Employment Generation**

The sector of tourism has played an important role in the employment generation from past, with a great potential to increase it further in the coming years. As tourism is a labour-intensive industry it has resulted in job creation and generates a lot of economic activities in primary secondary and tertiary sectors. The sector of tourism generates both direct and indirect employment. The table no 1 given below shows the figures of employment provided by the sector during the last 5 years. It is clear from the table that the total employment increases from

25.51 lakhs in 2016 to 34.06 lakhs in 2020. It is estimated that 16 million tourists (domestic and foreign) visited Jammu and Kashmir in 2019 which placed J&K on 16th position or rank in the list of major tourist destinations of India (Ministry of tourism GOI). The table shows that there is a positive impact of tourist inflow on employment because with the increase in tourist inflow, total employment also increases, if the trend continues total employment would reach to 37 lakhs by the end of 2023.

## **Tourism and Infrastructure Development**

The lack of infrastructure is one of the main causes of underdevelopment of tourism because tourism and infrastructure development are interrelated sectors in the sense that, better infrastructure will provide the way for more tourism related activities. Tourism is to a great extent dependent on the range and type of infrastructure available at the destination. As per the recent figures released by the department of tourism J&K the number of tourist huts is 193 (2020) and no of tourist bungalows is 43 (2020). The no of registered hotels is 1356 and no of restaurants is 166 (2020).

Table No.1

Year	Direct employment	Indirect employment	Total employment
2016	4.25	21.26	25.51
2017	4.56	22.84	27.4
2018	4.91	24.56	29.47
2019	5.28	26.4	31.68
2020	5.68	28.38	34.06

Source:Santek consultant's PVT.Ltd.New Delhi.

Tourists coming to Kashmir Valley. Table No.2 (000 Nos)

Year	Indian	Non-Indian	Total
2017	1274.60	21.99	1296.58
2018	1196.07	29.54	1225.61
2019	729.10	57.34	786.44
2020	531.75	33.78	565.53

Source: Directorate of Tourism Kashmir.

Tourists coming to Shri Vaishno Devi ji and Shri Amarnath Ji holy cave Table No.3

Year	Amarnath Ji holy cave	Vaishno Devi ji	Total
2017	2.20	77.20	79.40
2018	2.60	81.78	84.8
2019	2.85	85.96	88.81
2020	3.44	78.96	82.40

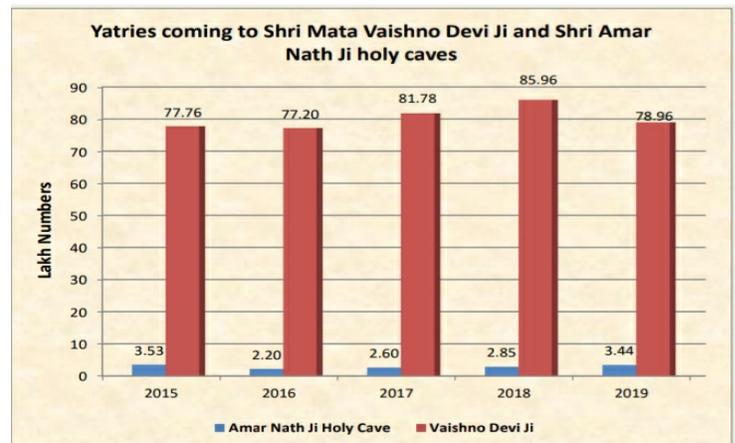
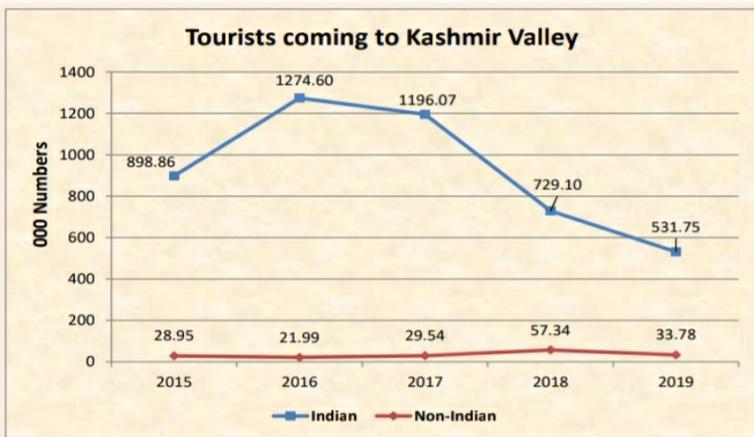
Source: Directorate of Tourism Kashmir.

( Yatris in lakh numbers)

Tourists coming to Jammu and Kashmir. Table No 4

Year	Domestic	Foreign
2016	9414579	63207
2017	14235473	79765
2018	17076315	139520
2019	16163330	57920

Source: Department of Tourism J&K.



## Conclusion

Tourism is one of the important sectors of Jammu and Kashmir economy as it contributes a significant portion to the overall GSDP of Jammu and Kashmir. It is clear from the above analysis that tourism has been an important source of economic development for the economy of J&K. Tourism is the leading industry in the UT of Jammu and Kashmir and has great potential for employment and revenue generation. The employment generation as well as revenue generation is expected to increase manifold provided the law and order situation remains normal and the tourist inflow increases in a desired manner.

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