RECENT INITIATIVES IN TOURISM STATISTICS AND TSA IN INDIA

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Institutional Set Up

- A full-fledged Division in the Ministry of Tourism (MR Division) for the work of Tourism Statistics and related activities. Main activities are
  - Collection, Tabulation, Dissemination of data
    - Foreign tourist arrivals/Foreign Exchange Earnings (Monthly)
    - Foreign and Domestic tourist visits – National and State level (Annual)
  - Sponsoring Surveys and studies on various aspects of tourism
  - Preparation of Master Plans/ Perspective Plans/ Detailed Project Reports for development of tourism even at the Sub-National Level
Some Selected Tourism Statistics

- Foreign Tourist Arrivals (2007) - 4.98 million
- Domestic Tourist Visits (2006) - 462 million
- Growth Rate
  - FTA (2007 over 2006) -11.9%
  - Domestic Tourist Visit (2006 over 2005) - 17.8%

Some Selected Tourism Statistics

- Foreign Exchange Earnings (2007)
  - Indian Rupees - 494.13 billion
  - US$ - 11.96 billion
- Growth Rate in FEE (2007 over 2006)
  - Indian Rupees - 22.4%
  - US$ - 33.8%
Some Selected Tourism Statistics

- India’s Position in the World (2006)
  - FTA - 42nd
  - FEE - 21st

- One of the highest growth rate in FTAs
- Also one of the highest growth rate in FEE

Problems Faced and Recent Initiatives for Improvement

- Domestic Tourist Visit Data
  - As per international Definition, domestic tourists staying with friends and relatives during the trip are to be also treated as tourist.
  - In India data on domestic tourists are collected every month from the States
  - Due to difficulty in getting information about the tourists staying with the friends and relatives are excluded from the Definition in India
  - How other Countries are collecting such data through Administrative records?
Problems Faced and Recent Initiatives for Improvement

- As per the international recommendations, data have to be also collected on “same Day Visitors”
  - In India, some of the important fairs and festivals as well as pilgrims visit, have huge crowd consisting of both same day and over night visitors.
  - There is an urgent need to formulate some statistical guidelines for estimating the no. of same day visitors in such fairs and festivals

Recent Initiatives

- Monthly Estimates of FTA – Earlier the monthly estimates of FTA was prepared using the data from only 4 metro cities (having about 69% share in total FTAs)
- Now estimate is based on data of 6 cities (having about 80% share in total FTAs)
- Efforts are on to further expand the coverage to 10 cities (having about 93% share in total FTAs)
Recent Initiatives

- Revision of the Methodology of the calculation of FEE from Tourism
  - Reserve Bank of India (RBI) is the nodal agency from the foreign exchange earning
  - Ministry of Tourism releases estimates of FEE from Tourism on a monthly basis with a time lag of 1 week
  - RBI releases quarterly figures of FEE with a time lag of one quarter

- Earlier MOT’s estimates of FEE and that of RBI have wide divergence

- Methodology revised to reduce the difference to maximum 5%
Old and New Figures (in US$ billion) for a few years

<table>
<thead>
<tr>
<th>Year</th>
<th>Old Est.</th>
<th>Revised Est.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>5.73</td>
<td>7.49</td>
</tr>
<tr>
<td>2006</td>
<td>6.57</td>
<td>8.93</td>
</tr>
<tr>
<td>2007</td>
<td>8.26</td>
<td>11.96</td>
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</tbody>
</table>

UNWTO currently uses RBI figures- As MOT figures are now available with less time lag, they can be used by UNWTO.

Recent Initiatives

An all India Domestic Survey to be conducted during July 2008 to June 2009 to provide various profile of domestic tourists such as:

- Demographic profile and geographical diversity
- Purpose of Travel by various characteristics
- Details of the trips such as mode, main destination, month of the trip, place of stay, etc
- Average expenditure on trips according to purpose of the trips, social groups, etc
Recent Initiatives

☐ Brief Statistical Details of the Survey

■ Sample Size

- Rural 84048
- Urban 36480

☐ Sampling Design

■ Stratified Two stage with sub-stratification of households in the selected Village and UFS Block

- Household having at least one overnight visitor during last 30 days with MPCE >= B: 4
- Household having at least one overnight visitor during last 30 days with MPCE < B: 2
- Household having at least one same day visitor during last 30 days with MPCE >= B: 2
- Household having at least one same day visitor during last 30 days with MPCE < B: 2
- Other Households: 2

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Total 12
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Tourism Satellite Accounts (TSA)

- First TSA Exercise for India undertaken for the Year 2002-03
- Main Data Requirements of the TSA were met from
  - International Passenger Survey
  - Domestic Tourism Survey
  - National Accounts Statistics
  - Various Surveys conducted by NSSO, particularly on Un-organized services sector

Important Findings of TSA (2002-03) - Tourism Contribution to GDP and Employment

<table>
<thead>
<tr>
<th>Share of Tourism to GDP (%)</th>
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<tbody>
<tr>
<td>Direct</td>
<td>2.78</td>
</tr>
<tr>
<td>Direct and Indirect</td>
<td>5.83</td>
</tr>
<tr>
<td>Tourism Output Multiplier</td>
<td>2.1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Share of Tourism to Employment- Total (%)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct (jobs in million)</td>
<td>21.5 (4.59%)</td>
</tr>
<tr>
<td>Direct and Indirect (jobs in million)</td>
<td>38.6 (8.27%)</td>
</tr>
<tr>
<td>Tourism Employment Multiplier</td>
<td>1.8</td>
</tr>
</tbody>
</table>
A comparison (Direct impact)

Problems faced in preparation of 1st TSA (2002-03)

- Data in the Domestic and International Passenger Survey on Tourism related industries was found to be under-reported as compared to that available from National Accounts Statistics (NAS)- (Private Final Consumption Expenditure)
- Disaggregated data on expenditure on road transport (i.e. buses, mechanized vehicle, and non-mechanized road transport) was not available in NAS also
Problems faced in preparation of 1st TSA (2002-03) contd...

- Data for some of the sectors such as recreation and entertainment services were directly not available. The input-output table was used to get the requisite data.
- Expenditure data on railway transport was also found to be under-estimated because of the under reporting of the trips sponsored by the employer.

Recent initiatives in the field of TSA

- Efforts have started for preparation of the 2nd TSA of India.
- Domestic Tourism Survey- to get data on expenditure incurred by domestic tourists- have already been planned and will be conducted during July’08 to June’09
- International Passenger Survey is also being planned during the same period.
- 2nd TSA will therefore correspond to the period July’08 to June’09
Recent initiatives in the field of TSA contd...

- Problems encountered in preparing the details for collection of expenditure data in the domestic tourism survey
  - Reference period: The preparation of TSA requires the expenditure data for one year period.
  - With the reference period of one year, a very high degree of recall lapse is anticipated.
  - With the reference period of one month, chances of missing the seasonal trips having high expenditure is high.
  - After considerable discussion, reference period of one month is being used.

Recent initiatives in the field of TSA contd...

- It was generally felt that informant may not be able to provide information on individual component of the package trips.
- In the package trip, a serious problem is anticipated in the collection of data on the share of tour operators.
Recent initiatives in the field of TSA contd...

- In the domestic tourism survey, most of the concepts and definitions given in International Recommendations on Tourism Statistics & Revised Framework for TSA prepared by UNWTO have been adopted.
- The relevant expenditure block of the schedule.

Recent Studies Undertaken

- Action Plan for increasing FTA to 10 million in 2010 and 25 million in 2015
- Hotel Room Requirements in 2010 and 2015
- Evaluation Studies-
  - Domestic Promotion and Publicity including hospitality
  - Rural Tourism
Action Plan for Tourism

Raise the Number of Foreign Tourists visiting India to 25 million in 10 Years Time – President of India – WTTC Summit – April 2005

An Action Plan is being prepared to achieve

- Analyse current status,
- identifying bottlenecks, and
- give recommendations

Requirement of Hotel Room Accommodation in India

- Estimation of oversupply/shortfall in hotel room capacity
- Estimated future requirements of hotel accommodation, by 2010 and 2015
- Identification of constraints and bottlenecks
- Review of tariff structures of hotel accommodation
- Comparative analysis with competing tourism destination
- Emerging tourism trends in the Asia-Pacific region and its impact on demand for hotel rooms in India’
Access to Tourism Data Study/Research Reports

- Monthly and Yearly data of FTA and FEE from Tourism and
- Complete reports of the studies undertaken are available on our website:
  [www.tourism.gov.in](http://www.tourism.gov.in)

THANK YOU