



DEVELOPMENT AND POTENTIALS OF TOURISM INDUSTRY IN GOA

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ABSTRACT

Initially, the economy of the place, of which Goa was part, relied basically in activities such as agricultural and fishing. In course of time, when trading activity states to take predominance, on account of contacts which were initiated with Arab and Asian countries, some of its inhabitants explored the economic fortunes beyond their agricultural and allied activities. Those who had acquired certain skills required for rudimentary industrial activity were able to establish themselves in the rudimentary industrial pursuits and, later on expanded their scope to improved manufacturing practices. This change in the pattern of economic activity, coupled with progress made in traditional education system, promoted the prosperity of industrial and trade activities, along with agricultural and allied activities. With the beginning of Portuguese rule in the 16th century, the economic progress continued on the same lines without much improvement and innovation. Until year 1947, economic activity of Goa was mainly agro-based and relied on trading and small industries. After political consolidation, the subsequent governments realized that Goa can be used to attract special culture and environment; steps have been taken to promote tourism in Goa.

KEYWORDS: *economy, environment, employment, Tourism, global economy*

INTRODUCTION

Initially, the economy of the place, of which Goa was part, relied basically in activities such as agricultural and fishing. In course of time, when trading activity states to take predominance, on account of contacts which were initiated with Arab and Asian countries, some of its inhabitants explored the economic fortunes beyond their agricultural and allied activities. Those who had acquired certain skills required for rudimentary industrial activity were able to establish themselves in the rudimentary industrial pursuits and, later on expanded their scope to improved manufacturing practices. This change in the pattern of economic activity, coupled with progress made in traditional education system, promoted the prosperity of industrial and trade activities, along with agricultural and allied activities. With the beginning of Portuguese rule in the 16th century, the economic progress continued on the same lines without much improvement and innovation. Until year 1947, economic activity of Goa was mainly agro-based and relied on trading and small industries.

After political consolidation, the subsequent governments realized that Goa can be used to attract special culture and environment; steps have been taken to promote tourism in Goa.

Goa is known for its lovely beaches, historical monuments, churches, cathedrals, temples, springs, welfare, the greenery matching with river fronts, valleys and hillocks

and more so its people who displayed a touch of Western cum Indian culture with docile, hospitable and affable manners, representing a spot for a peaceful, relaxed and enjoyable stay, during holidays.

REVIEW OF LITERATURE

Vivek Sharma (1991) in his book tourism in India the author has said that tourism is the only economic sector in the world that has enjoyed continuous growth in spite of world recession, inflationary trends and increasing oil prices, Tourism is growing rapidly through out; the world at almost double the rate of world income growth. It has become an important component of man's life and its potential is endless.

Nirmal Kumar (1996) in his book the author has said that tourism is one of the valuable attribute to most developing nations and can act as a vehicle for economic development. The importance of tourism is increasing due to the many social and economic benefits of creating national interaction and creating international employment opportunities, eliminating regional imbalances, increasing tourism, earning money, etc. Per capita income and state domestic product of the have been increasing in a number of ways. Tourism has found to be contributing revenue to state exchequer. Tourism also brings a number of insubstantial benefits by offering educational, social, and cultural and other political values. It brings in international understanding as well since travel widens knowledge and reduces stress. **Babu P. George &**

Alenxandru Nedelea (2007) the author in their book reveals that Tourism is one of the fastest growing sectors of the global economy.

Connie Mok, (2001) in his research study hospitality and tourism fields in Goa. She is the author or co-author of over sixty - five published articles in academic journals conference proceedings, books, and trade journals. Her research articles have been published in the United States, United Kingdom, India, Hong Kong, China, and Australia, She serves on the editorial boards of seven referred academic journals.

BACKGROUND OF TOURISM IN GOA

In the past, Goa has often been sought as an ideal place for the retreats by Saints, Rishies, to do penance and meditation, amidst the natural serenity of the place. With arrival of Portuguese and Spanish missionaries in Goa, who spared their own spiritual, moral and ethical values, the westernized culture and values started taking roots in Goa. Such culture has left some finger prints on the people from Goa. They became sociable, tolerant warm, helpful, trustful, talkative, relaxed, and disciplined, displayed westernized manners etiquette, became pleasure loving and trustworthy. Such qualities constituted positive assets for the development of tourism. Unfortunately, after 1962, with the inflow of people from outside Goa such characteristics are slowly vanishing. Even the local new generation has been affected by the deterioration of such values.

In the beginning, all such positive aspects of life in Goa, contributed to the growth of domestic and foreign tourist to Goa, in spite of inadequate infrastructure facilities and seasonally of tourism activities. The first Chief Minister of Goa thought that the existence of attractive tourist resources in Goa could be exploited, to turn Goa as place of tourist attraction. Taking into consideration the age old traditions of Goa in the entertainment and hospitality sector the government felt that tourism was one of the sectors of the economy of Goa that could be successfully explored to provide employment opportunities to the local people and also to generate sources of income to them, by setting up small restaurants, hotels, conferences, transport etc. the government felt that manpower skills available in Goa, in the hospitality sector, could be easily upgraded to meet the needs of tourism industry. Since the accommodation for the tourist was very limited, the government started setting up its own tourist hotels in various places and encouraging local private sector to set up such an infrastructure. It was found that, in terms of capital investment – employment ratio, the tourism industry could provide substantial employment opportunities to the local people. It was also found that the multiplier effects of the expenditure made by the tourist on the generation of income and employment, per unit of investment, was very high. It was also estimated that a hotel used to create direct employment for 3 persons, per room, and an indirect employment of 9 times the number of direct employees.

The government was also aware that tourism industry could activate income in the sectors of trade, horticulture, animal husbandry, laundries and handicraft industries, transport, entertainment, readymade food items/preparations etc. and generated revenue to the State. At the same time, the Government was conscious that such an industry, if not promoted properly, could spread its pernicious psychological and sociological westernized effects in the local population, especially on the local youth, including problems like gambling, prostitution, exploitation and abuse children, drug addition,

law and order problems etc. Due to these reasons, the government acted slowly in the promotion of tourism activities. For ensuring proper guidelines in the development of tourism in Goa to recommend steps to be taken for the judicious growth of tourism industry. Initially, the government started providing room facilities to the tourist by setting up a tourist hotels, restaurant in the towns of Panjim, Margao and Mapusa and Vasco. Government also opened handicraft counters at Panjim, Dabolim Airport and Calangute. The place for the Aguada Hermitage & Fort Auada Beach Resort of Sinquerim was indicated by the first Chief Minister of Goa to the Taj Group.

Later, sometime in 1978, since it was found that the Government was not to manage and maintain property all the tourist complexes constructed at the abovementioned places, the government decided to form a company known as Goa Tourism development Corporation and transferred to it all the tourist assets created by the government, for better management. All such assets were transferred at the nominal value, expecting that the management of those complexes would be improved. However, the experiences have shown that the quality of service in those complexes did not improve much, due to failure to appoint professional management.

As on 31st March 2010 the said Corporation was managing 12 hotels establishments with 525 rooms and 1200 beds and has leased out 3 hotels with 38 rooms and 98 beds, to a private party. The Corporation, in addition to running residency complexes started conducting sightseeing tours, cruises, providing package tours. The corporation is being used for the appointment of MLAs or other political friends of the government as its Chairman and as the members of its Board and to misuse the funds of the corporation for their personal benefits, without contributing much to the tourism industry of Goa. Most of the government's tourist hotels and other establishments handed over to this corporation are found to be badly maintained and their conditions are deplorable. This Corporation, along with the Directorate of Tourism, was meant to work as promotional and catalyzing agencies, for the development of tourism. The possibility of inducting private participation in the share capital of the corporation could be explored in order to induct professionalism in its management and to improve the quality of services to middle and high class tourists.

The survey report carried out by the Tata Consultants, sometimes in 1978, had indicated that out of the total yearly business generated by way of expenditure made by the tourists, 10% was accrued to the government, as taxes, at different stages of spending and re-spending, and also had generates income to pay the wages and salaries of those employed in tourism activities. The survey report indicated that out of the total annual expenditure made by the tourists, about 54% of it was meant to pay the salaries and wages to those engaged in the tourism industry. Being a service industry, it was found that tourism would generate direct and indirect employment opportunities. It could create direct jobs in hotels, restaurants, travel agencies, tourist shops, handicrafts industries, transport, interpreters, guides etc.

In turn, those who were employed directly could create indirect employment in other sectors of the economy, through their own demand for goods and services. It was also found that the tourism industry could create induced jobs in construction industry and could stimulate the growth of ancillary industries such as furniture and fixtures, sanitary

ware, repair and maintenance of hotel services etc. in view of such opportunities available, the Government of Goa Daman and Diu till 1980, found that the development of tourism industry would benefit the State and would provide enterprising occupations and employment opportunities to the local workforce, provided due care was taken not to disturb the local environment, inherited from the past generations. The Government was conscious that uncontrolled growth of tourism could create several serious problems to the local people and that the same had to be prevented. The author was, at that time, the Secretary Tourism. The Government therefore decided to have a controlled and guided growth of tourism development.

OBJECTIVES

- 1) To analyse the present scenario of tourism in Goa.
- 2) To study the type of accommodation availed by the tourists in Goa.
- 3) To study the views of the Tourism Department in Goa.

METHODOLOGY

The primary data was collected from the respondents through their feedback and the secondary data was collected from the various book publications and research articles, magazines and periodicals, Tourism department, Gazetteer of the tourism department, Handbook, pamphlets, Tourist Diary.

TOURISM IN GOA

The growth in the arrival domestic and foreign tourists in Goa indicated in, 1986 about 834 thousand, tourists visited Goa, of which thousands i.e. 12% were foreigners, in 1996, about 11.26 lakh visited Goa, of which 2.37 lakh i.e. 18% were foreigners, in 2008, about 23.71 lakh tourists visited Goa, of which 3.51 lakh i.e. 15% were foreigners. The increase in the number of tourists in 2005, as compared with the year 2004, is as a result of two big events, namely, Exposition of the Sacred Relics of St Francis Xavier and the First International Film Festival, in 2004.

Year-wise, the trend of growth in the number of tourist's arrivals indicated several variations. The same does not allow arriving at the real average annual growth of tourist. But, the average yearly growth in the number of tourist, during 1992-2008 is about 4%. In spite of promotions and marketing of tourism in Goa in several places abroad, it is found that, from 2003 onwards the number of foreign tourists arrivals have not increased much. Their arrivals have remained between 314000 and 388000. Nationality-wise, it is found that, in 2008, the highest percentage of foreign tourist arrivals was from the countries like U.K., Russia, Germany and Finland. Arrivals of foreign tourists, especially, from U.K, Germany and Finland, except Russia has decreased in the year 2008. The growth in the number of tourist arrivals indicates that it is worthwhile concentrating on the domestic tourism, rather than on foreign tourism, since except for foreign exchange earnings, turns to be costly tourism. It is claimed that, since tourism has become highly competitive industry there is need for the Goa Government to participate in the World Trade Marts at London and other places, every year. However, it has been found that such foreign trips have only helped the Ministers, Chairmen of the Tourism Corporation, and several government officials for holidaying abroad accompanied by their wives, at the cost of the public exchequer. Such trips abroad claimed to have been made to project Goa as tourist

attraction have not created visible impact in attracting high budget foreign tourists. Even similar visits made to Gulf countries to promote tourism and sell the so-called 'rain drop' season of Goa, have not produced any results. Even a layman will be able to judge that, due to Goa's intense rainy season, it is difficult to enjoy holidays in Goa, during the period. Such trips abroad by the ministers and government officials will have to be very selective, since their outcome is more or less negligible. In spite of the adverse remarks made by the Controller and Auditor General of India, in its report for 1998-99, where it has been reported that, 'in spite of such trips abroad, there was a steady decline in the increase of foreign tourist arrivals', the Ministers and the Chairman of Tourism Corporation continue to do such trips abroad at the cost of public exchequer. In fact, such promotional trips abroad should have been promoted by the Travel and Tourism Association of Goa, and, the expenses of Government officials should have been paid by the Association, since the major beneficiaries of such trips are the hotel owners.

Tourism infrastructure bottlenecks continue to exist in the state and power and water breakdowns along with unregulated transport system continue to give great headaches to the tourists. Instead of paying attention to the development is innovative thoughts infrastructure. Ministers and the Chairman of Tourism Development Corporation claim that they are touring abroad to promote tourism and attract tourists.

Unfortunately, the governments that have ruled the state after 1981, neither took care to frame definite politics for the development of tourism nor took care to provide the required infrastructure for the increased flow of tourists. Every, Chief Minister of Goa went on announcing that the 'tourism' has been declared as an 'industry' but on one spelt out the details of the benefits that the people from Goa would accrue on account of being declared as an industry. The misguided publicity that was given about the beaches and scenery of Goa, attracted foreign tourists who felt that it was appropriate place for their holidays at the cheaper cost and, to have freedom to indulge in all evil activities linked with tourism that existed in the West. Due to publicity depicting woman wearing bikinis, even domestic tourists got attracted to see and enjoy that westernized type of scenario in Goa. The gradual arrival of increased number of tourists and chartered flights from abroad, induced the builders and other companies from outside Goa, involved in tourism industry, to set up hotels in Goa. Later, the builders started constructing residential flats and renting/ selling to customers, mainly from abroad, as an investment and cheaper leisure proposition in Goa.

DEVELOPMENT OF TOURIST STRUCTURE

Since 2000, the domestic tourists have been in greater proposition. Whereas in 2000 about 9.80 lakhs domestic tourists visited in Goa, the same proposition to about 20.20 lakhs i.e. an increase of 106 %, in eight years. Some of them were low budget tourists. Being aware that low class tourism constitutes a liability to the state, there was need for the government to lay down a judicious tourism policy, meant to attract only affluent and middle class tourists. This has not been done. The State has allowed unlimited and indiscriminate growth of tourism with limited benefits to the local people.

There is no doubt that the beauty and the environment of Goa is an attraction to the tourists who find this place unique where one can enjoy the blend of eastern and western

cultures. The visual publicity done by the government, depicting Goa as a place where one could see, for free, half naked girls, that one could have fun with freely available alcoholic drinks and the existence of freedom to enjoy the stay, without any restrictions, was necessary. With the continuous flow of tourists, the menace of narcotic drugs, moonlight parties, pubs, prostitutions, pedophilia, gambling, casinos etc have totally spoiled the original living conditions of Goa. Due to inadequate life guards on the beaches drowning deaths used to occur along the beach belt, which has no decreased due to commissioning of life guards service. No proper attempts have been made in the beaches. The promotion of tourism in Goa has been done concentrating only on beaches of Goa.

In spite of existence of government agencies such as Town Planning Department, PDAs, Goa State Coastal Zone Management Authority and CRZ Regulatory Authority (which do not allow constructions within 500 meters of the High Tide), the increase in the tourism activities have promoted unplanned growth of hotels/restaurants. With narrow roads without adequate sanitary requirements and reliable supply of water and electricity. This has resulted in the promotion of disorganized development of beaches with serious effects on the existing environment of the place. Such a situation took place with the connivance of elected representatives and government officials. Availing of luxury and confusion in the Government, the drug traffickers, migrant traders from other parts of the country, specially from Kashmir, prostitutes, night clubs, late night restaurant and pub, etc. established heir shop in Goa and created a negative environment with devastating effects on local youth who have fallen pray to such activities and lost their past ethical moral family values that they had inherited from their ancestors. A deep analysis of tourism industry in the State indicates that has it not provided substantial benefits in terms of employment and business to the local people. Goa has become a place for refuge for migrants, prostitutions, criminals, drug peddlers and terrorists from the rest of India.

Since the final product of tourism industry is a 'satisfied tourist' who leaves the place to spread his happy experience to his friends and relatives elsewhere and even comes back thereafter, there is a need to adopt a selective approach to attract tourist to the State. It is this final product that defines the requirements of the major inputs of the tourism industry, such as transport, lodging, feeding, entertainment, sports, souvenirs etc.

Table 1
Type of Accommodation availed by tourists (1974-75)

Accommodation type	Domestic Tourists (%)	Foreign Tourists (%)
Hotels	33.4	54.3
Friends & Relatives	64.2	36.1
Hired accommodation	2.4	9.6
Total	100.0	100.0

The tourists were classified in three groups, namely, low, middle and affluent. The pattern of expenditure, percentage-wise, of domestic and foreign tourists that were involved in the survey. Expenditure-wise, the domestic tourists were grouped into 3 categories i.e. those whose annual income was below Rs. 12000, those incomes between Rs. 12000-24000 and those annual incomes were above Rs. 24000. The foreign tourists were grouped into 2 categories i.e. those

The amount spent and pattern of expenditure by the tourists depends on their disposable/saved income tourist and services available and their costs. Basically the income of the tourists and length of stay are the factors that determines the pattern of tourist expenditure. The employment effects, from tourism, flow from expenditure made by the tourists and its pattern. The multiplier effect from tourism expenditure depends on the amount spent by the tourists. As indicated earlier, the money spent by the tourist does not stop moving after the tourist spends it. Instead, it circulates and stimulates the economy, as it changes hands and is spent and re-spent several times. The more it remains in the economy and faster it is re-spent, the greater is its ultimate impact on the economy. This is known as the multiplier effect.

Global studies have shown that the money spend by tourist gets involved in about 7 main channels, namely, transport, hotels, restaurants, sightseeing, handicrafts and souvenirs, entertainment, guide services and about 13 to 14 transactions before the same ceases to have effect on the economy. Of these, 5 to 6 transactions take place in first twelve months, after a particular tourist spends its money. However, as the money changes hands, leakages take place, since part of the money spend on goods and services purchased from the outside the economy i.e. outside the State. Since such money does not go back into the economy of the place where it was spent, the multiplier effect of the money spent gets reduced. Therefore, only in case the State tries to develop tourism as self-sustained industry, it can take advantage of higher multiplier effects. Surveys conducted in seventies indicate that, whereas the tourism multiplier effect in Pacific and Far East was varying between 3.2 and 4.3, in Goa it was 2.5.

Tourists move from their residences to a tourist destination and return. They travel by air, railway, sea, and road. At the place of destination. They have to be accommodated, educated about the various places of tourist attraction, toured, fed, provided safety, entertained and induced to take souvenirs of the place. The place of destination becomes attractive for the tourists, if they are provided with the basic qualitative and quantitative to, make their stay comfortable.

In the survey conducted by Tata Consultants in 1974-75, it was that, stay-wise, the percentage distribution of the tourists that was staying in hotels, friends and relatives and in hired accommodation was as follows:

whose annual income was below 12000 and those annual incomes were above Rs. 12000.

Assuming that the pattern of stay and expenditure of the tourists had remained the same, the author tried to estimate the contribution of tourists to the State, in the year 1985-86. The arrival of domestic and foreign tourists in the year 1958-86 was 664692 and 87599, respectively. Stay-wise, they were redistributed as follows:

Table 2
Type of Accommodation availed by tourists (1985-86)

Accommodation type	Domestic Tourists (%)	Foreign Tourists (%)
Hotels	222007	47566
Friends & Relatives	426732	31623
Hired accommodation	15953	8410
Total	664692	87599

The estimate expenditure by the domestic and foreign tourists, in the year 1985-86, was estimated that the tourists who visited Goa in 1985-86, generated money circulation of the order of 852.77 lakhs, of which about Rs. 580.06 lakhs were generated by domestic tourists. Domestic tourists spend more on food, whereas foreign tourists spend more on souvenirs/handicrafts. Out of total expenditure made by domestic tourists and foreign tourists, separately, domestic tourists spent about 35% on food, while foreign tourists spent about 19% on food.

The tourism season in Goa starts October and goes up to May. Unfortunately, due to the seasonality of the business, most of the workforce appointments are made on temporary basis with low wages. It has been found that the percentage of employment of local workforce in the tourism industry is not satisfactory, since the entrepreneurs from outside who have up their establishments in Goa prefer to employ workforce from outside the State. In such conditions, it time to think whether the efforts made by the government to develop tourism, as a main industry in the State, are commensurate with the objectives it proposes to achieve.

In 2004, the government invested in the construction of a multiplex to organize International Film Festivals in Goa on the grounds that it will be an event for tourist attraction. Goa never had a film culture. Also an Entertainment Society of Goa (ESG) was formed to organize the International Film Festivals of India and to frame entertainment policy to project Goa as a world class international entertainment nerve center in India. It has organized International Film Festivals since 2004 till date (2012) in collaboration with the Union Ministry of Information and Broadcasting New Delhi. Goa Government is spending crores of rupees, per year, on such festivals, without any tangible benefits, the ESG has been appointed by the government as a nodal agency to grant permission for film shooting in the State. The ESG has leased out the Multiplex to a company namely, M/s Inox Leisure Ltd, for operating the same, on an annual rent of Rs.3.79 crore. Though Goa did not have film culture such an event is being celebrated at the cost of public funds. Even in case Government decides to promote film industry in Goa it will be very difficult to get the required infrastructure and skilled manpower in Goa. We may not also forget about the negative aspects of film industry.

As far as travel facilities are concerned, the entire yearly tourist traffic is handled in the Dabolim Airport without much difficulty. Certainly, the Dabolim airport requires expansion and improvement for the future growth. In the meantime, the government has decided to have another airport at Mopa (Pernem Taluka). In 2005, an outlay of Rs. 1025 crores was approved to set up a new airport at Mopa, Pernem and 800 acres of land were acquired. The justification given for the new airport was that it will cater to bigger chartered and cargo containers aircrafts. However the said proposal has run into controversy, since the same is located in the northern limits of Goa, whereas the present Dabolim airport is equidistant from north and south of Goa. In fact, before 19th December 1961, the Dabolim Airport was a civil airport. At the time of

military action to remove foreign domination in Goa, the naval authorities took control of the same and utilized the same for training purposes. In fact, the Indian naval base at Dabolim could be shifted to the Naval base Sea Bird, at Karwar, to allow full-fledged development of Dabolim Airport as International Airport. But, since the Navy personnel do not want to give up their comfortable stay in the beautiful and peaceful place like Goa, they will put forward several reasons for the continuation of naval base in Goa. It is learned that those in hotel industry like Oberoi, Taj Cidade de Goa and Politicians from Maharashtra have already acquired a big strip of land, 64 km long and one km wide, between Vijayadurga and Sindudurga, in Sawantwadi, annexed to Pernem taluka, to put up deluxe hotels. May be that the proposal for a new airport at Mopa, in Goa, it to serve the investments made in tourism sector and in the aviation sector, Goa may required, in future a bigger airport.

The Government of Goa enacted the Goa Public Gambling Act 1976 and granted permission for inland and off shore gambling, much against the resentment from the local public. In spite of opposition from the local public, not to allow gambling activities in Goa, in the style of casinos, the local politicians have, not only, approved them, but also, allowed them to operate within the inland waters. Such gambling activities are against the local culture and moral values of the people from Goa. In 2009 there were 6 private operating off-shore casinos. As per the Maritime Act, off-shore casinos should limit themselves to operate in the high seas, beyond 12 nautical miles from the sea shores. The casinos pay a license fee of Rs. 5 crore only, annually, and an entry fee. In 2008, the Legislative Assembly was informed that there were 10 land based casinos in Goa operated by Five Star hotels, providing inland gambling facilities with slot machines. It was reported that the hotels pay an annual recurring fee of Rs. 40000 per mother machine and Rs. 30000 for every additional machine. In addition, they pay an annual renewal fee Rs. 10, per room. They paid inadequate tax to the government.

The tourism industry has grown in Goa as a place relaxation on the beaches. There is a need to develop inter land tourism, in addition to the present beach based tourism. Heritage and eco-tourism is being promoted in a very small scale. The promotion of tourism has to be done by operating new avenues of entertainment to the tourists, such as regular musical concerts, arts exhibitions, water sports, games, special festivals etc. including health based tourism for the middle and higher class tourists. It is unfortunate that successive Governments of Goa, in power, have not displayed a long-term vision to make the tourism a success industry. The idea of turning historical monuments into hotels for developing heritage tourism has not caught up. The scheme of Heritage House, implemented since 2003, that provides loans and subsidies for the preservation/restoration and maintenance of old houses has taken shape, but with very negligible tourism effect. In 2004 there was 1 heritage hotel with 13 rooms and 26 beds. The proposal to turn the old Forts into hotels got

involved in litigations. The right of the government to run historical monuments into hotels was challenged.

One of the Tourism Ministers of Goa had announced that the government had given a contract to set up “bunggie jumping” facilities at Anjuna, that the three Golf courses would be developed at Aguada plateau, Verna and Betul, that a “palace of wheels” luxury train would be introduced, that a Oceanarium would be set up, at Miramar, that the Water Sport Complex at D.Paula would be enlarged, that the old forts would be turned into hotels, etc. but, nothing concrete has materialized yet, on these proposals.

In 2007, a tripartite agreement was signed between the Goa government, Indian National trusts for Arts and Cultural Heritage (INTACH) and Helen Hamlyn Trust, UK, for conservation of 550 years old Reis Magos Fort, for Helan had donated Rs. 3.5 crores for the proposed project. It was inaugurated on June 2012. This Fort was originally established as armed post by Adil Shah, sometimes in 1493. After the conquest of the areas covered by Bardez Taluka, in 1541, the Portuguese government built a proper Fort, being a strategic point for defense purposes. Sometimes after 1900 Portuguese government used it as a jail to lodge the criminals and, after 1961, it had remained unused.

The Water Sport Complex at Dona Paula is in a very bad shape but still is being used by domestic tourists. On 30th March 1998 the Legislative Assembly was informed that, out of the total government area in the Aguada Plateau, three lakh square meters were leased to M/s India Hotels Ltd, under lease dated 19th June 1997 for setting up recreation park of international standards with facilities like amusement, carnival, water rides/slides, mini zoo, outdoor sports, fitness center etc. but, no recreation park has been developed as yet.

The government has not been able to enforce discipline in the hired transport system by making mandatory the display of meters in taxis, in rickshaws etc. thus allowing open exploitation of the people and the tourists. For a tourist friendly infrastructure, there is need of a better regulated transport system of taxi and private transport coaches.

Several hotels, restaurants, guest houses have come in Goa. In addition, government is allowing temporary structures in the beaches, known as shacks (173 in the North and 86 in the South of Goa), though they mess up the entire beach. The shack owners provide not only food but also deck beds and umbrella and some of them operate, by proxy, involving people from outside Goa.

As on March 1995, there were about 14500 rooms available for the tourists, of which about 3300 were of ‘star’ category, about 8700 were of “others hotels” category and about 2500 rooms were of ‘paying guest’ houses. On 30th March 1998 the Legislative Assembly was informed that there were 1580 hotel establishments in Goa, including 1293 paying guest houses. During 1998-99, the bed capacity available was about 290000, which included about 6000 beds in the ‘star’ category and 4000 beds in the ‘paying guest’ accommodation and the rest was of ‘other hotels’. As on 31st March 2003 there were about 1933 hotels in Goa, with about 17342 rooms and 33139 beds. The ‘A’ class hotels were 38 with 3529 rooms and 6237 beds. As on 31st March 2005 it was estimated that the number of hotels were 2156, having 19312 rooms and 36618 beds. It included Star category 78 hotels with 5836 rooms and 11141 beds. Details about the number of paying guest houses were not available. The arrival of foreign tourists take place mostly in chartered flights, between the months of

November and March. In 1995, the total business handles by the chartered flight operators accounted for about 80% of the foreign tourist traffic. During 1997-98, 340 chartered flights brought about 89000 foreign tourists. At that time it was estimated that, the average stay of a normal domestic and foreign tourists was about 5 and 9 days, respectively. In 2000-01 nearly hundred thousand tourists had come from UK, Scandinavia, Holland and Sweden by the chartered flights, for an average stay of about 14 days, though some had come for a week and others for 21 to 28 days.

Many small hotels including the Five star hotels are totally dependent on up-market foreign tourist to keep their occupancy at reasonable level. Some of the star hotels sell their rooms to chartered flights operators, at a concession rate, for meeting the minimum occupancy level and they cannot dictate terms to them. The main aim of chartered companies that lease the aircrafts is to have all its seats sold, sometimes, when any seat remains vacant the chartered company sells it at a low price, by offering it, at the last moment, as on the ‘flight only’ Such ‘on the flight’ seat from U.K. sometimes was sold even at 200 Pounds. The chartered tourists are mostly budget tourists. Though there were rules framed by the Union Civil Ministry, under which the chartered operator was supposed to ensure that a chartered tourist spends a minimum of \$60, a day, on food and stay, in addition to airfare, they generally used to ignore such rule. Sometimes, chartered operators used to try to find tourists who would agree to accommodate themselves in cheaper accommodation of as less as \$15 a day.

In 2000, though the two ways free from Goa to UK used to cost around Rs.25000, a British chartered tourists could pay just 500 pounds and have 14 days holiday in Goa in one or two star hotel. The stay in a four or five star hotel would cost around 850 pounds. So, the chartered tourist could have cheap holiday in Goa. Though the chartered tourists were expected to spend at least \$420, per week, they used to spend much less. In 1998, the rent-backers used to rent the rooms ranging between Rs. 400 and Rs.800. with the offer of London – Goa return trip plus 14 days in a hotel that used to go even for 200 Pounds, nothing much is expected from such type of tourists. Tourist from England would not be expending more than \$120 a week in Goa, when each tourist was expected spend at least \$420 a week.

The tourism promoted through ‘chartered’ flights is not much beneficial to the hotel industry, since mostly, the tourists who travel in chartered flights are low budget tourists.

On all India basis, it is estimated that tourism in the second largest foreign exchange earner to India. In 1997, it was found that whereas India’s foreign yearly tourists’ arrivals were around 2.5 million, the foreign tourist arrivals in Singapore, Toyland and Malaysia were around 7 million, each. Whereas India had earned only about 3 billion dollars, in the year 1997, Singapore and Thailand had earned about 9 billion dollars, each and Malaysia had earned USD 5 billion, in the same year. In 2000, it was reported that the foreign exchange earned from the arrival of about 2.62 million foreign tourists in India, was of the order of USD 3300 million. It was estimated that, out of the total foreign tourists who visit various places in India, only about 10% of them, come to Goa. In 2008-09 it was estimated that the total number of tourists that arrived in India were 5 million and that the foreign exchange earned from them was USD 10543 million, of which 730 million U.S. dollars were earned from the foreign tourist who visited Goa.

With the proposal to develop the nearby place of Sindudurga, in Maharashtra, as a place of tourist attraction, and Kerala State concentrating in health tourism as a stress reliever, with ayurvedic parlours, and Rajasthan State marketing their heritage, Goa has to speed up and announce clear cut policies on tourism development. It is claimed that the normal hotel charges in India are mostly on higher side, as compared to other places of tourist attraction abroad. In 1998, the flow of foreign tourists to India was affected since the Five Star Hotels of South East Asia (Malaysia, Thailand and Indonesia) used to offer a hotel room with breakfast, for about \$35, per night, when in India the rate was much higher. It was alleged that the tourists prefer small places like Singapore, Mauritius and Sri Lanka since they can cover all the spots of tourist attraction in few days.

Sometime, in 1996, the Legislative Assembly was informed that the government is placing stress in quality tourism and that a survey conducted by the Kirloskar Consultants indicate that the revenue generated in Goa, on tourism, was estimated to be of the order of Rs,654 crores, per annum, of which Rs.394 crores were in foreign exchange from foreign tourists. Since the growth in the number of domestic tourist arrivals have been increasing at much faster rate than the foreign tourists it becomes difficult to accept such an assessment. The report stated that, percentage-wise, the estimate expenditure made by the tourists on the various services was as follows: Accommodation-33.5%, Food and beverages-20.5%, Entertainment-2.6%, Shopping-24.8%, Local transport-13.6%, Miscellaneous-5.0%.

In 1997, the Central Government had approved Rs. 25 lakhs for the preparation of tourism master plan for Goa the consultancy for which was given to a firm Delhi which produced a report that was not useful. In 1998 the tourism development corporation had appointed Cresil advisory with professional fees Rs.2.00 lakhs plus lodging and boarding to report on enterprise, value enhancement, disinvestments etc and nothing has happened after that. The possibility of induction private participation in the share capital of the tourism Development Corporation could be explored in order to induct professionalism in its management and to improve the quality of services to the middle and high class tourists.

In 1999, the government had entrusted to consulting engineering service (India) ltd project of preparation of a compressive master plane on tourism project up to 2011, indentifying new area of tourist potential and the type of development required, at the cost of Rs. 11.80 lakhs, and happened after that Government of Goa have been engaging several consultants to give advice on tourism strategy for Goa, and, obtaining their report, is not acting on their recommendations, for reasons unknown.

The revenue collected by the state government are in the form of 'luxury Tax' 'Entertainment Tax' and fees casinos', from hotel lodging, restaurants, entertainment joints and casinos. The amounts collected in various years were as follows:

Comparing the inflow of tourists, the number of room and beds available for the tourists and the number of passengers handled at Dabolim airport, in those years, appears to be leakage in the collection of such taxes. The collection of fees from casinos is decreasing. The tourism industry is one of the economic sectors that generate unaccounted money, in the country.

In addition to this, tourists have to pay service tax on room charges and service tax / VAT and service tax and 'excise' on their alcoholic beverages, bought. It is not possible to predict the share of tourism sector in the total tax collection.

The promotion of tourism in Goa should attract quality tourists as "tourist guest" and not "tourist invaders". It is necessary to give more emphasis on quality tourism and exploit fully the multiplier effect of tourism.

Since the Government has been making investment in several sectors of economy, including tourism, it would be interesting to find out the impact of tourism industry on other sectors of economy, in terms of income and employment generation and the extent of revenue generated for the State. There is a need to calculate the cost benefit ratios of this industry on its various consequential inputs, so that proper policies can be drawn.

At present, the funds spent on the construction materials of hotels/restaurants, payment of wages to laborers etc flow to outside Goa. Similarly, most of the requirements of food, for the tourists, such as meat, vegetables, eggs, chicken, etc, come from outside Goa. Hence, the multiplier effect of the money spent by the tourists goes outside Goa. Very few and badly finished souvenirs, with Goa's features, are available for the tourists to take along with them. Tourists are unable to place orders for a large quantity of Handicrafts from Goa, since are not available. Most of the handicrafts shops, including the one that have put up in the five star hotels, are full with handicrafts from Rajasthan and places of India.

In fact we are promoting handicrafts from the rest of India whereas a bus load of cheap domestic tourists comes down to Goa, the same surrounded by migrants who do odd business of various items such as bangles, ear rings, collars, plastic toys etc. up to now, the Government of Goa. Has not taken full advantage of the by- products of tourism industry, for the benefit of our local unemployed youth. There is a need to identify the buy products of tourism industry that can be profitably reserved to generated employment and income for local people and to a Tourism development Corporation the work of including, and helping the local unemployed youth to venture in such identified business and to complete along with those who have taken their place, by developing in them a sense of confidence and dignity of labour.

There is a need to take full benefit of the investments made by government on tourism, by fixing judicious tourism development parameters for Goa. In the beginning of this millennium it was claimed that the information technology and Tourism Industry are going to be the core industries that would accelerate economic growth.

Construction sector is a good driver for the economic growth, provided it is accompanied with the growth of all other allied related components of construction industry. Basic minimum shelter is the necessity of every Human Being. Residential houses are required for providing shelter to the local people.

In the case of Goa, Land is the only component that is available and, that too, it is very scarce. Since most of the items and features required for the construction activity including labour, are brought from outside Goa, they do not contribute to the economic growth of Goa. In the initial years of building activity in Goa, the government had thought linking the building activity with the promotion of some small scale industries to produce certain items that are used in the building construction such as hinges etc, so as to promote the supply

of such items from Goa and to promote local employment. But there were no takers for such an initiative. The auxiliary items required by this sector, can generate not only growth in the economy, but also, create employment opportunities. Unfortunately, in Goa all the income benefits from the construction industry are flowing to other States. And Goa gets only slums of migrant labour brought for construction activity, due to scarcity of such labour locally.

In 1960, the number of households in Goa was 126335 and the same increased to 195970 households in 1981 i.e. an increase of 55%. In 1991 Population Census of Goa, the number of households recorded was about 2,34,597 residing in 2,24,501 occupational residential houses and the decennial growth rate of households was around 20%. In 2001 there were about 294812 households and its decennial growth rate was 26%. This indicates that there has been a growth of about 2% in the number of households, every year, since 1991. As per the 2001 Census Population, 25.5% of the households had 2 rooms, 21.79% of them had one room, 21.68% of them had 3 rooms and 14.53% of them had 4 rooms. Due to the growth in immigration and the growth in the number of household a need was created for additional residential accommodation. As per 2011 Census of Population there were 322812 households, thus recording a decennial growth rate of about 10 % i.e. about 1 % per year. There were 576582 houses, of which 125503 i.e. 22 % were vacant.

COMMENTS BY DEPARTMENT OF TOURISM (With regard to potentials for Tourism)

Goa is famous in the world because of the tourists' temples, churches, and old houses of Goa, which have architectural beauty. Goa has a share of sea and Goa is full of beaches. Deep unique history, rich culture, natural scenes are some of Goa's features. That's an Indian offer. India became independent in 1947, but Goa's small state joined only the national main stream known as "Orient of Pearl" and "Turismo Paradise", after only a decade and half later, while the coastal belt of Goa state west Konkan was known as the Indian coastline.

At north Maharashtra state, in the south Karnataka state, on the western coast of the Arabian Sea coast. The main rivers of Goa are Terekhol (Tiracol), Mandovi, Zuari, Chapora, Sal and Talpona. There flow of rivers flow from Sahyadri and flow towards the Arabian Sea towards the west. Instead of adding beauty and romance to the land used for transporting Goa on Mormagao Harbour in Goa, it is as navigable as the inland waterway, as inland waterways. On the way to the coast, these waterways have broken the pavement, pits and weights radius, palm-frying coastlands, behind which there is a fishing village in coconut shells. The vast green areas of Sahyadri ranges ensure that there is plenty of water supplies in Goa. Seas and rivers grow in sea food - Locally, shrimp, mackerels, sardines, gray and lobster are among the most popular. The recipe for Goa is a mixture of different influences from the centuries in Goa. The main food items of Goa are fish and rice, both of Hindus and Catholics. Separate Hindu goan Foods do not have a strong influence on Portuguese food.

The beauty of Goa is also one of the features. The most popular pond is Maim and the Carambolim which has a safe tourist resort. With the formation of Goa, the incarnation of Lord Vishnu confirms the mythology of Hindu mythology to Lord Parashuram.

Various dynasties of ancient times ruled Goa. Rashtrakutas, Kadambas, Silaharas, Chalukyas, Bahamani Muslims. Portuguese was the ruler of Goa in modern times.

The collective culture of caste, religion and culture in the east and west and the rest of Goa is the style of the Goa of India. The Hindu and Catholic communities represent almost the whole population Muslims and minorities of other religions.

All communities have respect for each other, and due to their secular perspective Goa has a long and unbroken tradition of religious harmony. The warm and tolerant nature of festivals like Ganesh Chaturthi, Diwali, Christmas, easter and Id is of the same enthusiasm.

Goa is a small paradise of some beautiful seaside, which is 105 km away. Small panoramic villages, cities, temples, churches, mosques, forts and monuments that fall behind the green trees behind the palm, beautiful forests covered with green forests, cool and photographed coconut palm, cashew nuts and monumental wonderful panoramic looks. Offer a Kaleidoscope from the human handicrafts of Goa, the magnificent cathedral, the charming baroque villa, the grassy plants in the grasslands, the silent witnesses of the confused past, can be honored by the unique and distinctive design of human ideas and talent.

The rich heritage of Goa is considered as traditional folk music, dance, drama and literature, colorful festivals, pages and festivals. Apart from this, the masterpiece of the temple of Mangueshi, Shantadurga, Tambdi Surla, Basilica of Bom Jesus and from Cathedral is otherwise not less than the masterpiece. Throughout the year, devotees worshiped devotees and famous as pilgrims.

Goa is a major destination for international and domestic tourists. Tourism development is a holistic theme. The department is focusing on coastal tourism and promoting it as it is important for sea coastal property. However, now the tourism department has started changing coastal tourism with other foresight, environment and adventure sectors, which is an important place for international and domestic tourist travel.

The Goa government has declared tourism industry an impact since 01.04.2000. A master plan for tourism development has been prepared till 2011 AD. In the next decade, efforts are on to create a new master plan.

New tourism policy plays a leading role in the private sector for tourism development in the state. The strength of the policy is the diversity and value added of tourism production. Emphasizing the basic infrastructure of the Government, fundamental infrastructure is responsible for the development of infrastructure based on initiatives, to create an investor-friendly environment for new private initiatives in collaboration with the existing private tourism initiative financial and easy process and progressive financial and assessment policies. Also, provide regulatory measures to ensure social, cultural and environmental sustainability. In order to create trained manpower from local population, local communities are involved in the tourism industry. With the necessary equipment and trained life force, the main focus of the coastal life security is given.

And finally, in addition to natural beauty, fantastic beaches and sunshine, tourists from Goa love the peaceful, peaceful, warm and friendly nature of the people in Goa. The planet is more than anywhere on the planet. Goa is the place where people know how to relax.

CONCLUSION

1. During the last three years, there has been a tremendous growth in tourism flow in Goa, and this is a good sign for the industry and the general public for financial benefits. However, there is a need to look at this matter more seriously because the financial benefits are more than the eye. It is necessary to see what benefits and advantages the society has.
2. Government which has been made into full – fledged State in the Indian Union possesses the destination of achieving high level of both economic and social development. An average Gross Domestic Product is over 10% per annum. The high per capita income and high level of human development indicators are achieved by the state. The confederation of Indian Industry in its recent study has also ranked Goa as Number one in the country among all the states, Union Territory in terms of overall investment.
3. The people of Goa are calm and quiet and peaceful, their health is known worldwide and the population of the state is Hindu, Christian, Muslim and others. Religious harmony is a great example. There is no poverty in the state. Per capita income of the country is highest in the country.
4. Tourism in Goa has assumed the role of major economic activities directly and indirectly with all other sectors. Goa is a unique cultural mosaic with a variety of tourism resources. Further, the flow of five year fund flow started in the state, so that existing tourist facilities have been created, but the pace of progress is not at the desired level.
5. According to permission to organize “Tourism related solo events” classified in major and retail events, this department has introduced single window system. This policy has been effective since December 2012. By allowing the tourism related activities in the history of the department, the department has earned Rs. 214.10 lakhs for the year 2014-15.
6. In the private sector for the tourism season 2014-15, this department has given permission for making slums, tents and temporary shakes. 11.29 lakhs.
7. The Government has earned revenue towards Government shacks of Rs.111.95 Lakhs and towards deck beds Rs.7.34 Lakhs till 13.01.2015 for the year 2014-15.
8. The revenue earned by Government towards other leases is Rs.3.82 Lakhs for the year 2014-15 Rs.1.75 Lakhs towards Private shacks/ Huts, and Rs.12.92 Lakhs towards Water Sports for 2014-15.
9. The Government has earned revenue of Rs. 53.63 Lakhs towards Hotel registrations, renewals and penalties for 2014-15.
10. The Department has decided to revise and increase the registration fees for hotels, water sports operators, shack and all other trades covered under the Goa Registration of Tourism Trade Act, 1982 and the same is awaiting Government approval. Once the proposal is approved the Department will register handsome increase in revenue.

11. The Department is considering raising registration fees for various tourist activities like mobility, hotels, water sports operators, temporary huts, restaurants etc.
12. If the central government provides funds for sponsored schemes, the state government will be responsible for adequate finance for tourism development.
13. Political contributions will be made through favorable tax and financial policies. There is no need for modernization of basic infrastructure and tourism development.

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