

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

Praveen Rizal and R. Asokan

=====
Language in India www.languageinindia.com ISSN 1930-2940 Vol. 13:4 April 2013
=====

Abstract

The present study examines the impact of tourism industry on regional economic and health status in Sikkim state. Tourism industry is a largest contributor on the state economy and an important industry in Sikkim state. The growth and development in tourism has contributed in the socio-economic development in the state. Tourism is also resulting in the improvement in the health status of people in the region. The increase of inflow the tourists in Sikkim state resulted in the economic benefit in the regional. The percapita Gross State Domestic Product is increasing along with the growth of the tourism sector. The average annual growth rate of Gross State Domestic Product was 10.7 percent from 2004 to 2009 and the average annual growth rate of inflows of tourists was 18.4 percent. In the year 2004-05 the population below poverty line was 30.9 percent which decreased to 13.1 percent in the year 2009-10. Tourism has its indirect impact on the health status. Tourism is providing the income and employment to the people and thereby making economically sound, which results in improving the health status. Tourism is helping in reducing poverty and boosts the regional economy, which has indirectly leads to the better standard of living and improved health status of the people of Sikkim.

Keywords: Tourism, Health, Sikkim, poverty.

1. Introduction and Background

Sikkim is one of the Himalayan states lying in between 27 to 28 degrees North latitude and 88 to 89 degrees East longitude is the second smallest state of India with the total area of 7096 square kilometres and covered by the three international boundaries of Tibet Autonomous Region- china from North, Nepal from West, and Bhutan from East and

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013

C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

145

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

National boundary of West Bengal from South. Natural beauties of Sikkim state make her an important tourists' destination for tourists in India. Its rapid growth and development contributed in the socio-economic development in the state. Tourism Development in any area invariably leads to economic growth of that area, which is manifested in terms of increase in income and employment opportunities, infrastructural growth, improvement in the standard of living, etc (Joshi, R & Dhyani, P.P, 2009). Tourism, in particular, has contributed in several important ways to the positive performance of the average small economy (Sr., M.V and Croes, R.R, 2003). Sikkim has become one of the popular tourist destinations in India and inevitably is susceptible to environmental unsustainability. Keeping this point in view, this tiny state has started promoting village tourism. Such type of tourism is based on peoples' participation approach where the local culture acts as the central resource of investment. Local people in this context become the sole responsible authority to maintain the natural as well as cultural sustainability and also to generate profits from tourism activities in a collective way (D. Subhajt and R. K. Priyom, 2012). It not only brings in the economic development but also improves the social aspect of the people. The development through tourism is also resulting in the improvement in the health status of the people in and around tourist's destination area. Tourism is providing the income and employment to the people and thereby solving the economic problem, which results in the improvement in health.

Tourism is a major industry in Sikkim state. It is providing employment and income to the people. The increase of inflow the tourists in Sikkim resulted in the economic advantage to the regional economy. Tourism helps in reducing poverty and boasts the regional economy, which leads to the better standard of living and improved health status of the people. In this context, the present study examines the contribution of tourism industry on economic development and health status in Sikkim state.

2. Objectives

The objective of this paper is to examine the impact of tourism on the health status in Sikkim.

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013

C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

146

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

3. Methodology

3.1. Data and Sources

The present study is conducted on the tourists' inflow and health status in Sikkim state. The study is based on secondary data which have been collected from the Tourism Department of Government of Sikkim, Department of Statistics, evaluation and monitoring, Department of Health Care, Human Services and Family welfare and various others organization.

3.2. Statistical Methods Used

The increasing inflows of tourist, precapita State Gross Domestic Product and health status have been used to have a comparative study. Simple percentage and average annual growth rate of Gross State Domestic Product, Tourists' inflows and population below poverty line has been used to examine the comparative study between the inflows of tourists and health status in Sikkim state.

4. Results and Discussion

4.1. Discussion on Economy, Tourism and Health Status in Sikkim State

The economy of Sikkim state is largely depends on the Natural, forest and agricultural activities. Though Sikkim is a small Himalayan state, there has been remarkable growth in the regional economy. The increase in the Gross State Domestic Product shows this fact.

Table 1 The Per capita Gross State Domestic Product of Sikkim (US\$ million)

Sl. No	Year	Percapita GSDP
1	2000-01	394.5
2	2001-02	428.8
3	2002-03	504.1
4	2003-04	581.1
5	2004-05	621.9
6	2005-06	703.6
7	2006-07	836.8
8	2007-08	973.8

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013

C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

147

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

9	2008-09	954.4
---	---------	-------

Source: India Brand Equity Foundation.

Table 1 shows the percapita Gross State Domestic Product in US\$, which is increasing every year. The average annual growth rate of percapita Gross State Domestic Product in last one decade was 15.76 percent. It increased from \$ 394.5 in the year 2000-01 to \$ 954.4 in the year 2008-09. Trade, tourism, transportation and agriculture are the key drivers to the Gross State Domestic Product (India Brand Equity Foundation, 2010). Among all the three sectors, tertiary sector is the highest contributor in the state economy. It is 48 percent and it is driven by the real estate, trade, transportation, communication, hotels.

Tourism is a major industry in Sikkim state. Its natural beauty, peaceful socio-physical environment attracts more tourists from all over the world. The growth in tourism sector can be observed with the increasing inflows of tourists over a period of time in the region.

Table 2 Tourist inflow trend in Sikkim (2000 - 2009)

Sl. No.	Year	Domestic Tourist	Foreign Tourist	Total number of Tourist Arrival
1	2000	180256	8794	189050
2	2001	192354	7757	200111
3	2002	203835	8539	212374
4	2003	220824	10954	231778
5	2004	286687	13528	300215
6	2005	347650	16518	364168
7	2006	421943	18049	439992
8	2007	465204	17837	483041
9	2008	512373	21162	533535
10	2009	615628	17730	633358

Source: Department of Tourism, Government of Sikkim.

Table 2 shows the inflows of tourists in Sikkim state. It is clear from the table 2 that the inflows of tourists are tremendous. It has increased from 189050 in the year 2000 to 633358 in the year 2009 at an average annual growth rate of 23.5 percent. As per types of tourists, the increase in domestic tourists was from 2000 to 2009 was 24 percent and for foreign tourists it was 10 percent. In the year 2009, the inflow of foreign tourists decreased as 17730. The reason for the fall in the inflows of foreign tourist was because of natural and social factors like landslides and rainy season. Due to global slowdown, terrorist activities, H1N1 influenza pandemic etc, there was a slight decrease in the foreign tourists during the year 2009 compared to the year 2008 (Annual Report, Department of Tourism, Government of Sikkim, 2009-2010).

Tourism industry has its wide impact on Sikkim state. The increasing inflow of tourists is providing employment to the local people and it results in the income to the people. It is found as major livelihood activities of the local community people in tourists' destinations. More the tourist more will be the economic benefit to the local community, later which the social, physical and health status of the people. It is providing both direct and indirect income and employment to the people. This results in improvement in the economic condition of the people.

As tourism has direct, indirect and induced impact on the host region. Whereas, as per the health is concerned, there is impact but indirect impact. Tourism has its indirect impact on the health of an individual. In first phase, it has direct impact on the regional economy through income and employment to the people, improving standard of living and reducing poverty in the region. In the second phase, it has its indirect impact on the health of an individual. With the results of the improved economy and financial condition through tourism sector, especially in rural area, individual results in better health. The impact of tourism on the health status in Sikkim can be estimated from the table 3 and table 4, with the help of improved Percapita Gross State Domestic Product and Poverty line in the state.

Table 3 Per capita Gross State Domestic Product (US \$) and inflows of tourists

Sl. No	Year	GSDP*	Total number of Tourist Arrival**
1	2004	581.1	300215
2	2005	621.9	364168
3	2006	703.6	439992
4	2007	836.8	483041
5	2008	973.8	533535
6	2009	954.4	633358

Sources: * India Brand Equity Foundation ** *Department of Tourism, Government of Sikkim*

Table 3 shows the percapita Gross State Domestic Product and inflows of tourists from the year 2004 to 2009. It is clear from the table that the Percapita Gross State Domestic Product is increasing along with the increasing in the tourism sector. The average annual growth rate of Gross State Domestic Product was 10.7 percent and the average annual growth rate of inflows of tourists from 2004 to 2009 was 18.4 percent. The growth of tourism sector is with the increasing inflows of tourists. The tourists' inflow in Sikkim is increasing continuously which shows it growth in tourism sector.

Table 4 Population below Poverty Line in Sikkim (%)

Sl. No	Year	Below poverty line (%)		
		Urban	Rural	Total
1	2004-05	25.9%	31.8%	30.9%
2	2009-10	5%	15.5%	13.1%

Source: Sikkim NOW.

Table 4 shows the percentage of population below poverty line in Sikkim state. There was a fall in the poverty line in Sikkim state from 2004-05 to 2009-10. In the year 2004-05 the population below poverty line was 30.9 percent which decreased to 13.1 percent in the year 2009-10. As compared to the increasing inflows of tourists and Gross state Domestic product, the percentage of population below poverty line is opposite. It is decreasing when the tourism and economy of the state is improving, which shows a positive report.

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013

C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

150

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

Table 5 Estimated Birth Rate, Death Rate and Infant Mortality Rate- 2004-08 (per thousand)

Sl. No.	Year	Birth Rate	Death Rate	Infant Mortality Rate
5	2004	19.5	4.9	32
6	2005	19.9	5.1	30
7	2006	19.2	5.6	33
8	2007	18.1	5.3	34
9	2008	18.4	5.2	19

Source: Health Information Bulletin- 2010, Government of Sikkim.

Table 5 shows the estimated Birth Rate, Death Rate and Infant Mortality Rate (2004-08). The birth rate was 19.5 in the year 2004 and fall to 18.4 in the year 2008. The death rate was 4.9 in the year 2004 and 5.2 in the year 2008. The infant mortality rate has decreased from 32 in the year 2004 to 19 in the year 2008.

5. Conclusion

Tourism industry is a largest contributor on the state economy of Sikkim and found as an important industry in Sikkim state. Its growth and development has contributed in the socio-economic development people in the Sikkim state. Tourism is also resulting in the improvement in the health status of the people in and around tourist's destination area in the region. Tourism has its indirect impact on the health of an individual. Tourism is providing the livelihood opportunities to the people and thereby making sound economic background, which later improving the health status. The percapita Gross State Domestic Product is increasing along with the growth of the tourism sector. The increase of inflow the tourists in Sikkim resulted in the economic advantage to the regional economy. With the increasing in tourism and regional economy, the percentage of population below poverty line has come down tremendously. The improved financial condition of people through tourism, it results in better health. Tourism is helping in reducing poverty and boosts the regional economy, which

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013

C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

151

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

has indirectly leads to the better standard of living and improved health status of the people of Sikkim.

References

1. *Annual Report- 2006-07*. Department of Tourism, Government of Sikkim.
2. *Annual Report- 2008-09*. Department of Tourism, Government of Sikkim.
3. Annual Report – 2009-10, Department of Tourism, Government of Sikkim.
4. D. Subhajit and R. K. Priyom (2012). Village Tourism in Sikkim, India: A Pre-colonial Approach for Sustainability *International Journal of Social Science Tomorrow*, 1 (4), 1-6.
5. Health Information Bulletin (2010). Planning, Monitoring and Evaluation Division. Department of Health Care, Human Services and Family Welfare. Government of Sikkim.
6. R. Joshi and P.P Dhyani (2009). Environmental sustainability and tourism-implications of trend synergies of tourism in Sikkim Himalayas. *Current Science*, 97(1), 33-41, July.
7. *Sikkim: A statistical profile - (2004-05)*. Directorate of Economics, Statistics, Monitoring and Evaluation, Government of Sikkim.
8. *Sikkim: A statistical profile - (2006–07)*. Directorate of Economics, Statistics, Monitoring and Evaluation, Government of Sikkim.
9. Sikkim– 2010. India Brand Equity Foundation (IBEF), November.
10. Sr., M. V, and Croes, R. R (2003). Growth, Development and Tourism in small economy: Evidence from Aruba. *International Journal of Tourism Research*, 5: 315-330.

Praveen Rizal, Ph.D. Research Scholar
Department of Economics
Annamalai University
Annamalai Nagar-608002
Tamil Nadu
India
praven.rizal@gmail.com

R. Asokan

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013

C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

152

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State

Assistant Professor
Economics Wing, DDE
Annamalai University
Annamalai Nagar-608002
Tamil Nadu
India
asokaneco@gmail.com

Language in India www.languageinindia.com ISSN 1930-2940 13:4 April 2013
C. Subburaman, Ph.D. (Ed.) *Health and Medical Care Services: Claims on National Resources*

Praveen Rizal and R. Asokan

153

An Overview of Tourism Industry and Its Impact on the Health Status in Sikkim State