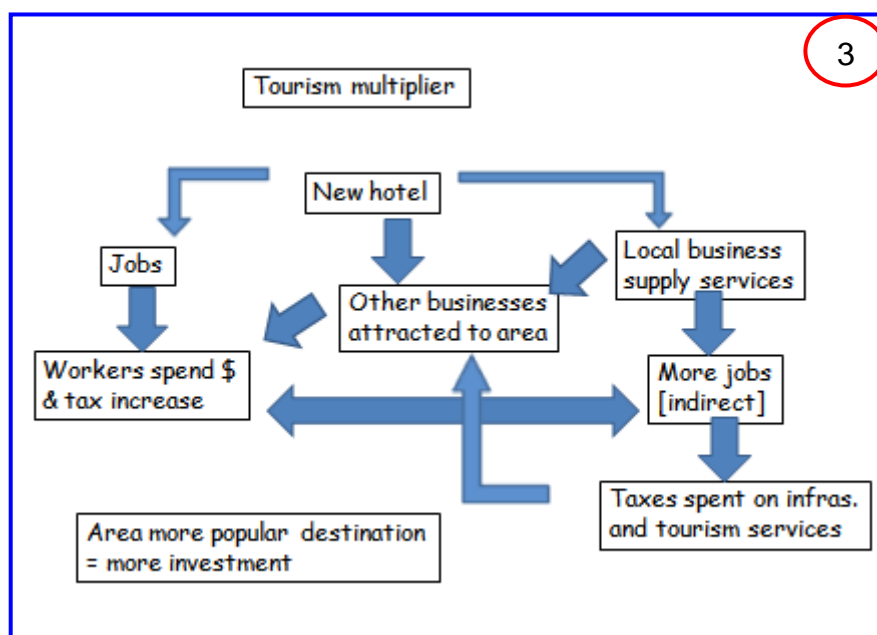


## Economic and Social significance of tourism for people

The economic and social factors are closely interrelated, as the economy can provide the infrastructure and investment required for human development. Consequently the significance of tourism for people can be examined by how positively economic and social factors impact on each other (1). As society becomes more mobile and prosperous tourism will become increasingly significant for people...

The economic significance of tourism development is massive, whether it is assessed at a global, national or local level. The most obvious economic significance is how fast the tourism sector has grown globally and the extent to which it impacts on the wider economy. The significance can be summed up in the following statistics: tourism provided 9% of global GDP and accounted for 255 million jobs. The tourism industry is expected to continue to grow by an average 4% annually (2).

The multiplier effect is evident in a village context where a paved road providing improved accessibility, could lead to further growth, as in North Western Tanzania, or the development of a new hotel or resort on an island nation like the Maldives...



China has experienced a tourism boom since the late 20<sup>th</sup> century. Major attractions like the ...attract millions of tourists a year. China is now in the top 5 visited countries and in 2010, ... etc. The 2008 Olympics demonstrated the significance of the tourism industry to China. Massive investment in accommodation and transport was needed, stimulating indirect employment like construction, printing, furniture making etc. This investment needs to be on going to support this rapidly growing sector of the

economy (4) and in 2011 many facilities developed for the games were upgraded, including.... Tourism stimulated employment opportunities in China and supported the growing economy which resulted in increase in disposable income experienced by much of the population ... (1)

The increasing wealth of the Chinese people can be seen in their increasing size as a tourism generating region for other international destinations. N.Z. tourism statistics state that 145,524 Chinese visitors came to N.Z. last year and that this is a growth market. Tourism is a major industry for N.Z. employing 91,900 FTE (full time employed) which is --% of all people employed full time... has been estimated as many as 1:10 New Zealanders are directly and indirectly involved in the tourism industry and it earns -% of our GDP (5). Tourism's contribution to the economy cannot be in doubt when these statistics are considered. The wages and salaries earned by these people are spent in other industries and the taxes paid provide the government with funds for investment in ...upgrading transport and improving accessibility throughout N.Z... (refer to the multiplier diagram)... (1).

Some countries look to tourism to diversify their economies and improve levels of development through creating employment opportunities. The Mongolian president intends to boost tourism related infrastructure and he was supported by the UNWTO Secretary General who stated "While other economic sectors generate short and medium-term gains, tourism, when sustainably planned and managed, has proven to stimulate economies over the long-term". This view of tourism as a vehicle for job creation and sustainable economic growth is not a new concept and has been successfully used by many countries especially in the last 30 years e.g. Indonesia (Bali), Maldives, Tahiti, and Tanzania (4)... Many jobs generated by tourism growth have been filled by foreigners... locals are employed in the low paid areas e.g. cleaning, gardening... (1)

The economic enterprise resulting from interaction between locals and increasing numbers of tourists even in small rural villages e.g. in the Kunene region of Namibia, leads to ... It also creates a greater interest in their culture which gives villages a sense of pride when performing for visitors... This is a significant consequence of global tourism development in both the short and long term showing how widespread the effects are... An economic issue can be when a country becomes dependent on tourism as a major provider of earnings and employment (6) because ... The destination country has marginal control over the supply of tourists which is largely influenced by the economy of the source region, e.g... This can create ongoing issues both social and economic... (1)