

CHAPTER -VI

SOCIO-ECONOMIC IMPACT

Socio-Economic Feature and Profile

This chapter has been divided into two parts. The first part of the chapter deals with the economic profile of Himachal Pradesh by exploring sectoral contribution on economic growth and state income. While the second part of the chapter deals with the demographic variables of the tourists and local residents of the state. The demographic variables which are studied here are the name of tourist and local residents, nationality, place of residence, sex, age, marital status, educational level, occupation, family size, purpose of visit, season of visit mode of traveling, accommodation preferred during their stay etc. All these variables helped to determine the level of tourists.

6.1 Economic Profile of Himachal Pradesh

Himachal is primarily a hill state with a peculiar set of economic condition. It covers well over one – eighth of the total land area of the country, has been neglect for centuries despite the fact that its geographical, historical and cultural importance has been realized for India since time immemorial. Himachal Pradesh is one of the most developed hilly regions in the Himalayan ranges as its per capita income is considered as on Index of development. This, however, is partly due to the low density of population. Resource-wise, Himachal Pradesh happens to be very rich and low population is partly a result of tough terrain which is inaccessible and on account of a historical neglect of the region by the king classes in pre-independence era. At that time these hill resorts were connected with Skeleton roads and were also provided amenities like water supply and drainage but the hill in general remain in the state of utter neglect. The position was worse in areas, which were under the rule of local feudal Rajas, who had neither the resources nor the intention to ameliorate the condition of their subject. The backlog of under development piled up with passage of time and when India achieved independence, the hills were the plague sports in the country so far as development was concerned. Planning as an instrument of development was adopted in Himachal Pradesh in 1952 after the final inauguration of the Five-year Plan at the nation level. The broad objectives during the various plans

have been in consonance with the national objectives. Soon after the formation of the full-fledged state of India, concentrated efforts were made by the people and government to improve the economic conditions of the state. Today, the state economy is based on agriculture, horticulture, forests, hydel power, road transport, tourism and industry. The last 50 years have thus been a range of dynamic development and rapid economic growth is apparent even to the naked eye that this has been a period of unprecedented growth, consideration and expansion.

6.2 Economic Growth and Sectoral Contribution in State Income

The state income is the sum total of all income received by the residents of a state in a given period of time, provided these are calculated without any omission or duplication. State Domestic Product (SDP) is the most important indicator for measuring the economic growth According to quick estimates; the total SDP in 2011-12 was Rs. 41,939 crore. The sectoral analysis reveals that during 2011-12 the contribution of primary sector to total SDP of the state was 19 percent, secondary sector 40percent, community and personal services 18percent, Transport, communication and trade 15percent and Finance & Real Estate 8percent.

Agriculture

Agriculture is a vital sector of economic activity in the Pradesh, which provides direct employment to 71 percent of the total main workers of the state. Out of the total geographical area of 55.67 lakh hectares, the area of operational holdings is 9.99 lakh hectares and operated by 8.63 lakh farmes. Usually every cultivating household is self – sufficient in agricultural operation and the number of full time agricultural labour is not significant.

The State has a wide range of agroclimatic and topographical condition ranging from the flat lands in the lower hills to the cold deserts, which are best, suited for growing dry fruits and potatoes. The lower hills and valleys like Paonta, Bath, Kangra and Kullu are relatively flat and fertile. They produce a large quantity of food grains like wheat and rice. The middle hills are ideally suited for growing cash crops like tomatoes and other vegetables. The higher regions are best suited for raising fruits like apples and plums.

Horticulture

The varied agro-climatic condition in Himachal Pradesh is suitable for growing a wide range of fruit crops. But to higher productivity and income per unit area from fruit crops, horticulture in the State is playing a vital role in improving the socio-economic condition of the people of the state. Apple so far is the dominant fruit crop of the State. About 8.92 lakh tones apple were produced in the State in 2010 - 2011, whereas production of citrus, nut and dry fruits and others was 28680, 3620 and 103410 tonnes. Whole state can be divided into four agro-climate zones and in each zone suitable fruits that can be grown on a commercial basis.

Table 6.1: Agro climatic region

Zone	Attitude range (in mtrs)	Fruits grown
Lower hills and valleys near the plain	350-900	Sub-tropical fruits like mango, litchi, guava, and citrus fruits.
Middle hills	900-1500	Stone fruits like peach, plum, apricot, pear and pomegranate.
High hills and interior valleys	1500-2700	Temperate fruits like Cherry, pear walnut and chestnut.
Cold and dry zone	1500-3600	Dry fruits like chilgoza, almond and grape raison and apple.

To bring about diversification in the horticulture industry, special efforts are being made to promote other horticulture crops of economic importance like olives, figs, hops, kiwi fruits, strawberry and flowers. Ancillary horticulture activities like mushroom production and bee-keeping also promoting in the State.

HPMC a State Public sector undertaking is exclusively looking after the marketing and processing of the horticulture produce of the state. It has a vast network of retail outlets all over India.

Fisheries

The state is blessed with vast and variegated fishery resources in the shape of network of rivers, sprawling reservoirs, and high altitude lakes harboring wide array of temperature, sub-temperature and tropical fish species. Mainly classified rich

rivers, lacustrine, recreational and pond fisheries, the state water offers considerable potential for the development of fisheries. About 12,000 families in the state depend directly or indirectly on this occupation. During 2011-12, the production of fish was 8045 tonnes worth of Rs. 54.54 crores. The country's first 'Mahseer' fish seed farm at Sidhpur in Mandi district has been established with the help of central assistance.

Forests

Forestry is one of the chief resources of all non-tax resource of income to the State. Forestry is labour intensive in nature. Forests in H.P. cover an area of 37,016 Sq.Kms. and form about 66.5 percent of the total geographical area of the State. Forests are contributing to the economy of the State in different manners. In spite of ban on green felling, the State Forest Corporation is extracting commercial timber from dry, fallen and damaged trees. Deodar wood is the important commercial timber being sold and earns revenue of crores of rupees every year. Resin obtained from Chirpine trees, chilgoza from Kinnaur forests, medicinal herbs like dioscorea, oil of deodar and blue pine, canes and bamboo etc. are the important produce and importance resource of revenue for the State. Besides, forests are also essential to conserve soil and to regulate the flow of water in the rivers so as to ensure the longevity of multipurpose hydro-projects of the State.

Minerals

Many important minerals found in the State, Limestone in lower hills, like Bilaspur, Sirmour, Mandi, and Kullu Districts, Dolomite in Kothipura and Ranjota Blocks of Bilaspur, Gypsum in Solan, Chamba, Kinnaur and L & S Districts, Barite in Naldera in Shimla and many parts of Sirmour, Magnesite in Bharmour of Chamba and parts of Mandi District, Rock salt in Gumma and Drang areas of Mandi district. Silica Sand along Satluj and Giri river, slates in Kangra, Chamba and Kullu, Mineral water of Kalath near Manali, radioactive minerals near Chinjara and Jari in Parvati valley and other many minerals like Pyrite, Copper, Coal, Lead and Zinc, Mica, Gold etc help the state to earn revenue exchequer.

Industries

The peaceful climate, political harmony and stability in the state have gone a long way in attracting entrepreneurs both from outside and within the State. The

process of industrialization in the State started during the eighties and gained momentum during the decade.

At present, there are 4230 medium and large – scale industries, providing employment to 268994 persons and 856 small – scale industries engaging 7732 workers. The department of Industries is organizing various types of programmes for the perspective entrepreneurs under entrepreneurial development. The State Government is developing many industrial areas / estates and providing a number of incentives for settling up industrial units.

Hydro-Electric Power

Himachal Pradesh occupies a strategic position as the watershed of important rivers of Northern India. The state has a vast hydel potential and through preliminary hydrological, topographical and geological investigation, it has been estimated that about 20,300 M.W. of hydel power can be generated in the state by constructing various major, medium, small and mini / micro hydel projects on the five river basins. The huge hydel potential of the state can play a major role in power development programmes in the northern region and will provide an economic base for the all overall development of H.P. The concerned authorities and the state govt. are fully alive on the matter and have accorded top priority to the power development programmes in the State. An effort has been made by HPSEB to make master plans of hydropower development of individual river basins.

Due to limited resources available with the state govt. the govt. of India approved the participation of the private sector in the generation, supply and distribution of electricity in the country in order to overcome the anticipated power shortage. As a result, the state govt. had given various hydel projects in private sector for implementation.

6.3 Socio-economic Profile of Tourists

Sex

The sex-wise details of tourists are shown in table 6.2. Among the 400 tourists contacted during the period under study 100 tourists are foreigners and 300 Indians.

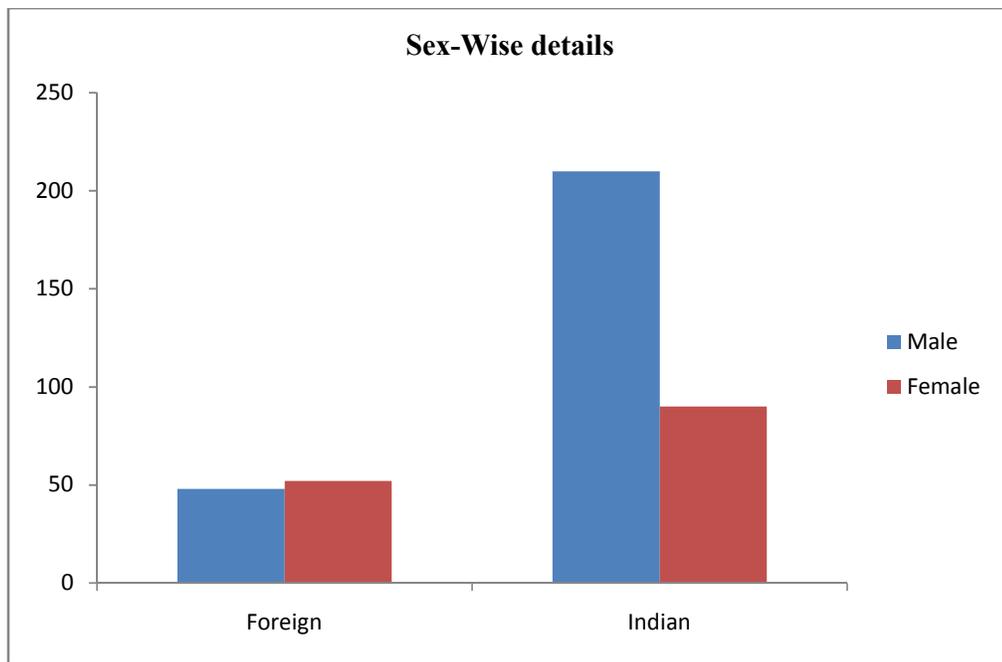
Table 6.2
Sex-wise details

Nationality	Male	Female	Total
Foreign	48 (48)	52 (52)	100 (100)
Domestic	210 (70)	90 (30)	300 (100)
Total	258 (64.5)	142 (35.5)	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.1



Thus among foreigners 52% are female and 48% are males whereas among Indians 70% are male tourist and 30% are female tourists. As a whole among these 400 tourists, 35.5% are from female category whereas rests of the tourists are from male category. It is observed during the study that the tourists like this region of Himachal Pradesh due to its scenic beauty and religious locations so that they always prefer to visit and enjoy the region during vacations and leisure time.

Nationality

The analysis of table 6.3 revealed the nationality of foreign tourists. In this study out of 400 tourists, the 100 tourists belonged to different foreign countries. The

flow of foreign tourists indicates that 14 tourists are british nationals followed by 11 tourists who belonged to Tibet whereas 10 tourists are Russians,9 are Israelis,5 are French,4are Japanese,3 are Spanish and 2 each from Argentina, Australia, Brazil, Canada, China,Germany,Holland,Italy,Nepal,Switzerland and USA respectively. According to this table and other relevant information regarding the foreign tourists, it is observed that Kangra tourism is very famous in the world tourism map.Almost from every corner of the world tourists visited this region of Himachal Pradesh.

Table 6.3
Nationality of the foreign tourists

S.No.	Nationality	No. of tourists
1	Argentina	2
2	Australian	2
3	Austria	1
4	Bahrain	1
5	Belgium	1
6	Brazil	2
7	British	14
8	Canadian	2
9	Chinese	2
10	Cyprus	1
11	Czech	1
12	Denmark	1
13	Finnish	1
14	French	5
15	Georgia	1
16	German	2
17	Holland	2
18	Ireland	1
19	Israel	9
20	Italian	2
21	Japan	4
22	Kazakhstan	1
23	Kenya	1
24	Kuwait	1

25	Malaysia	1
26	Maldives	1
27	Nepal	2
28	New Zealand	1
29	Portugal	1
30	Russia	10
31	Saudi Arabia	1
32	Scotland	1
33	Singapore	1
34	South African	1
35	Spain	3
36	Swiss	2
37	Tibet	11
38	UAE	1
39	USA	2
40	Zimbabwe	1
	Total	100

Source: Data collected through questionnaires

Age

The analysis of table 6.4 revealed the age wise details of tourists visiting Kangra District. It is observed that majority of the tourists (46.5) are below the age of 30 years. This clearly indicates that due to hilly terrain and other geographical conditions of the tourist places, which are scattered upto the far flung areas of the region. Young tourists like to visit here again and again.

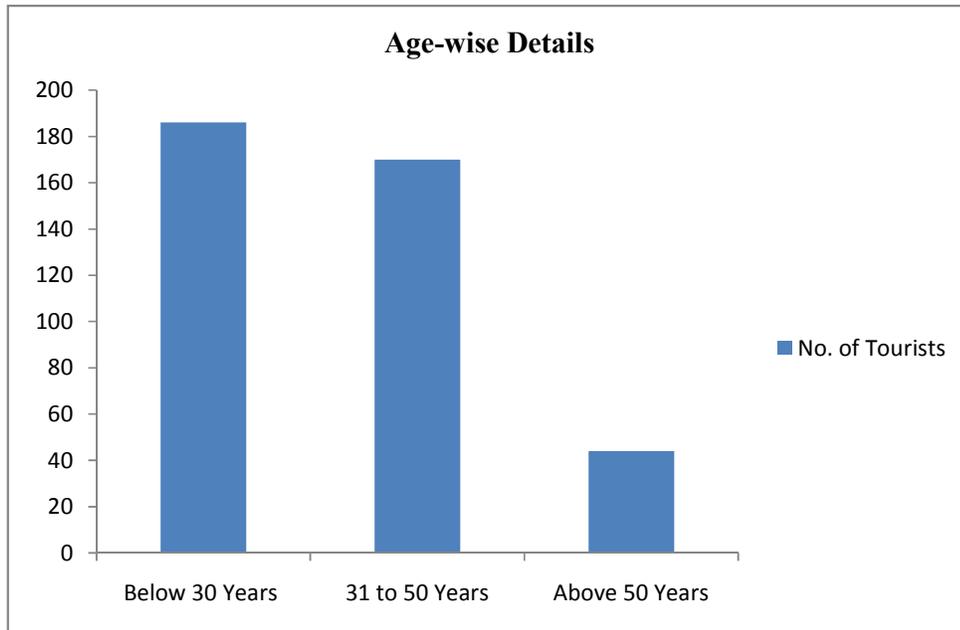
Table 6.4
Age-wise Details

Sr. No.	Statement / Response	No. of Tourists
1	Below 30 Years	186 (46.5)
2	31 to 50 Years	170 (42.5)
3	Above 50 Years	44 (11)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.2



Between age group of 31 to 50 years, 42.5 % and above 50 years only 11% are visiting to the region. The low percentage of tourists in the age group of above 50 years is because of tough terrain and weather conditions, so old age people do not want to visit during winter season.

Marital Status

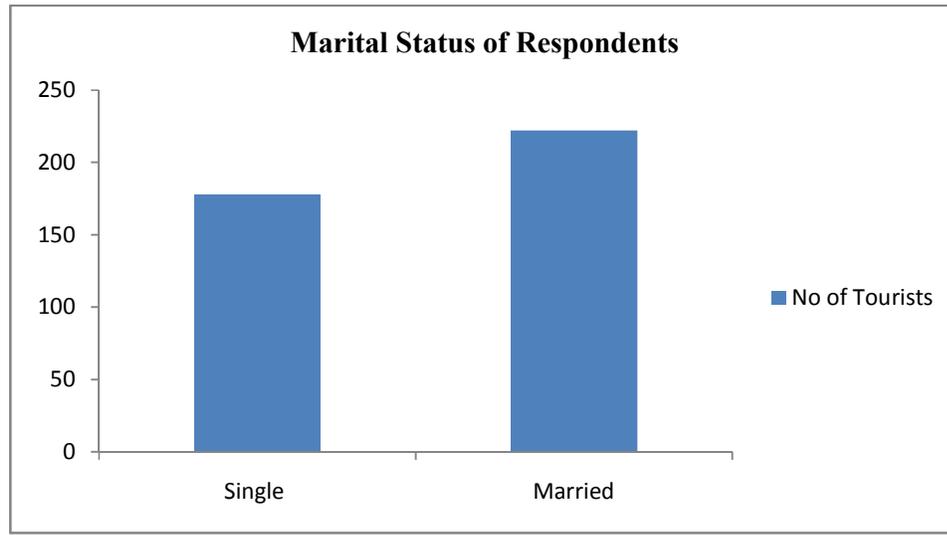
Further it is from the table 6.5 that majority of the visiting tourists i.e. 55.5% are married while 44.5% are unmarried.

Table 6.5
Marital Status of respondents

Sr. No.	Statement/Response	No of Tourists
1	Single	178 (44.5)
2	Married	222 (55.5)
	Total	400 (100)

Source: Data collected through questionnaires.
Note: Figures in Parenthesis are in percentage.

Figure 6.3



Educational Level

The analysis table 6.6 revealed the educational level of the visiting tourists. 39.5% of the tourists are post graduates and above qualifications followed by 32.2% who are graduates. The professionals are 17.5% while 10.75% tourists are matriculate. No body is below matric which indicates that the people who have below matric qualifications may be purely a rural and backward citizens who do not have sufficient money, exposure and even time because of their limited resources and knowledge, they are more concerned with bread and butter and have no sense about the outside world which includes tourism also.

Table6.6

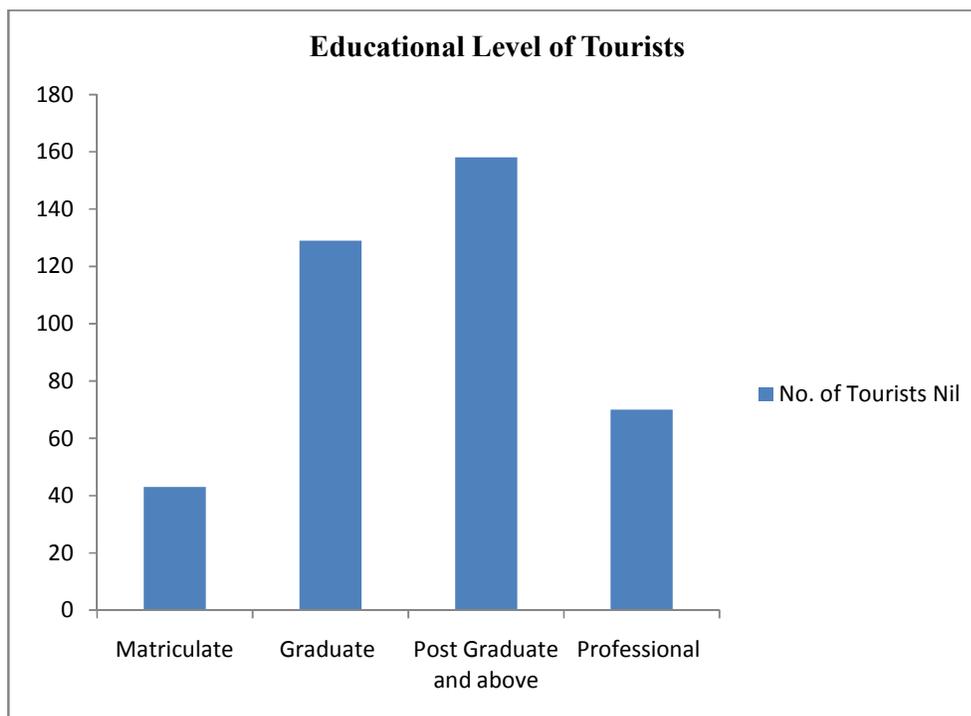
Educational Level of Tourists

Sr. No	Statement/Response	No. of Tourists
1	Below Matric	Nil
2	Matriculate	43 (10.75)
3	Graduate	129 (32.25)
4	Post Graduate and above	158 (39.5)
5	Professional	70 (17.5)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.4



Occupation

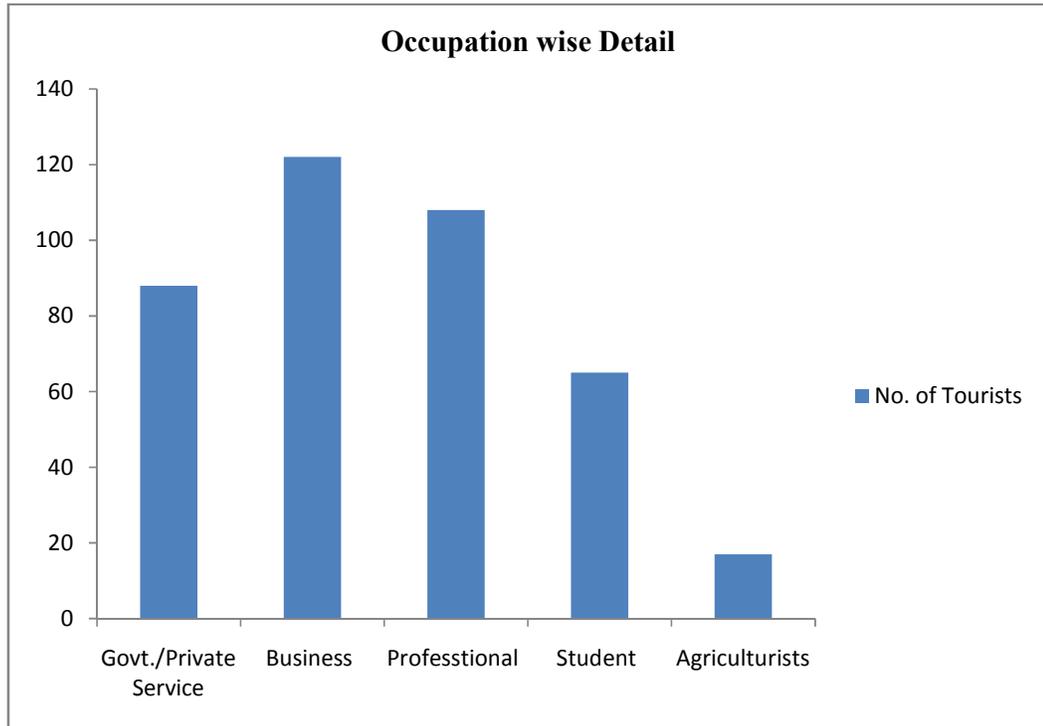
Table 6.7
Occupation wise Detail

Sr. No.	Statement /Response	No. of Tourists
1	Govt./Private Service	88 (22)
2	Business	122 (30.5)
3	Professtional	108 (27)
4	Student	65 (16.25)
5	Agriculturists	17 (4.25)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.5



So far as occupational structure of visiting tourists is concerned it is depicted in the table 6.7 that 30.5% are from business community followed by 27% professional, 22% Govt./Private service job and 16.25% students respectively. While agriculturists share is just 4.25%, majority of the agriculturists is from Punjab, Haryana, Rajasthan and Western UP. It is found during the survey that people engaged in agricultural activities remained busy through out the year and cannot spare time to visit any tourist place. Moreover they have very limited resources also.

Purpose of Visit

According to the survey/study 40.25% tourists visited to Kangra District for sight seeing closely followed by 39.5% tourists who reached here for entertainment. Only 9% are students who are on their educational tour. Although a very few tourist reached here for other purposes also.

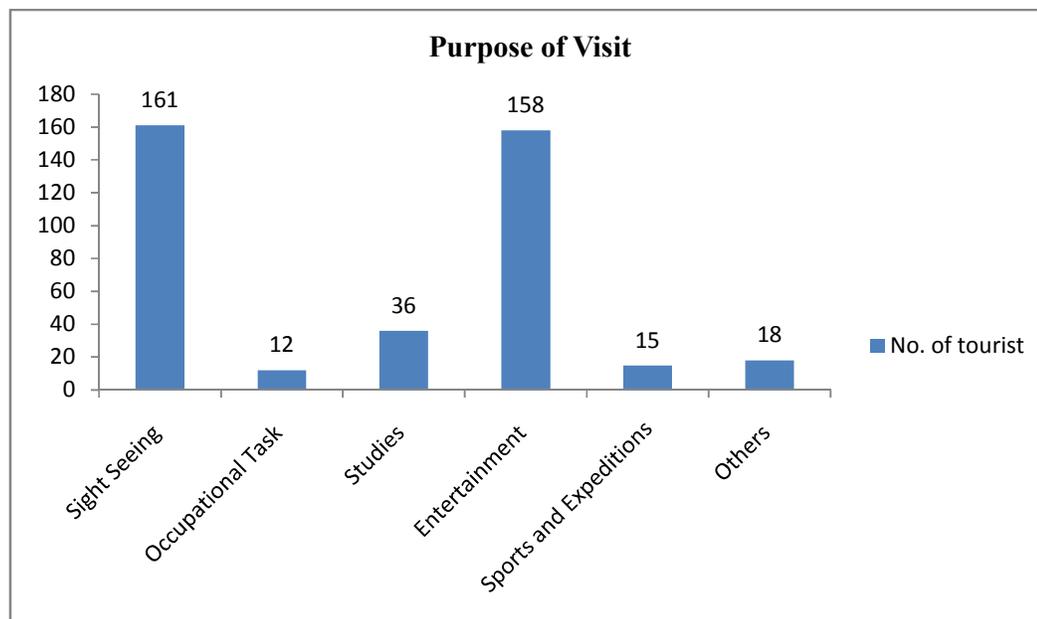
Table 6.8
Purpose of Visit

Sr. No.	Statement/Response	No. of tourist
1	Sight Seeing	161 (40.25)
2	Occupational Task	12 (3)
3	Studies	36 (9)
4	Entertainment	158 (39.5)
5	Sports and Expeditions	15 (3.75)
6	Others	18 (4.5)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.6



It is clearly evident from the table 6.8 that nearly 80% tourists reached in the Kangra region because of its scenic beauty, peace and pleasant weather conditions. The snowy Dhauladhar range, dense forest peaks, peacefulness and simplicity of local people attract more tourists to visit again in this hilly region. One more reason for the attraction of the tourists is the disturbance neighbouring state of Jammu & Kashmir and undeveloped infrastructure of Uttarakhand. So the tourists prefer Himachal Pradesh in general and Kangra District in particular.

Motivation to Visit

The analysis of the table no 6.9 reveals that 40.25% tourists are influenced by their friends and relatives to visit to Kangra whereas 21.75% tourists are influenced through guide books/brochures followed by 20.25% any other source, 11.25% through newspapers and 3.75% through radio and television.

Table6.9

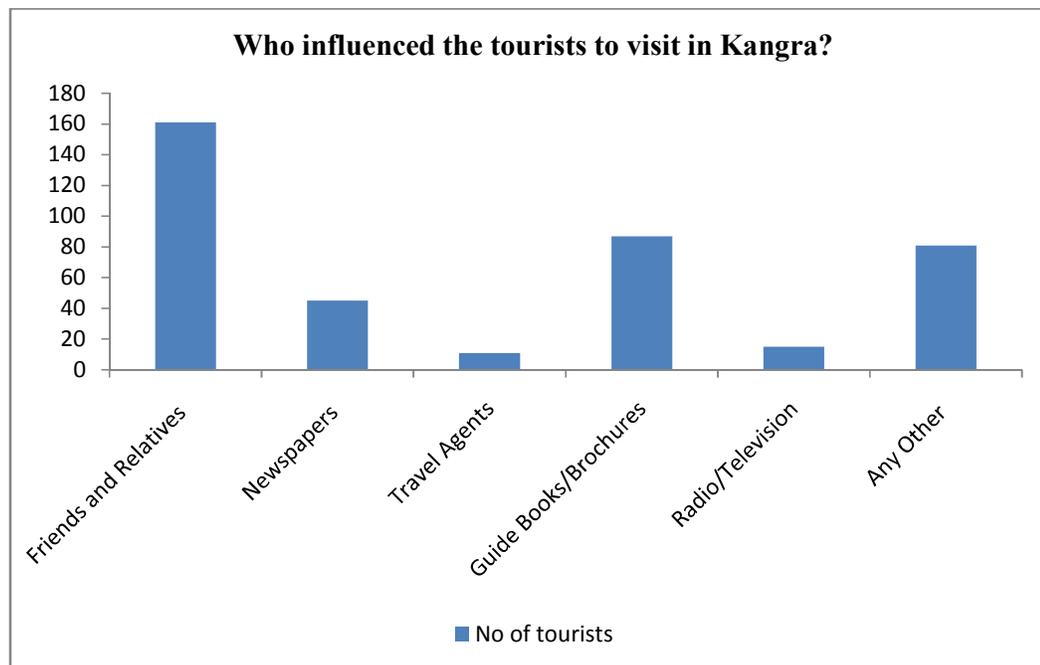
Who influenced the tourists to visit in Kangra?

Sr. No.	Statement/Response	No of tourists
1	Friends and Relatives	161 (40.25)
2	Newspapers	45 (11.25)
3	Travel Agents	11 (2.75)
4	Guide Books/Brochures	87 (21.75)
5	Radio/Television	15 (3.75)
6	Any Other	81 (20.25)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.7



The role of travel agents to influence tourists is not so good because they influenced only 2.75% tourists during the period under study. This indicates that travel agents are only doing the duties to provide transportation facilities to tourist's destinations and not motivating and guiding them about the better and attractive tourist places. On the other hand friends and relatives of the visiting tourists convince and guide them properly about the tourist places so that this is a better source of inspiration and also very famous among prospective tourists.

Season of Visit

It is evident from the table 6.10 that during summer season 39% tourists visited Kangra region followed by 37.5% who visited in winter season. 17% tourists visit here in all season and only 6.5% in autumn season. The table 6.10 witnessed that nearly 80% tourists reached the different parts of the region during these two seasons namely summer and winter.

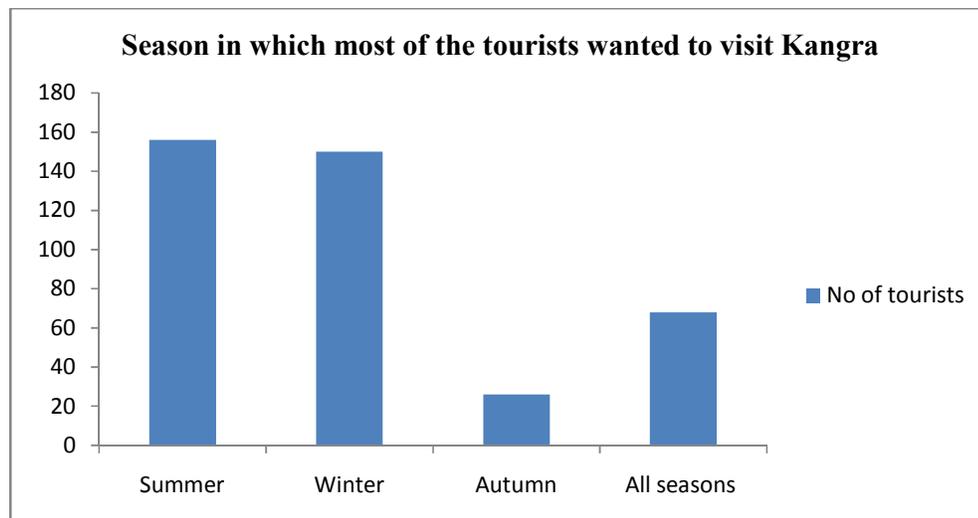
Table 6.10
Season in which most of the tourists wanted to visit Kangra

Sr. No.	Statement/Response	No of tourists
1	Summer	156 (39)
2	Winter	150 (37.5)
3	Autumn	26 (6.5)
4	All seasons	68 (17)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.8



The season is obvious that during summer the other state of northern, central, eastern and southern India suffered with the hot temperature and people wanted get rid of from this heat and visited towards calm and cool places of the region. In winter there is another attraction that the Dhauladhar and its adjoining parts covered with snow, which attracts Indian as well as foreign tourists. So the majority of the tourists visit the Kangra within India and abroad during these two seasons.

Source of information to Visit

The table 6.11 revealed that 52% tourists consult their friends and relative while coming to Kangra. Whereas any other sources like internet contributed 26% followed by 18% through tourists information centre. This indicates that the contribution of friends and relatives to motivate people towards the region is appreciable.

Table 6.11

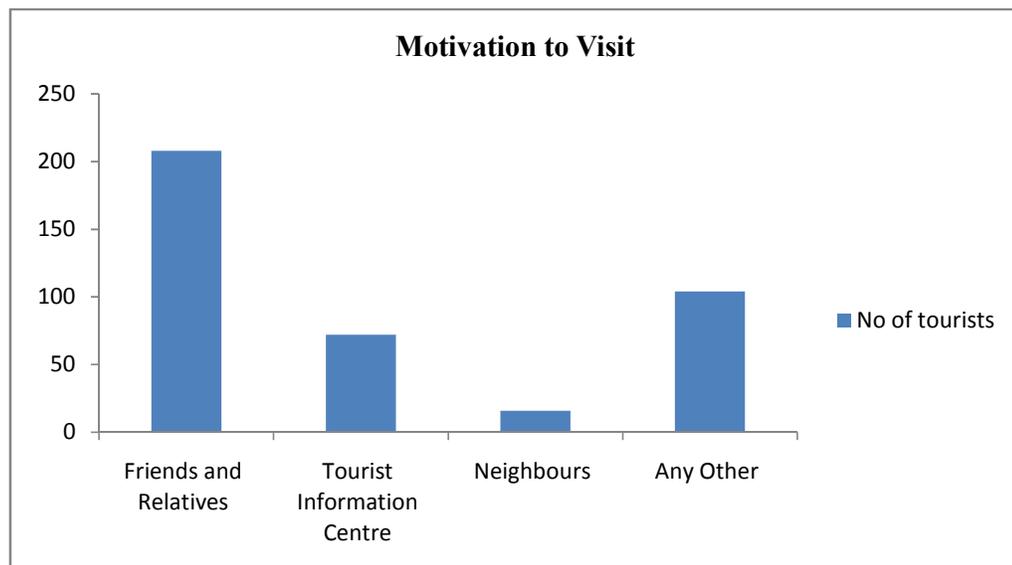
Whom did the tourists consult for the visit to Kangra?

Sr. No.	Statement/Response	No of tourists
1	Friends and Relatives	208 (52)
2	Tourist Information Centre	72 (18)
3	Neighbours	16 (4)
4	Any Other	104 (26)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.9



The role of friends and relatives may be important in this direction because they have already visited here and can convince the visiting tourists properly about the facilities and difficulties they have already experienced here. So they are playing a very crucial role to motivate more and more tourists towards the region.

Frequency of Visit

It is evident from the table 6.12 that 44.25% tourists visited here for the thrice or more time. Whereas 40.75% tourists reached here for the first time followed by 15% tourists came here twice.

Table 6.12

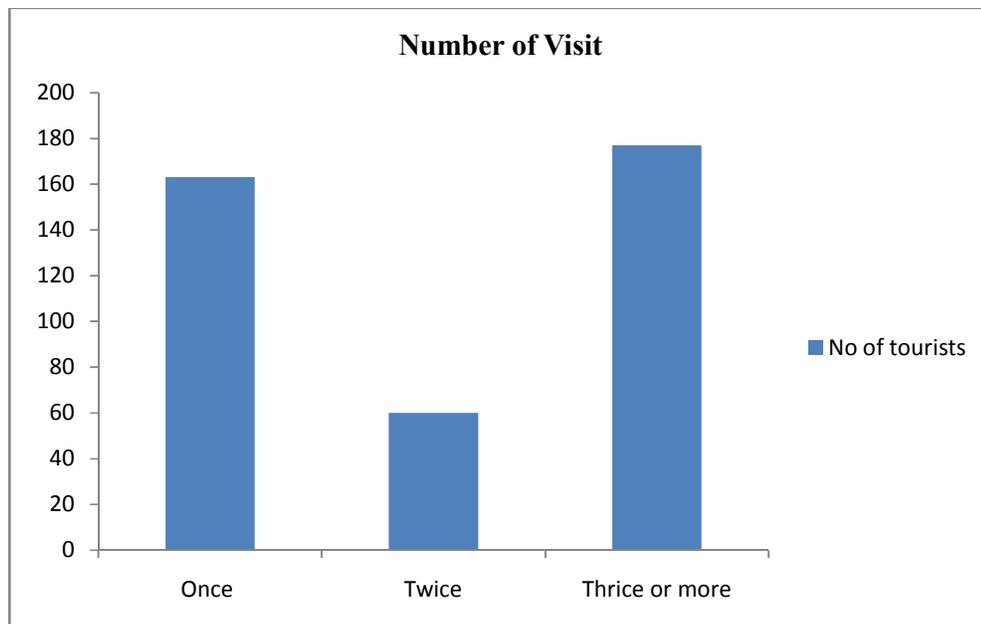
How many times the tourists have already visited in Kangra?

Sr. No.	Statement/Response	No of tourists
1	Once	163 (40.75)
2	Twice	60 (15)
3	Thrice or more	177 (44.25)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.10



It is observed in the study that very high numbers of tourists are coming repeatedly. It further indicate that at the first instance they like Kangra then any other tourist place and appreciate the State for its scenic beauty and weather condition which are totally God gifted.

Preference of Single, Joint or Group visit

The analysis of the table 6.13 reveals that 48% tourists travelled Kangra as a couple followed by 28% who visited with their family, 15% as single tourist and 9% in group.

Table 6.13

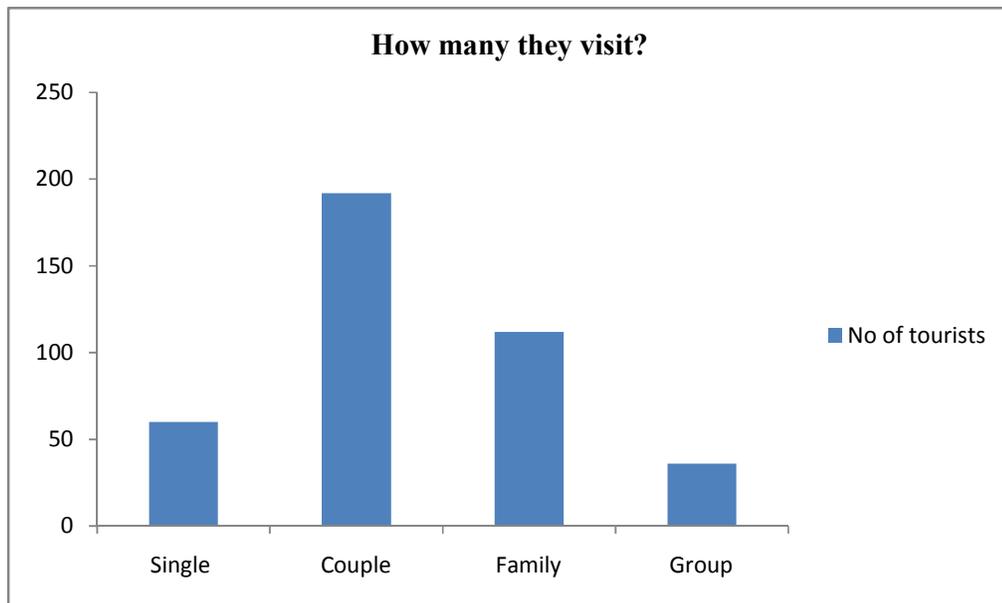
Preference of their travelling Single/ Joint/ Group?

Sr. No.	Statement/Response	No of tourists
1	Single	60(15)
2	Couple	192 (48)
3	Family	112 (28)
4	Group	36 (9)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.11



It is observed that majority of tourists are newly married couple and family which indicates that the State is peaceful and hosts are very cooperative so that tourists particularly newly married couples travelled throughout the region without any fear and preferred Kangra as a safest tourist destination.

Mode of travelling

So far mode of travelling is concerned it is a very complicated problem faced by the Indian as well as foreign tourists while coming to Himachal Pradesh in general and Kangra in particular. Table 6.14 revealed that 44% of the tourists reached their destination by bus followed 33% who travelled by their own car. While 14% tourists visited by taxi. The share of rail and air mode of travelling to facilitate tourists is almost negligible. Because both the modes of travelling has not been developed in the state.

Table 6.14

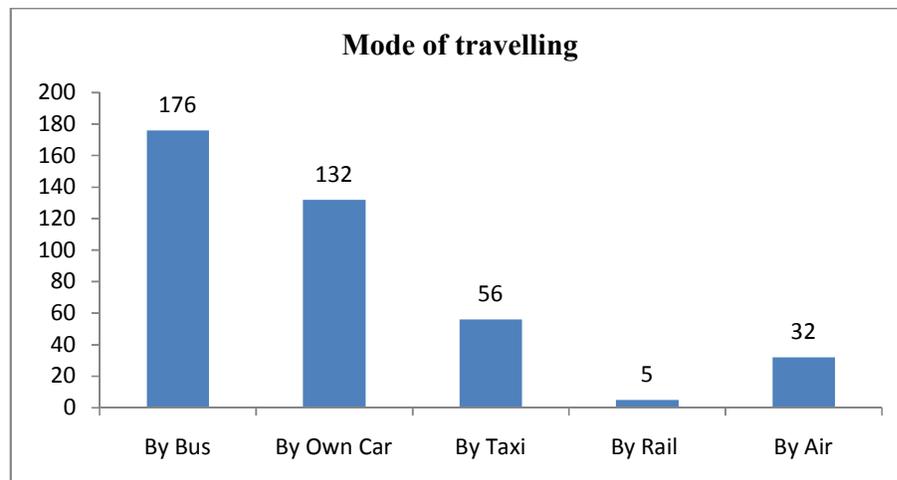
Mode of travelling adopted by the tourists to reach the destination

Sr. No.	Statement/Response	No of tourists
1	By Bus	176 (44)
2	By Own Car	132 (33)
3	By Taxi	56 (14)
4	By Rail	5 (1.25)
5	By Air	32 (7.75)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.12



It is a matter of concern for the Central Government particularly because both the modes are under the direct control of Central Government need to give special attention on these two travelling modes to promote tourism in the region. Otherwise State Government and tourism department will fail helpless to boost and exploit the tourism potential of the region upto mark. Although “by nature” the region of Kangra is very rich. The tourists are facing hardships while coming to Kangra because they fail to get their air tickets confirmed because of very limited flights from Delhi and the district is not properly linked with other major cities. By facing this problem the majority of the tourists changed their ideas to come to state in general and Kangra in particular because they cannot wait for a long time to get their flights and visited other places frequently. The same is the case with railway because the state lagged behind the for the development of railway lines after 65 years of independence the Government of India has never spared the reasonable amount to expand railway network in the region so that the benefit of the tourism particularly can be reapad.

Preference of Accomodation

During the period under study 47.25% tourists stayed and preferred moderate hotels followed 18% tourists who stayed in differed guest houses. The tourist satyed in guest houses are mostly from service class wheareas who preferred moderate hotels are from business community. 13% tourists stayed in luxury hotels, 9 % in Dharamshalas, 5.25% in other places, 4.5% in rest houses and only 3% in youth hostel and camps.

Table 6.15

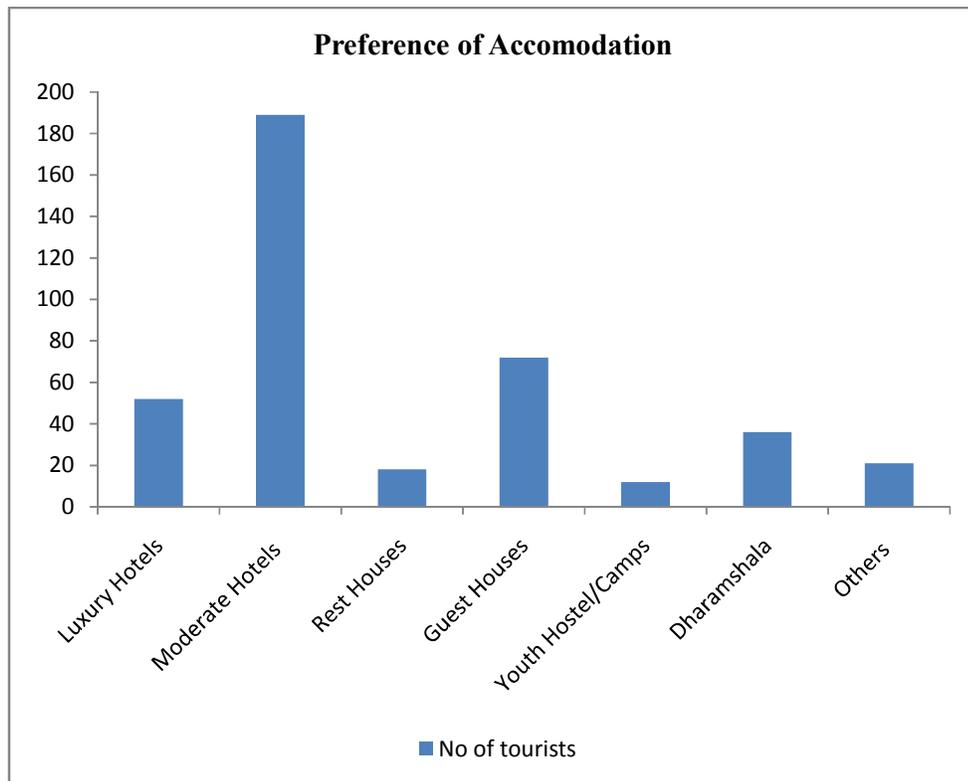
Type of accommodation prefer by the tourists

Sr. No.	Statement/Response	No of tourists
1	Luxury Hotels	52 (13)
2	Moderate Hotels	189 (47.25)
3	Rest Houses	18 (4.5)
4	Guest Houses	72 (18)
5	Youth Hostel/Camps	12 (3)
6	Dharamshala	36 (9)
7	Others	21 (5.25)
	Total	400 (100)

Source: Data collected through questionnaires.

Note: Figures in Parenthesis are in percentage.

Figure 6.13



It is evident from the table 6.15 that different types of accommodation are available in the region and there is no problem to the tourists to get accommodation even during peak seasons. The main problem which has been faced by the tourist during their stay is that all type of accommodation is controlled by the private parties and sometimes they charged exorbitant price. This types of practice demorlise the prospective tourists to come here again. The state government and tourism department should take necessary steps to control these accommodations so that they cannot charge extra money from the tourists. This will encourage the tourists and increase the flow towards the state in general and Kangra in particular.