

A Study Of The Effect Of Covid – 19 Pandemic On The Tourism Industry Of Sikkim

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Abstract

Tourism is the backbone and mainstay of Sikkim's Economy. The State is blessed with widespread natural beauty making it an attractive destination for both domestic and foreign tourists. One of the greatest casualty of the global Covid – 19 pandemic has been the tourism industry as a vast number of people have lost their jobs. The present paper discusses the effect which the Covid – 19 pandemic is likely to have on Sikkim's Tourism Industry. The paper concludes that the Covid – 19 pandemic can have a disastrous effect on Sikkim's Tourism Industry and that the State Government should take measures to protect the interests of those connected with the industry.

Keywords - Effect Covid -19 Pandemic Sikkim Tourism Industry State Government

INTRODUCTION

Tourism is an important component of the Services Industry as it is a source of employment, both direct and indirect to a vast section of the world. Globalisation and development of modern modes of transportation has given a huge boost to the Tourism Industry worldwide, as it has succeeded in generating employment and providing valuable support to the economy. The State of Sikkim, which is known for its pristine natural beauty and peace loving people is an attractive tourist destination for domestic and foreign tourists from different parts of the world. Tourism occupies an important place in Sikkim's economy as it has played an important role in accelerating the economic development of the State. A substantial section of Sikkim's economy is dependent on tourism for their livelihood. It is therefore imperative that any effect on this industry can have widespread repercussions on a substantial population in Sikkim.

TOURISM INDUSTRY – BACKBONE OF SIKKIM'S ECONOMY

Tourism Industry is of paramount importance to the economy of Sikkim. Therefore, it can be considered as the backbone of Sikkim's economy. Tourism is an important source of employment – both direct and indirect to vast section of people in the State and is also important for earning valuable foreign exchange. The wide variety of natural beauty that the State is blessed with in addition to a pleasant climate all through the year has made Sikkim a focal point of tourist attraction both from the various States of India and foreign countries. The State Government is an important stakeholder in developing tourism in the State. It takes an active interest in developing tourism, as it is reflected from the guiding principles for the Tourism Sector in the State. The important principles guiding the Tourism Sector in Sikkim are as follows¹

1. Tourism practices shall be sustainable for the environment.
2. Development of tourism shall promote, preserve and appreciate Sikkim's diverse culture.
3. Tourism practices shall be inclusive in nature as it renders equal opportunities to all sections of people.
4. The thrust of Tourism Development shall be on providing quality experience and services and greater tourist satisfaction and safety.

Available statistical data reveals the significance of tourism to the State's economy as data provided by the Tourism and Civil Aviation Department, Government of Sikkim indicates to a substantial inflow of tourists, both domestic as well as international to the State.

Year	Total Number of Tourists
2011	552453
2012	558538
2013	576749
2014	562418
2015	705023
2016	740763
2017	1375854

Table - Domestic Tourist Inflow in Sikkim during 2011 – 2017 (Source : Tourism and Civil Aviation Department, Government of Sikkim)

From the above table regarding inflow of Domestic Tourist in Sikkim from 2011 – 2017, we can note that number of domestic tourists coming to Sikkim has increased every year since 2011. This proves the popularity of Sikkim as a preferred and popular tourist destination for domestic tourists in our country.

Year	Total Number of Tourists
2011	23945
2012	26489
2013	31698
2014	49175
2015	38479
2016	66012
2017	49111

Table - Foreign Tourist Inflow in Sikkim during 2011 – 2017 (Source : Tourism and Civil Aviation Department, Government of Sikkim)

From the above table regarding inflow of Foreign Tourist in Sikkim from 2011 – 2017, we can note that the number of foreign tourists coming to Sikkim has increased since 2011. This is extremely important for Sikkim's economy as inflow of foreign tourists brings in valuable foreign exchange.

Sl. No.	Year	Per Capita Gross State Domestic Product	Total Number of Tourist Arrivals
1	1999 – 2000	-	-
2	2000 - 2001	1.97	2.90
3	2001 - 2002	2	3.06
4	2002 - 2003	3.36	4.56
5	2003 - 2004	3.15	14.76
6	2004 - 2005	3.12	10.65
7	2005 - 2006	3.7	10.41
8	2006 - 2007	3.37	4.45
9	2007 - 2008	3.08	5.22
10	2008 - 2009	3.24	9.35

Table - Average Annual Percentage Growth Rate of Per Capita GSPD and Tourists Influx' in Sikkim State (Source : Praveen Rizal & Dr. R. Asokan in Measuring The Impact of Tourism Industry On Regional Economy Of Sikkim State, India)

Research Studies have established the fact that there is a positive relation between influx of tourist in Sikkim and the state's growth rate.² From the above table we can note that with the increase in the average annual growth rate in arrival of tourists, the average annual per capita Gross State Domestic Product also has increased. This indicates a positive correlation between tourism and the State's GDP. Tourism Industry is extremely significant to Sikkim as it is a major source of employment and contributes valuable foreign exchange to the State. It has been extremely beneficial to the local population as vast section of the population are dependent on tourism for their livelihood. Moreover, tourism also supports other activities such as hotel and transportation.

EFFECT OF COVID – 19 PANDEMIC ON THE STATE’S TOURISM INDUSTRY

With the outbreak of the global Covid – 19 pandemic, the government of Sikkim has taken serious measures for the safety and security of its people. The government is contemplating to shutdown the tourism sector of the State till October, 2020³ Such a step can have a serious negative impact on Sikkim’s economy as it has the potential to throw a sizeable population of the State into unemployment. Tourism is the backbone of Sikkim’s economy and the Covid – 19 pandemic can seriously cripple it resulting in widespread unemployment and social disharmony. Moreover, the growth rate of the State can get seriously affected resulting in manifold socio economic problems.

CONCLUSION

The State Government’s approach to deal with the Covid – 19 pandemic situation can seriously damage the tourism industry in the State leading to large unemployment among the people. Ban on the entry of tourists can rob the State of valuable revenue and derail the growth rate. Therefore, the State Government should take a pragmatic stand in its approach towards the Tourism Industry vis a vis the Covid – 19 pandemic and should offer various kinds of economic concessions and reliefs to those from the Tourism Industry who have been seriously affected by the Covid – 19 pandemic.

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