

kind of restructuring the tax system and given concessions in direct and indirect taxes for setting up industries in the backward areas.

[English]

16.36 hrs.

### STATEMENT BY MINISTER

#### National Action Plan for Tourism

[English]

THE MINISTER OF CIVIL AVIATION AND TOURISM (SHRI MADHAVRAO SEINDIA):

Mr. Chairman Sir, hon'ble Members are aware that when the present Government was formed in June 1991 the tourism industry was reeling under a severe crises forced by both international and national circumstances. The our break of the Gulf war at the begining of the year disrupted tourist traffic not only to India but throughout the world. The events in East Europe and unsettled condition in some parts of the country combined with the General Elections and the most tragic assassination of Shri Rajiv Gandhi created conditions in which tourism witnessed the sharpest decline in recent times.

Recognising the crucial importance of this important sector, Government initiated a series of imperative measures to change the situation.

A tourism Think Tank comprising all section of the tourism industry, travel trade, hoteliers, tourist transporters and the travel media was constituted to review the situation and evolve a positive blue print for a short- term as well as a long-term Action Plan for Tourism. This was done in order to involve a wide cross-section of participants from the industry rather than foist a policy for the top. A number of

meetings were held and all suggestions emanating from the tourism industry were discussed at length.

Since the State Government have a crucial and critical role to play in the promotion and development of tourism a meeting of State Tourism Ministers was convened in December 1991 to obtain their views on the future thrust areas of tourism. A series of unanimous resolutions were adopted at the meeting prescribing guidelines for the Tourism Action Plan.

A large number of Ministers of the Central Government are involved in the implementation of the Tourism Action Plan. I have personally interacted with the Ministers of Finance, External Affairs, Commerce and the Home Ministry regarding solution to the problems which the tourism trade was encountering at the Central level and many suggestions have also been incorporated in the National Action Plan for Tourism.

The National Action Plan for Tourism which I have pleasure in laying on the Table of the House is a result of all these exercise. It is a conceptual frame work which spells out the broad thrust which is necessary for projecting India as an interesting and exciting destination of the 90s. The major objectives of the National Action Plan for Tourism are.

Increasing the share of the foreign tourist arrivals to the country in the Global Tourism Movement from the current level of 0.4% to 1% in the next five years.

Increase foreign exchange earnings from Tourism from Rs. 2,440 crores in 1990-91 to Rs. 10,000 crores by the end of the Century.

[Sh. Madhava Rao Seindia]

*Domestic Tourism*

- To double employment opportunities for the present level of 14 million employment persons (Both direct and indirect) by the term of the Century.
- To improve facilities to domestic tourists and expand them, particularly the budget category so as to ensure an affordable holiday for them.
- To preserve and enrich the environment and make it an integral part of tourism development.
- While retaining the traditional image, to encourage the diversification of the tourism product, particularly in the field of leisure, adventure, convention and incentive tourism.

Hon'ble Members would be interested to note the following important points of emphasis in the Action Plan:

• *Improvement in Tourist Infrastructure*

Efforts would be made to double the present capacity of 44,000 hotel rooms in the next three years. In special areas and specified destinations, the internal subsidy will be increased to 5% for all one, two and three star categories to stimulate their growth.

• *Promotion of Heritage Hotels*

There are a large number of hovels, fortresses and places which could be converted to heritage hotels not only for catering to foreign/domestic tourist but also to increase incomes in rural/backward areas. A series of measures are designed to help convert this national heritage to economic usage.

A series of measures are incorporated to promote and develop the flow of domestic tourism to different parts of the country for accelerating economic activity and promoting cultural and emotional integration.

• *Pilgrim Tourism*

Pilgrim Tourism constitutes a significant portion of low budget domestic travellers. Government has earmarked special schemes for improving accommodation facilities, wayside amenities, infrastructural support and transport facilities for development of pilgrim centres.

• *Travel Trade*

To encourage participation of travel trade in the tourism promotion activities, rules and procedures would be streamlined/liberalised for recognising travel agents and tour operators.

• *Human Resource development*

A national Culinary Institute will be set up to meet the requirements of trained manpower in the country. To correct the regional imbalance, regional institutes of hotel management and catering technology would be set up. Universities are being encouraged to start post graduate courses in tourism with financial assistance from the Central Government.

• *Convention Tourism*

To encourage convention and conference tourism, fully integrated convention complexes should be set up in the country. It would be the endeavour of the Government to set up a convention city with all

*National Action Plan for Tourism**Motion to consider ..*

facilities of international standards.

tourists an insight in to the rich cultural heritage.

*Trade Fairs*

In order to promote tourism in India, a Tourism Trade Fair would be held once in three years.

In conclusion, I would like to say that the National Action Plan for tourism can succeed only through the active support of Central Ministries, States Governments and the private trade engaged in the development and promotion of tourism.

*Foreign Investment*

In tune with the liberalised industrial policy special incentives have been announced for promoting foreign investment in hotels and tourism related industry.

I might add that in the last few months we have already been implementing some aspects of the Action Plan I am glad inform the Hon'ble Members that these efforts have started yielding results and from October 1991 there has been a turnaround in tourist traffic which culminated in the peak tourist arrival figure of 2,03,000 in December 1991 an all time record for any month. Figures for April 1992 are also at record levels even when compared to the best tourist year so far - 1929.

*Destination Marketing*

Instead of promoting India as a generalised entity marketing efforts will now be concentrated on 15 specified circuits/destinations in different parts of the country for concentrated development along with publicity and promotion abroad.

Our optimism for tourism growth are therefore well founded. We need your continued advice and guidance to enable tourism to make a major contribution to the national economy and take its rightful place high on the national agenda.

*Special Tourism Area*

A new scheme for setting up a few special tourism areas in different parts of the country is being introduced. Special tourism areas will be defined areas with integrated infrastructure facilities along with tax concessions and fiscal incentives for eliciting investments in hotels, tourist complexes, sports and recreation facilities and the transport network. The scheme will be introduced in States which are willing to give maximum concessions for the project to flourish and grow.

I am happy to place the National Action Plan for Tourism on the Table of the House. [Pleas'd in Library; See No. LT -1919/92] It is a sincere endeavour to draw up a well defined and comprehensive plan of action for the promotion of tourism in India.

16.45 hrs.

FINANCE BILL 1992 *Contd*

[*English*]

MR. CHAIRMAN: Let us continue now.

Shri Janarthanan.

*Cultural Tourism*

The National Action Plan for Tourism will seek to develop the multi-factors cultural manifestation of different regions for providing to

SHRI M.R. KADAMBUR JANARTHANAN (Tirunelveli): Mr. Chairman, Sir, I rise to support the Finance Bill moved by our hon. Finance Minister on behalf of our Party, All India Anna D.M.K.