

## **Study of contribution of Heritage Tourism for the Sri Lankan Economy**

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### **Introduction**

Tourism was until recently one of the fastest growing industries in the world, contributing significantly to the economies of both developing and developed countries. Tourism is a sector that can play an important role. Mainly two forms of tourism can be distinguished as national tourism and international tourism. International tourism comprises of In-bound and out-bound tourism. In-bound tourism means involving non-residents travelling in the given country and out-bound tourism means involving residents travelling in another country. Tourism can be affected by many factors such as the fine weather, scenery, history, religion and culture of the countries. Among these, heritage tourism is the fastest growing segment of the tourism industry because there is a trend toward an increased specialization among tourists. This trend is evident in the rise in the volume of tourists who seek adventure, culture, history, archaeology and interaction with local people. Because of people's inclination to seek out novelty, including that of traditional cultures, heritage tourism has become a major "new" area of tourism demand. Heritage tourism, as a part of the broader category of "cultural tourism", is now a major pillar of the developing tourism strategy of many countries. Heritage tourism strategies in various countries have in common that they are a major growth area, that they

can be used to boost local culture, and that they can aid the seasonal and geographic spread of tourism. The Heritage tourism is a broad field of specialty travel, that desire to experience diverse cultural landscapes and forms. It includes travel to festivals and other cultural events, visit to sites and monuments, travel to study nature, folklore or art or pilgrimages (Zeppel and Hall, 1992). The word "heritage" in its broader meaning is generally associated with the word "inheritance," that is, something transferred from one generation to another. Owing to its role as a carrier of historical values from the past, heritage is viewed as part of the cultural tradition of a society. The concept of "tourism," on the other hand, is really a form of modern consciousness (Nuryanti, 1996). Heritage tourism offers several benefits to tourists and residents, as well as governments. Through this research, the researcher tries to identify the benefits of heritage tourism for the Sri Lankan economy in the point of view of in-bound tourism aspect of international tourism. The Sri Lankan government is prioritizing tourism and has started taking a number of steps to strengthen the sector. One of the steps is the 'Development Strategy plan for 2011-2016. It has identified the following key objectives.

- i. Double hotel room capacity from around 23,000 rooms at present to 45,000 by 2016.
- ii. Accommodate 2.5 million annual arrivals as compared with over 650,000 in 2010.
- iii. Increase tourism employment to 500,000 by 2016.
- iv. Attract US \$ 3 billion in FDI within the next five years.
- v. Position the country as one of the most attractive destinations in the world.

In Sri Lankan economy, tourism has plays a very important role. Sri Lanka has 49 sites classified as unique attractions, all as rare attraction and 8 world heritage sites. The eight heritage sites are ancient city of Pollonnaruwa, Sigiriya, Golden temple of Dambulla, old town of Galle and its fortifications, sacred city of Anuradhapura and Kandy, Sinharaja forest reserve, Central highlands of Sri Lanka. Heritage tourism has contributed to the Sri Lankan economy in many streams. Some of them are creation of direct and indirect employment opportunities, contributing to the Balance of payment as an earner of hard currency, source of earning foreign exchange, and as an earner for the public revenue. So by considering these factors heritage tourism has positively affected the Sri Lankan economy.

### **Methodology**

This study is mainly based on secondary data. The data collection sources are from the annual report of Central Bank of Sri Lanka, annual Statistical Reports published by the Sri Lanka Tourism Development Authority, text books and internet.

### **Conclusion**

Tourism plays an important role as it is one of the core foreign exchange earners

in the overall economy of Sri Lanka. In 1999 it was the 4<sup>th</sup> largest source of the national economy. In 1990 it was recorded as Rs.5, 303.3 million and in 1999 it was Rs.18, 265 million. Rs.42, 571 million recorded in 2007 and in 2010 it was Rs.65, 018 million. Its contribution has increased by 44.1% from Rs.91, 926 million in 2010 to Rs.132, 427 million in 2012.

The nature of tourism is such that it provides a range of employment options that increase the dynamism of the industry. It creates employment opportunities that are accessible to poor communities either through employment with the large tourism service providers (hotels and tour operations) as casual and contract labour, as well as allowing for a variety of small and medium-sized operations such as small guest houses and restaurants, or individual options such as tourist guides and drivers, as well as business for crafts and vendors. Table 1 shows that employment generation in tourism, both direct and indirect have increased from 1990 to 2012.

Sri Lanka has boomed to a new milestone of 855,975 arrivals in 2011 registering 30.8% compared to 2010 which is an all time high figure in the history. The pattern of tourists' visiting the country has gone through some important changes. Percentage distribution of tourists by purpose of pleasure recorded 85.4% in 2002 and 80.8%, 78.2%, 69.6%, 67.4%, 67.1%, 73.2%, 79.9% and 78.9% from 2003 to 2010 respectively. The religious and cultural purpose of tourists' visit in Sri Lanka has faced dramatic changes. In 2002 it recorded 1.0% and in 2007 by showing a significant increase it got 2.8%. 3, 389 tourists from Asia visited in Sri Lanka with this purpose in 2010. From the Western Europe 2027 number of tourists visited with the same purpose. India as the major tourist source market, 0.2% visited to see the cultural and religious event in Sri Lanka in 2011. Occupancy rate by resort region

also faced some of changes. The occupancy rate in ancient cities which are Anuradhapura, Kandy, Polonnaruwa and Sigiriya showed positive trends. By considering the occupancy rates by resort region as ancient cities it took the value of 39.1% in 2001 and 54%,60.4%,39.5%,43.3%,40.3%,35.2%,44.4%,62.6 and 71.7% from the year of 2003 to 2011 respectively.

In 2010, the number of foreign tourists visited in ancient cities were 676,356 and in 2011 it was 849,688. In 2011, 90,193 number of foreign tourists visited Sigiriya and it generated Rs.246,256,424.50 of revenue. In 2010 it was Rs.237,503,400 from 88,056 number of tourists. 79 tourists visited Kataragama in 2011 by generating Rs.82,215 to the economy. 63,135 of tourists visited Anuradhapura in 2011 and it was 41,747 in 2010. 293,721 tourists visited temple of the tooth in the Central hill town of Kandy. As a percentage value it takes 44.8%.

Heritage tourism also contributes to the public sector revenue. Among these Cultural triangle and museums play an important role. In 1985, 8,813 number of tourists visited museums and it has increased up to 10,122 number of foreign tourists in 2000. 31,096 tourists visited in 2011. As an income generating source it generated Rs. 4.6 million in 2009, Rs.9.9 million in 2010 and Rs.14.2 million in 2011 respectively. With regard to foreign visitors to the cultural triangle in Sri Lanka, it also generated revenue for the public sector. In 1986, there were 93,884 number of foreign tourists visited cultural triangle and Rs.14.7 million was earned by issuing of entrance tickets. In 2010, it has increased up to 155,167 number of foreign tourists and contribution to the revenue was Rs.276 million. In 2008, it was Rs.307.5 million and Rs.743.5 million recorded in 2010 by number of tourists of 197,947. In 2011, 239,920 number of foreign tourists visited cultural triangle and earned Rs.998.2 million. By considering the

contribution of tourism revenue to GDP it recorded 2.9% share of GDP in 2008. In 2011 it has increased up to 3.0%.

So finally through this research it clearly shows the positive effects of heritage tourism to the Sri Lankan economy in various streams such as employment level, foreign exchange and a source of revenue for the public sector.

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