UNIT 5 CONSTITUENTS OF TOURISM INDUSTRY AND TOURISM ORGANISATIONS

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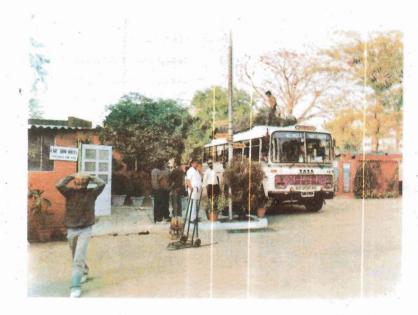
5.0 OBJECTIVES

After reading this Unit you will be able to :

- understand why tourism is being called an industry,
- know about the various constituents of the Tourism Industry,
- · learn about the interdependence of its various constituents,
- familiarise yourself with various types of tourism organisations,
- · learn about the functions and relevance of some of these organisations, and
- list such questions about the Tourism Industry that tourism professionals should be able to answer when required.

5.1 INTRODUCTION

The tourism of today is the outcome of the combined efforts of its various constituents. There are possibilities of more constituents being attached in the future. In fact what we may define as Tourism Industry is a mix of the output and services of different industries and services. This Unit begins with a theoretical discussion on tourism being described as an industry. It goes on to identify and list its various constituents. However, their description is confined to a brief discussion as most of them have been independently discussed in individual Units. The Unit also takes into account some of the important organisations that have emerged over the years in tourism at national as well as global levels. A first hand knowledge of these is a must for tourism professionals and researchers in the area.



5.2 TOURISM INDUSTRY

Recently, a newspaper report (Hindustan Times Sep 12, 1993) mentioned about Tourism Industry suffering a setback because the Development Commissioner of Small Scale Industries of a particular Indian state refused to recognise tourism as an industry. He had his own objections like: "tourism development could not be subsidised", etc. However, it was felt that the matter should not have been referred to him as the government had already declared tourism an industry. Yet, there is no doubt that once tourism is mentioned as an industry a number of complexities arise. Scholars too have offered different views in this regard. For example, Neil Leiper has attempted to sum up the debate in his article "Defining Tourism and Related Concepts: Tourist, Market, Industry and Tourism System" (VNR's Encyclopedia of Hospitality and Tourism, New York 1993). The views that have been taken into account are of A.J. Burkart, Kaiser and Hebber, Kaul and Leiper:

- 1) Burkart and others recognise Tourism Industry that is:
 - comprised of a broad range of business and organisations that are related to "virtually all areas of economy", and
 - the components include all suppliers of goods and services which the tourists require.

Hence, on the one hand Tourism Industry comes up as a huge industry where as on the other "it also leads to perceptions of a highly fragmented industry". It is based on the assumption that "tourists' expenditures reflect the existence and scale of Tourism industry", and does not take into account how certain "businesses are managed in relation to tourists or to one another".

- 2) Kaiser and others have advocated that there "is no such thing as Tourism industry". What happens is a collection of several industries that function separately with various types of links with tourists. These links can be both incidental as well as purposeful, direct or indirect.
- 3) Leiper has taken an intermediate position. According to him the "tourism industry comprises those organisations" that are :
 - in "the business of providing goods and services to meet the distinctive needs of some identifiable collection of tourists", and
 - "cooperate with one another, to some degree, in doing so".

This places some organisations like travel agents, tour operators, guides, etc. within the scope of tourism while leaving others aside. This could be like the difference between a shop at an airport opened especially for travellers and the one in a city market that caters to anyone.

Without further going into the debate we may sum up for you that because of the economic impacts involved, profits, employment generation, earning of foreign exchange etc., more and more countries are declaring tourism as an industry; adopting policies and making plans for it; forming regulations and giving incentives. It is also worth mentioning here that in many developed countries tourism is now being referred to as a service rather than an industry. This is so because these countries have reached a stage of perfection in terms of infrastructural development and the emphasis is on the consumption of services. On the contrary the developing countries like us are still struggling to create infrastructural facilities and a lot needs to be done. Hence, tourism is an industry for us rather than just being a service.

In the Seventh Five Year Plan (1985-90) tourism was accorded the status of an industry by the Government of India. Hence, as a plan objective its development was listed for the first time in the planning process. In May 1992 a National Action Plan was drawn for its growth and development.

5.3 CONSTITUENTS

The constituents of tourism industry are varied—ranging from small scale businesses operating at local levels to multinationals. For example a fast food counter at an airport is a component of the Tourism Industry as is an airline or a hotel for it has its own serving purpose for the tourist. Moreover, these different components are closely linked to each other. This linkage is there in spite of the competition within one set of constituents. For example, Hotels A and X are competitors but both are dependent on tourist arrivals through the airline. And Airlines Y and Z are competitors and so on. In fact very often its a chain of linkages and modern tourism is a result of the intermixing and combined efforts of the various constituents. Let us list for you the primary and secondary constituents that make the Tourism Industry.

5.3.1 Primary/Major Constituents

Under this we list the very essential constituents.

1) Transport

Well you need a mode of transport to travel or to suggest one to your client if you are a travel agent or a tour operator. Further, the travel depends on the availability of seats etc. Today, the travel Industry is a highly developed industry with its various branches in the areas of road, rail, air and water. (You will read in detail about them in Unit 8.)

2) Accommodation

A tourist not only travels but also stays some where. And here comes in accommodation. It could be of different types i.e. from cottages or tourist lodges to a house boat or a five star hotel. (See Unit 9 for details.)

3) Catering, Food and Entertainment

Well, a tourist has to eat also and here comes the role of catering and food. Restuarants, fast food joints and **dhabas**, all play a role in this regard with different cuisine to offer (See Unit 12 of TS-2). Different forms of **entertainments** are provided as attractions at the destinations.

4) Intermediaries

The intermediaries constitute the travel agency, tour operator and guide services. (See Block 14)

The constituent which co-relates all the components of tourism is the travel agent/tour operator who has accumulated knowledge, expertise and contacts with providers of services. He is a useful and invaluable intermediary between the traveller and the suppliers of tourist services i.e. airlines, transport companies, hotels and auto-rental companies.

The functions of the travel agency depends upon the scope of activities it is involved in and also the size and the location. The agency has specialised departments each having to perform different functions such as :

- 1) Providing travel information
- 2) Preparing itineraries
- 3) Liaising with providers of services
- 4) Planning and costing tours
- 5) Ticketing
- 6) Providing foreign currency
- 7) Insurance, etc.

Some of the travel agents are also tour operators who manufacture tourism products. They plan, organise and sell tours. They make all the necessary arrangements e.g. transport, accommodation, sight seeing, insurance, entertainment and other allied services and sell this 'package' for an all inclusive price. A package tour may be a special interest tour, mountain tour, adventure tour or a pilgrimage tour. These tours are escorted and include transportation, meals, sight seeing, accommodation and guide services. The escort or the group leader is responsible for maintaining the schedule of the tour and for looking after all the arrangements.

The guide services play a vital role in tourism as a tourist feels comfortable when the essence of the culture is explained—especially when it is done in his own language.

5) Government Departments/Tourist Information Centres/Tourism Organisations

Many national and international organisations related to tourism form part of the Tourism Industry (See Secs. 5.5 and 5.6).

5.3.2 Secondary Constituents

Today there are a variety of services (formal and non formal) that constitute the tourism mix'or are directly and indirectly related to tourism. For example, banks don't come

under the Tourism Industry but they cater to tourists through traveller's cheques or credit cards. Similarly, insurance companies offer short-term safety or accident policies to tourists. Here we list certain such constituents:

- 1) Shops and Emporiums: These sell various products to tourists. Many star governments have opened the emporiums in other states also. For example in Delhi practically all state emporiums are on Baba Kharag Singh Marg.
- 2) Handicrafts and Souvenirs: Certain handicrafts and souvenirs industries. Jday are totally dependent on tourists for their sales.
- 3) Local taxi/transportation (e.g. pay, Rickshaw, tonga etc.)
- 4) Hawkers and coolies
- 5) **Communication services** at the destination (e.g. STD booth)
- 6) Touts and Brokers
- 7) Advertisement agencies
- 8) **Publishing industry** i.e. Publishers who publish travel guides, brochures, magazines, postcards etc.
- 9) Artists, performers, musicians, etc. who perform for the entertainment of tourists.

In the United Nations study on "The Economic Impact of Tourism in India". The segments having receipts from tourism employment due to tourism are mentioned as :

- 1) Hotels and restaurants
- 2) Railway Transport services
- 3) Transport services
- 4) Shopping
- 5) Food and Beverages
- 6) Wool, silks, syn. fibre textiles
- 7) Wood and wood products except furniture
- 8) Leather and leather products
- 9) Metal products except machinery and trans. equip.
- 10) Misc manufacture, industries
- 11) Trade
- 12) Other services

Hence we can say that Tourism Industry has a very wide range and the governments in the Third World are giving incentives for its development.

Check Your Progress 1

1) Mention the viewpoints on tourism as an industry.

2) Discuss the role of intermediaries in tourism.

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3) Why are Third World governments giving incentives to Tourism Industry?

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5.4 TOURISM ORGANISATIONS

Over the years a number of organisations have emerged in tourism. They have played a vital role in tourism policy formation, planning, promotion, infrastructure and resort development, protecting the rights of tourists, negotiations, etc. Factors like importance of tourism in generating foreign exchange, employment prospects, national interests and at times the stage of development have determined the need for such organisations and accordingly influenced their growth and functions.

These organisations exist in Public Sector as well as Private Sector and at different levels i.e. global, national, state and local. For example, World Tourism Organisation, Indian Tourism Development Corporation, Maharashtra State Tourism Department Corporation or a Tourism club in a district of Kerala. A recent addition has been of some NGO's devoting full time to issues concerning tourism like the **Equations** in Bangalore.

Different segments of the industry also have their own organisations to defend and promote their rights like the Travel Agents Association or Tourist Guides Association.

5.5 INTERNATIONAL ORGANISATIONS

Many international tourism organisations have been formed which represent governments as well as the Private Sector. It is difficult to discuss every such organisation, hence we mention about a few important ones here.

5.5.1 WTO

World Tourism Organisation (founded 1975) is an intergovernmental body. It is a successor to the International Union of Official Travel Organisations (IUOTO) which existed from 1947 to 1975. As a United Nations specialised agency the WTO's membership comprises 113 of the world's governments and over 170 affiliate members (international and regional tourism organisations) from the Travel and Tourism Industry. WTO headquarters are at Madrid (Spain) and its three functionaries are:

- WTO Secretariat (permanent office at Madrid)
- General Assembly (meets every two years)
- Executive Council (meets twice a year)

The fundamental aim of the organisation shall be :

"the promotion and development of tourism with a view to contributing to economic development, international understanding, peace, prosperity, and universal respect for, and observance of, human rights and fundamental freedoms for all without distinction of race, sex, language or religion. The Organisation shall take all appropriate action to attain this objective. In pursuing this aim, the Organisation shall pay particular attention to the interests of the developing countries in the field of tourism."

Here we must remember that WTO is the only intergovernmental organisation open to the operating sector. This combination of public and private sector involvement encourages a hands-on approach to strategic issues affecting the industry. WTO also provides a forum for industry to "establish the frameworks and global standards of travel and tourism". It attempts consolidation of one of the world's fastest growing industries. WTO's activities include :

i) Technical Cooperation

As an executing agency of the United Nations Development Programme (UNDP), WTO provides assistance to governments on a wide range of tourism issues, from sustainable tourism development, investment needs and technology transfer to marketing and promotion. Over 600 projects have been fielded since 1980.

ii) Education and Training

Education and training is one of the major building blocks of the travel and tourism industry. WTO offers a variety of programmes, including "distance learning" courses, which have been organized with Purdue University and the Sorbonne. Constituents of Tourism Industry and Tourism Organisations



Other projects include the establishment of a network of WTO Education & Training Centres and publication of a Directory of Tourism Education and Training Institutions.

iii) Environment and Planning

The goal of sustainable tourism development underlies WTO's work in environment and planning. Activities include participation in forums on tourism and the environment, such as the Rio Earth Summit and the Globe seminars in Canada.

WTO is also developing a global programme of clean beaches for tourism, based on the European Community's Blue Flag Programme.

Several publications, including three joint reports with the United Nations Environment Programme, provide vital input on tourism planning in resorts, communities and national parks.

iv) Facilitation and Liberalisation

WTO works towards the removal of barriers to tourism. Activities in this area include promotion of improved access to tourism for the handicapped, research on Computer Reservations Systems, involvement with the General Agreement on Trade and Tariffs (GATT) process, assistance on health and safety issues.

v) Marketing and Promotion

WTO continuously monitors and analyses travel and tourism trends in over 165 countries, which provide invaluable data for strategic planning and marketing.

Equally important has been the 1991 WTO Ottawa Conference on Tourism Statistics, which established global definitions of tourism. In this way a substantial base was created for the uniform measurement of tourism flows.

vi) Publications

WTO also has a number of publications. They include:

- Yearbook of Tourism Statistics,
- Compendium of Tourism Statistics (annual),
- Travel and Tourism Barometer (quarterly),
- Directory of Tourism Education and Training Institutions,
- An Integrated Approach to Resort Development,
- Guidelines: Development of National Parks and Protected Areas for Tourism,
- Tourism Carrying Capacity,
- Sustainable Tourism Development: Guide for Local Planners, and
- World Tourism Forecasts to the Year 2000 and Beyond.

5.5.2 Other Organisations

Besides WTO there are a number of organisations at the international level and here we give brief details about some of them.

i) IATA

The International Air Transport Association (IATA), is a nongovernmental organisation and membership consists of practically all air carriers. The Active members are engaged in international operations whereas the Associate membership consists of domestic airlines. IATA aims:

- at encouraging the development of reliable, regular and economic air transport for the benefit of travellers,
- to foster air commerce and study the problems their in, and

• to research the problems and issues related to the industry.

Founded in 1945, the activities of IATA have increased over the years. Today its services and roles include :

setting rates on global routes agreeable to member airlines,

- planning of time tables for international flights,
- standardising and coordination of certain services like baggage checks, reservations, etc.

In addition IATA also provides statistical data on international air travel and acts as a clearing house for air ticket coupons.

ii) UFTAA

Universal Federation of Travel Agents Association was founded in 1966. Its members are national organisations and regional organisations. It aims representing the travel agency industry and travel agents at different forums and negotiates on their behalf.

Further we list few other organisations:

- International Federation of Tour Operators (IFTO) which represents national tour operator associations.
- International Youth Hostel Federation (IYHF) which represents national youth hostel associations.
- International Hotel Association (IHA) representing the hotel and restaurant industry.
- International Association of Tour Managers (IATM),
- Pacific Asia Travel Association (PATA), etc.

5.6 GOVERNMENT ORGANISATIONS IN INDIA

In most of the countries the tourism policy is formulated and in some cases operationalised also under a National Tourist Organisation. Matters related to development, promotion, marketing etc. are looked after by such official organisations. In fact their major functions are :

- policy formation and planning,
- promotion and marketing,
- coordinating between public and private sectors,
- · human resources development through training and education, and
- legislation and regulation, etc.

Here we must take note of their importance in tourism as their role, functioning and attitude influence the entire gambit of tourism.

5.6.1 Central Government

In India the **Department of Tourism**, which comes under the Ministry of Civil Aviation and Tourism, functions as the National Tourist Organisation. As a tourism professional you may have to deal with the Department and its officials from time to time. The primary task of the Department is to lay down the policy, collect tourism related data, attend to enquiries related to tourism, publicise India as a destination, regulate the activities of different segments of the tourism industry, etc. Accordingly various advisory bodies and committees are formed to implement the policies.

An important function of the Department is to **answer to tourists' queries and guide them**. For this it has its regional offices (Delhi, Calcutta, Bombay and Madras) as well as information offices at prime destinations like Agra, Jaipur, Aurangabad, Cochin, etc. Similarly, there are a number of tourist offices abroad which work in liaison with Air India for promoting India as a destination.

India Tourism Development Corporation (ITDC) is another Government Organisation that plays a major role in tourism promotion, travel and infrastructural development. You must be aware of the chain of ITDC hotels like, Ashoka, various restaurants and so on. Unlike the Department of Tourism, ITDC is a commercial profit earning organisation.

A significant step was taken by the Government in 1986 by setting up the National Committee on Tourism which has representatives from public and private sectors.





PATA Logo



Dept. of Tourism, Govt. of India Logo

5.6.2 State Government/Union Territories

On the pattern of Central Government, the State Governments and Union Territories have their own Tourism Departments and Tourism Development Corporations. At all airports, major Railway stations and bus stands tourist information centres have been set up by these departments. They are also actively engaged in :

- policy formation at their levels,
- promotional activities,
- destination development,
- providing guide services,
- conducting sight seeing tours, and
- providing lodging, etc.

Here we must mention that in our country we still don't have tourism organisations at the local levels of a district or municipality. In a very few cases the local development authorities have been entrusted the task of destination development/maintenance. Yet, the performance is not up to the mark. Many state departments also have to improve their services. In this field we have to learn a lot from the countries that have a developed tourism industry.

Check	Your	Progress	2
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1) Discuss the fundamental aims of WTO.

2) Discuss the functions of Government Tourism Organisations at the national and state levels in India.
3) Discuss the aims of IATA.

5.7 PRIVATE SECTOR ORGANISATIONS IN INDIA

In this Section we discuss the three most prominent organisations of the Private Sector in tourism.

5.7.1 IATO

The Indian Association of Tour Operators was established in the 1981. The idea has been "to promote international understanding and goodwill to the ultimate advantage". A joint forum of tour operators, the Association promotes and aids the development of tourism in India. This is done either directly or through discussions and meetings with other bodies and agencies.

The membership is open to organisations of good professional reputation and standing who have been connected with Tourism and/or travel industry for at least one year. However, there are certain other conditions also as per the category of membership:

i) Active Members

Eligibility for this category includes:

- a firm or company having an established place of business in India,
- recognised by the Department of Tourism as a tour operator/travel agent for a minimum period of one year, and
- its major substantial part of activity of promotion of tourism and foreign exchange earnings in a year is minimum Rs. 10,00,000/-

ii) Allied Members

Any firm or company, which is regularly engaged or associated with the tourism and travel industry and is recognised by the state or central government or by their trade association such as carrier companies, hoteliers, caterers, excursion agents, transport contractors, forwarding and clearing agents, shipping companies, state tourist organisations and trade publications.

iii) Other categories of members include :

- Overseas Allied Members,
- Associate Members, and
- Honorary Members

The IATO aims to :

- promote national integration, international welfare and goodwill,
- assist students by scholarship to pursue higher education, study and research particularly in the field of development of tourism and international brotherhood both in India and outside the country,
- institute chairs and fellowships in India,
- conduct aiding and assisting seminars, group discussions, course of studies, cultural meetings, etc.
- take all steps which may be necessary for promoting, encouraging and assisting the development of tourism throughout the country and to take initiative to secure the welfare of the tourism trade in all respects,
- encourage and promote friendly feelings among the tour operators and travel agents on all subjects involving their common good and benefit,
- promote equal opportunity for all visitors to enjoy the tourism and travel facilities without distinction of the race, colour, creed or nationality,
- set up and maintain high ethical standards in the industry,
- communicate with chambers of commerce, other mercantile and public bodies in India, government departments or committees, International Air Transport Association and various foreign and local associations and corporations, companies and concerns and promote measures in the interest of the travel trade and nominate members to act on them,
- get affiliation with similar organisations in other countries,
- produce regular reports about the achievements of the members of the Association and to do all such things as are incidential or conducive to the attainment of the above object.

Through the newsletter IATO IMPRINT the members are updated on regulations, events, complaints, etc. IATO has also been taking promotional tours abroad. For example the most recent tour was in collaboration with Deptt. of Tourism Govt. of India, Air India and KLM. It covered Benelux and Scadninavia (13-22 September 1993). Its members are also part of the Government sponsored tours and the most recent one was to South Africa with Air India (30 November to 13 December, 1993).

LATO

IATO Logo



5.7.2 TAAI

In the year 1951, twelve leading travel agents of India felt that time had come to "create an Association to regulate the travel industry along organised lines and in accordance with sound business principles." Thus, came into emergence the **Travel Agents** Association of India. The primary purpose was to :

- protect the interests of those engaged in the industry,
- promote its orderly growth and development, and
- safeguard the travelling public from exploitation by unscrupulous and unreliable operators.

In fact, TAAI is a "professional coordinating body" consisting of various segments of the travel and tourism industry. It is recognised as the main representative body of the travel industry in India.

As a non political, non-commerical and a non-profit making body, it aims at :

- safeguarding the interests of the travelling public,
- maintaining high ethical standards with in the travel trade,
- developing Tourism Industry through improving the travel agency business and service for tourists,
- promoting mutual cooperation among TAAI members, and
- contributing to the sound progress and growth of the industry.

By 1993 TAAI had a membership of more than 600 which includes member of different categories.

The Active Members of TAAI are supposed to :

- emphathise with travellers needs,
- offer correct advice,
- undertake multi-sector domestic and international reservations,
- plan holidays, and
- ensure a hastle-free trust worthy travel.

The major activities of TAAI include:

- i) Helping promote, maintain and stimulate the growth of travel and tourism in the country.
- ii) Directing the attention of the controlling and regulatory authorities to the problems faced by the industry and discussing with them the means of survival and betterment of members.
- iii) Maintaining close contact with world bodies and representing matters affecting the travel and tourism industry of India.
- iv) Gathering and disseminating useful information on travel and tourism among members for their guidance.
- v) Educating and equipping members to meet future challenges through seminars, conventions and sharing of thoughts and experiences.
- vi) Helping to develop better understanding among the different segments of travel industry, etc.

5.7.3 FHRAI

The Federation of Hotel and Restaurant Association of India, formed in 1954, was incorporated as a Company under the Indian Companies Act on 7th December, 1955. The Federation was formed by the four Regional Associations functioning in the country viz. Hotel & Restaurant Association of Eastern India: Calcutta; Hotel & Restaurant Association of Northern India, New Delhi: Hotel & Restaurant Association (Western India), Bombay, and the South India Hotels & Restaurants Association, Madras.



TAAI Logo

The principal objectives of the Federation are to:

- unite the four Regional Associations in a representative national organisation,
- create a national fraternity of the hotel and restaurant establishments located all over India,
- consider and take decisions on all questions of interest to the hotel and restaurant industry,
- act as an information centre and disseminate statistical and other information concerning the hotel and restaurant industry and advise its members on matters of importance to them,
- promote and market the hospitality industry of India, especially hotels and restaurants, in the national and international market,
- coordinate and liaise with the Ministry/Department of Tourism and other concerned Departments/Agencies of the Central and State Governments to achieve accelerated growth of the hotel and restaurant industry by securing suitable incentives for this industry and consider all questions connected with the hotel and restaurant industry and, as far as possible, to secure redressal of grievances of the industry.

The business of the Federation is managed by an Executive Committee comprising 24 members, 6 from each region. The Federation Secretariate is functioning from New Delhi with Secretary General, Joint Secretary, Deputy Secretary and other staff.

The Federation is a member of the International Hotel Association.

The Federation has emerged in a new role of a far more active and dynamic participant in the all out efforts of Government, both Central and State, to accelerate the development of tourism in the country in general and the hotel and restaurant industry in particular so as to fully exploit its increasing foreign exchange earning and employment generating potential. It is well known that hotels and restaurants constitute the major segment of tourism industry in the country and the success of any tourism promotion programme and plans depends on the availability of this basic infrastructure. According to an old adage: "If there is no hotel, there cannot be any tourism." Though this may be disputed by some but no doubt tourists do need a place to stay.

The Federation acts as eyes and ears of the Government in the hotel and restaurant sector. For example, it keeps the Government apprised of the developments in this area and constantly reminds it about the problems faced by the industry and the measures necessary to remove operational bottlenecks apart from making investment in hotels and restaurants more attractive vis-a-vis other industries. Thus, the Federation has been helping the Government in the decision-making process. It was as a result of continuing discussions/consultations that, for the first time Government announced specific tax reliefs and fiscal incentives for the hotel industry in 1968. Since then, coordination between the Federation and the Government has been closer thereby ensuring quick and constructive decisions. The Federation is invariably associated with committees set up by the Ministry/Department of Tourism like the National Committee on Tourism and the Tourism Think Tank (constituted in 1991). For further promotion of the industry, its prospects and problems are discussed at open forums like the annual All India Hotel and Restaurant Conventions at which Union and State government representatives are also invited.

Check Your Progress 3

1) Discuss the functions of IATO.

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_____ ------Discuss the functions of TAAL

3)

5.8 LET US SUM UP

More and more countries in the Third World are assigning industry states to tourism. In fact Tourism Industry has different constitutents related to various services. Most of these constituents have their representative organisations. In tourism we find organisations at international and national levels in both private as well as public sectors. These organisations represent the interests of their members and help in coordinating certain services along with standardizing them.

KEYWORDS 5.9

Air Coupon: One flight coupon that allows passengers to fly internationally on several airlines.

Infrastructural facilities: These include facilities like; airport, roads, drainage, buildings, etc. at a destination.

5.10 ANSWERS TO CHECK YOUR PROGRESS EXERCISES

Check Your Progress 1

- While answering take into account all the three viewpoints mentioned in Sec. 5.2. 1)
- 2) Base your answer on part 4 of Sub-sec. 5.3.1.
- This is being done to earn more foreign exchange, create more employment at 3) local levels etc. See Sec. 5.2.

Check Your Progress 2

- 1) Base your answer on Sub-sec. 5.4.1.
- Read again Sub-secs. 5.6.2 and 5.6.3 for your answer. 2)

3) See Sub-sec. 5.5.2.

Check Your Progress 3

- IATO is engaged in a variety of functions like tourism promotion abroad, updating 1) information to members etc. See Sub-sec. 5.7.1.
- Base your answer on Sub-sec. 5.7.3. 2)
- These are like help promote the growth of travel, maintaining close contact with 3) world bodies, holding conventions, etc. See Sub-sec. 5.7.2.