

ORGANISATION OF
THE
TOURIST INDUSTRY
IN COMMONWEALTH COUNTRIES

AS AT DECEMBER, 1971

Commonwealth Secretariat

Marlborough House

London

November, 1972

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Published by the
COMMONWEALTH SECRETARIAT

To be purchased from the
Commonwealth Secretariat
Publications Section
Marlborough House
London, SW1Y 5HX

I.S.B.N. 0 85092 057 4

PREFACE

A paper on the organisation of the tourist industry in Commonwealth countries was originally prepared as background material for a meeting of Commonwealth Experts on Tourism, held in Malta, in 1967. At the recommendation of the experts, it has been revised and re-issued annually as a booklet. This is the fifth issue and is based on information supplied by Commonwealth Governments, covering material available as at the end of December, 1971.

In this edition, the Commonwealth countries have been treated regionally, as the countries within a region often present a certain homogeneousness of tourist attractions. In addition, transport, both by air and sea, is often supplied in common with neighbouring countries of the region, to and from the major tourist generating centres of Western Europe and North America. The publication outlines the organisation of the tourist industry in the Commonwealth countries, including the Associated States of the Eastern Caribbean and the Commonwealth Dependent Territories. It lists each official tourist organisation, its aims and functions, along with details about relevant organisations and associations in the private sector of the industry. Tables showing the number of tourist arrivals to Commonwealth countries and the amount of foreign exchange earned from tourism over the past few years are incorporated in the publication. The degree of Government participation in the tourist industry is set out under six sub-headings, such as, Government ownership or shares in hotels, financial assistance available to the industry, income tax and customs duty concessions afforded to the industry. Future plans for the development of the tourist industry in each country are also referred to, and the coverage takes account of the significance of this fast-growing industry to the economic growth of many of the developing countries of the Commonwealth.

Suggestions for improving the format as well as the contents of publication will be gratefully received.

APPROACH

This report has been prepared from information made available by Commonwealth Governments to the Secretariat and endeavours to cover the present organisation of the tourist industry in each Commonwealth country and plans proposed for the future development of the industry.

The subject matter has been arranged under six headings:

1. Value and Extent of the Tourist Industry

Most of this information is given in the two tables immediately following the Summary. Table 1 gives the number of tourist arrivals in each country in recent years, while Table 2 shows the value of tourism to the economies of the various countries by expressing the amount of foreign exchange receipts from tourism (excluding fares) as a percentage of total foreign exchange earnings (exports of goods and services on current account).

2. Official Tourist Organisation

The official tourist organisation, its name, constitution and functions is listed showing what promotional activities are carried out and what liaison, if any, exists between it and organisations representing the private sector of the industry, and its relationship to the government.

3. Internal and Infrastructural Organisation

Associations and organisations representing the private sector - hotels, travel agents, airlines - are listed together with their functions and the extent to which control or assistance is given by the official tourist organisation or the government.

4. Government Participation

This information is given under six sub-headings:

- (i) Ownership or shares in hotels;
- (ii) Financial assistance specifically available (e.g. loans and guarantees);
- (iii) Income tax and other concessions on hotel income;
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction;
- (v) Provision of public funds for publicity purposes; and
- (vi) Government expenditure on infrastructure.

5. Action Taken During the Current Year

6. Future Plans for the Industry

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Kenya	13
Lesotho	17
Malawi	21
Mauritius	28
Nigeria	31
Seychelles	34
Sierra Leone	37
Swaziland	40
Tanzania	42
Uganda	46
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America -		
Antigua	55
Bahamas	57
Barbados	60
Bermuda	66
British Honduras	68
British Virgin Islands	71
Canada	74
Cayman Islands	83
Dominica	85
Grenada	87

Guyana	89
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INTRODUCTION

International tourism has grown at a faster rate than world trade during the past twenty years. Between 1950 and 1966 the average annual growth of tourism receipts was 12 per cent as against 7.7 per cent in the value of world merchandise exports.⁽ⁱ⁾ However, the difference between the two growth rates has narrowed in recent years; in the period 1958 to 1970 tourism receipts grew by 10.2 per cent per annum while world exports rose by 9.3 per cent per annum. Notwithstanding the international monetary crisis, tourism appears to have continued to rise in 1971 and I.U.O.T.O. estimates that arrivals increased by about 7 per cent in 1971 as compared with 10 per cent in the preceding twelve months.

The growth of international tourism has become increasingly important to developing countries in recent years. The value of total exports (excluding petroleum) from these countries went up by 7.6 per cent per annum during the period 1960-68 whereas tourism receipts increased at an annual rate of 11 per cent during the same period. Furthermore, the share of developing countries in world tourist receipts averaged around 20 per cent whereas their share of world exports (excluding petroleum) dropped from 15.4 per cent in 1960 to 12.2 per cent in 1968.⁽ⁱⁱ⁾

Commonwealth countries as a group have shared fully in the growth in world tourism, both in terms of arrivals and in foreign exchange receipts. It appears they will continue to do so for one of the most encouraging signs to emerge in recent years from the point of view of developing countries has been the growth in the number of tourists going to countries outside Europe and North America. Thus, the share of the twelve major destination countries in Western Europe and Northern America of the total market (in terms of tourist arrivals) had fallen from 74.8 per cent in 1965 to 70.8 per cent in 1969. Furthermore, Expo '70 in Japan led to a sharp rise in traffic to the Asian/Australasian countries during that year, the highest increases (excluding Japan) being recorded for Singapore (28 per cent), Australia (23 per cent) and Hong Kong (21 per cent). The growth rate in other South Asian countries, particularly India and Ceylon, has been running at a high level in recent years, although the latter was affected by internal conditions prevailing during 1971 and this growth was subsequently halted. For Europe as a whole, one of the factors contributing to the increase in the tourist growth rate has been the opening up of new markets, which, potentially, present keen competition for countries with long-standing tourist traditions; some of these new markets to which reference has been made in particular are Cyprus and Malta.⁽ⁱⁱⁱ⁾

The growth of international tourist arrivals, by region, as provided by I.U.O.T.O. is given in the following table.

-
- (i) I.U.O.T.O. "Economic Review of World Tourism", 1963.
- (ii) "Invisibles: Tourism - Elements of tourism policy in developing countries" - report by the UNCTAD Secretariat, TD/B/C.3/39.
- (iii) I.U.O.T.O. "Economic Review of World Tourism", 1972.

Table A: International Tourist Arrivals by Region
showing share of total arrivals

(millions)

Region	1965		1966		1967		1968		1969		1970		1971(e)	
	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)	No.	(%)
Europe	87.6	(75.8)	98.8	(79.5)	103.6	(74.2)	109.4	(75.5)	119.1	(75.1)	126.2	(74.7)	136.3	(75.3)
North America	19.4	(16.8)	22.2	(17.0)	25.9	(18.6)	22.8	(16.3)	25.1	(16.2)	27.3	(16.1)	((
Latin America and Caribbean	2.7	(2.3)	3.1	(2.4)	3.5	(2.5)	4.1	(2.9)	4.8	(3.1)	5.1	(3.0)	((
Africa	1.1	(1.0)	1.3	(1.0)	1.4	(1.0)	1.7	(1.2)	2.0	(1.4)	2.3	(1.4)	2.6	(1.4)
Asia/Australasia	2.1	(1.8)	2.5	(1.9)	2.9	(2.1)	3.4	(2.4)	4.3	(2.7)	5.3	(3.1)	5.3	(2.9)
Middle East	2.6	(2.3)	2.9	(2.2)	2.2	(1.6)	2.3	(1.7)	2.8	(1.5)	2.8	(1.7)	3.4	(1.8)
World Total	115.5	(100.0)	130.8	(100.0)	39.5	(100.0)	139.7	(100.0)	154.1	(100.0)	169.0	(100.0)	181.0	(100.0)

(e) Estimated.

Source - I.U.O.T.O. "Economic Review of World Tourism", 1972.

Projections of international tourist arrivals up to 1980 prepared by I.U.O.T.O. suggest that the region likely to experience the fastest rate of growth in tourist traffic will be Africa, with an estimated annual average increase of between 8.1 and 11.8 per cent; relatively high rates of growth are also expected in the Caribbean (5.8 to 7.0 per cent) and Asia/Australasia (4.8 to 6.0 per cent). These projections also show that Europe and North America are expected to attract about 72 per cent of world tourist arrivals.

Under the combined actions of greater spending capacity, paid holidays and the development of charter air traffic (particularly inclusive tours), the upward trend in tourist traffic is expected to continue at an annual average rate of between 4.0 and 5.2 per cent up to 1980.

Summary

An attempt is made below to summarise under a number of major headings the information provided by Commonwealth Governments. Tables 1 and 2 at the end of this summary give an indication of the importance to the tourist industry to each Commonwealth country, by showing the number of tourist arrivals, and the proportion of each country's foreign exchange earnings derived from tourism over the past few years. With regard to Table 2, although it is recognised that figures of gross receipts from tourism overstate the true gain to the balance of payments since the provision of goods and services for visitors necessitates imports of current inputs of goods and services as well as of capital goods, these figures have had to be used as figures for specific imports of goods and services related to tourism and for factor payments abroad (in connection with commissions to travel agents etc.,) are not available for many countries.

1. National Tourist Offices

"Whether the body concerned be a fully fledged Ministry, a directorate general, a department, a board or corporation, what matters is that it should be endowed with sufficient authority to represent the interests of tourism when decisions affecting tourism are taken, to initiate proposals, and to advise departments on questions of tourism within their respective fields of competence. It must also ensure, directly or indirectly, the implementation of government policies and programmes. Such a body should also serve as the focal point for consultations with commercial and other enterprises and associations concerned with tourism and for receiving and reviewing proposals that may be made by them."⁽ⁱ⁾ However, the exact form of organisation for tourism, both within the government itself (for ensuring co-ordination at the level of planning and policy formulation) and at the executive level of machinery for implementing policy and specific programmes, varies from one country to another, according to the importance of tourism and to the structure of the public administration. Some countries, such as India, now have a special Minister of Tourism, or a Minister whose portfolio includes tourism (such as the Minister of Tourism and Wildlife in Kenya), and while the Ministry may be responsible for both the formulation and implication of policy, there may also be an autonomous body, responsible to it, actually implementing policies (for example, the Tourist Development Corporation in Kenya and the Tanzania Tourist Corporation).⁽ⁱⁱ⁾

(i) U.N.C.T.A.D. Committee on Invisibles and Financing Related to Trade - Invisibles: Tourism, Elements of Tourism Policy in Developing Countries (TD/B/C.3/89) - paragraph 132.

(ii) Op cit paragraph 131.

Within the Commonwealth, of the fifty-one* independent countries, Associated States and Dependent Territories covered in this study, fourteen (Bahamas, Bermuda, Botswana, Canada, Fiji, Gibraltar, India, Lesotho, Malawi, Malaysia, Mauritius, New Zealand, Tonga and Zambia) have established Government Departments under permanent Ministries responsible for administering the tourist industry; in the case of Canada and Botswana this is a special section within the Government Department. In addition, in several of these countries, such as the Bahamas, Canada, Fiji, India, Malawi and Mauritius, boards or special councils representing both the public and private sectors of the industry have been set up to act in an advisory or executive capacity.

In other countries it has been found more suitable to establish statutory authorities rather than Government Departments especially where there are already close links between the public and private sectors and where, perhaps, the regular administrative procedures of a Government Department might affect the effectiveness of financial and other operations which depend on quick decisions in response to changes in market conditions. However, in many cases these statutory authorities are in fact subject to the general and special directives of a Minister in charge of tourism. Thirty of the fifty-one countries included in this study have established statutory tourist organisations. These are - Antigua, Australia, Barbados, Britain, British Honduras, British Solomon Islands, British Virgin Islands, Cayman Islands, Cyprus, Dominica, Ghana, Grenada, Guyana, Hong Kong, Jamaica, Kenya, Malta, Montserrat, Norfolk Island, Papua-New Guinea, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Sierra Leone, Singapore, Sri Lanka, Tanzania, Trinidad and Tobago, Turks and Caicos Islands and Uganda. In addition, the Gambia has established a tourist board but this is a non-statutory committee.

Nigeria is the only country whose national tourist office is a private non-profit making organisation, although the Government is represented within the organisation and financially supports it to a large degree.

As far as can be ascertained from the available information, Swaziland and Western Samoa are the only independent Commonwealth countries which have not as yet set up national tourist offices although it is known that the Swaziland Government is currently considering doing so. Nevertheless, Government Departments administering related sectors, for example, the Department of Economic Affairs in Western Samoa, and Ministry of Commerce, Industry and Mines in Swaziland, presently deal with many of the aspects of tourism development. With regard to the remaining Dependent Territories, the Chamber of Commerce is responsible for tourism in the New Hebrides and receives financial assistance from the government for this purpose. The Gilbert and Ellice Islands have not as yet established any official tourist organisation, although tourist information can be obtained through the Colonies' Information Services. There was insufficient information on the Seychelles to determine what type of tourist body, if any, it has established.

2. Overseas Representation

The effectiveness of each national tourist organisation depends to a large extent on the amount of promotion undertaken in other countries, particularly in those countries where a large potential or established market exists.

* Excluding Bangladesh, as information on its tourist industry was not available at time of publication.

While tourist information can be acquired from the Commonwealth Diplomatic and Consular Missions, many Commonwealth countries have established overseas offices for promoting their tourist industries. Seventeen independent countries - Australia, Barbados, Britain, Canada, Cyprus, Fiji, India, Jamaica, Kenya, Malaysia, New Zealand, Singapore, Sri Lanka, Tanzania, Trinidad and Tobago, Uganda and Zambia - have established offices in other certain countries for this purpose. The other independent countries - Botswana, The Gambia, Ghana, Guyana, Lesotho, Malawi, Malta, Mauritius, Nigeria, Sierra Leone, Swaziland, Tonga and Western Samoa - appear at this stage to rely solely on the use of diplomatic and commercial channels for promoting tourism abroad.

In the majority of the Associated States and Dependent Territories, the tourist industries are not yet sufficiently developed to warrant the establishment of tourist offices abroad. However, seven countries, namely Bahamas, Bermuda, Cayman Islands, Gibraltar, Grenada, Hong Kong and the Seychelles, have established overseas offices. Six other Territories, Antigua, British Honduras, British Solomon Islands, British Virgin Islands, Montserrat and St. Vincent, are promoting their tourist industries through public relations, travel or commercial firms abroad.

3. Internal and Infrastructural Organisation

Although the information provided is not fully comparable, nevertheless, some general observations can be made. All Commonwealth Governments, of course, provide infrastructure which incidentally benefits the tourist industry, for example, road and rail transport systems, electricity, water, telecommunications, etc. In many cases, Governments have improved airport terminals to deal with the increased numbers of visitors and runways have been lengthened and strengthened to take international jets; and deep water harbours for cruise ships have been built or extended, particularly in the Commonwealth Caribbean and Pacific islands. In addition, specific infrastructure for tourism is provided by many governments by the development and maintenance of resort areas, beach fronts, places of scenic beauty or historical interest, etc.

4. Government Participation

In cases where tourism makes a significant contribution to the economy, many governments have now integrated tourism into their general economic and social plans.

Government assistance to the industry sometimes takes the form of direct public investment, e.g. by building state-owned hotels or resthouses, but by and large governments participate usually by providing policy guidelines and investment incentives to private enterprise. One of the most useful forms of assistance to the tourist industry is the provision of credit facilities by governments as one of the main difficulties facing hotel investors is obtaining loan capital on suitable terms, especially as regards repayment periods and rate of interest. Fiscal concessions are also granted to private tourist enterprises, in many cases, e.g. tax free holidays, reduced property tax, special depreciation allowances, etc. Import duty concessions on the material required for the building of new hotels or expansion of existing ones have also been offered as an added inducement in several countries.

The following gives a summary of the position within the Commonwealth countries:

(i) Ownership or shares in hotels:

Governments of thirty Commonwealth countries and territories own hotels or have shares in hotels, motels or resthouses. In the cases of Ghana, India, Kenya, Mauritius, New Zealand, Nigeria, St. Kitts-Nevis-Anguilla, Sierra Leone, Sri Lanka, Tanzania, Uganda, Zambia and Western Samoa, this is on a relatively significant scale, while in Antigua, Australia, Barbados, Bahamas, Britain, Canada, Cyprus, Dominica, Gilbert and Ellice Islands, Guyana, Jamaica, Lesotho, Malawi, Malaysia, Singapore, Tonga, and Trinidad and Tobago, the governments have small to minor interests in hotels.

In all other countries the hotels are privately owned.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Altogether, the governments of thirty countries and territories, namely Australia (State Governments only), Barbados, Botswana, Britain, British Honduras, British Solomon Islands, Canada, Cyprus, Fiji, Ghana, Gibraltar, Gilbert and Ellice Islands, India, Jamaica, Kenya, Lesotho, Malawi, Malta, Mauritius, New Zealand, Nigeria, Papua-New Guinea, Seychelles, Singapore, Sri Lanka, Tanzania, Trinidad and Tobago, Uganda, Zambia and Western Samoa - offer some financial assistance to the industry, mainly for hotel development; however, amounts vary widely between these countries.

(iii) Income tax and other concessions on hotel income:

Tax incentives such as "tax free holidays", reduced property tax, investment allowances or special depreciation allowances are granted by thirty-six of the fifty-one Commonwealth countries, States and Territories being reviewed, while in six other countries - Bahamas, Bermuda, Cayman Islands, New Hebrides, Norfolk Island and Turks and Caicos Islands, there is no income tax, and in Papua New Guinea income is taxed at about half the Australian rate. The remaining eight countries - Australia, Canada, The Gambia, Ghana, Hong Kong, Mauritius, New Zealand and Singapore do not grant such concessions.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

Over half the Commonwealth governments (twenty-seven) grant duty concessions on material or equipment for the construction of, and facilities for, new hotels or extensions to existing hotels. These governments are - Antigua, Bahamas, Barbados, British Honduras, British Virgin Islands, Cayman Islands, Cyprus, Dominica, The Gambia, Gilbert and Ellice Islands, Grenada, Guyana, Jamaica, Malawi, Malta, Mauritius, New Hebrides, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, the Seychelles, Sierra Leone, Sri Lanka, Tanzania, Tonga, Turks and Caicos Islands and Western Samoa: Singapore being a duty free port does not need to offer such concessions.

- (v) Provision of public funds for publicity purposes:
Funds for this purpose are provided by all the Commonwealth governments, although amounts, of course, vary widely.

Table 1 - COMMONWEALTH COUNTRIES : NUMBER OF TOURIST ARRIVALS, 1968-1971

(Thousands)

Region and Country	1968	1969	1970	1971	Absolute change 1968-1971
AFRICA					
Botswana	6.0 ^(e)	7.0 ^(e)	7.0	8.1	+ 2.1
The Gambia ^(a)	0.9	0.9	..	2.7 ^(b)	+ 1.8
Ghana	15.3	30.9	35.5	32.1 ^(c)	..
Kenya	257.1	276.0	266.3	154.2 ^(c)	..
Malawi ^(d)	8.0	7.8	9.8	10.2	+ 2.2
Mauritius	15.6	20.6	27.7	35.0 ^(p)	+ 19.4 ^(p)
Nigeria	23.4	13.8	..	..	..
Seychelles	1.1	1.0	1.6	3.2	+ 2.1
Sierra Leone	6.1	7.2	4.2	..	..
Tanzania	49.1	55.9	72.2	..	..
Uganda	54.0	74.0	..	..	..
Zambia	6.0	5.1	10.0	14.9	+ 8.9
AMERICA					
Antigua ^(f)	55.8	61.3	65.4	67.6	+ 11.8
Bahamas	1,072.2	1,332.4	1,298.3	1,463.6	+ 391.4
Barbados	115.7	134.3	156.8	187.8	+ 72.1
Bermuda	331.4	370.9	388.9	412.9	+ 81.5
British Virgin Islands	..	29.5	33.1 ^(e)	46.0 ^(p)	..
Canada	12,070.3	12,775.5	14,798.4 ^(e)	..	..
Cayman Islands	14.5	19.4	22.9	24.4	+ 9.9
Dominica ^(f)	10.0	8.2	12.5	14.4	+ 4.4
Grenada	49.7	68.7	71.7	84.3	+ 34.6
Guyana	18.0	20.0	22.0	25.0	+ 7.0
Jamaica	396.3 ^(e)	407.1 ^(e)	414.7 ^(e)	448.6	+ 52.3
Montserrat	7.0	8.0 ^(e)	12.0 ^(e)	..	..
St. Kitts-Nevis-Anguilla	16.2	18.7	18.9	16.8	+ 0.6
St. Lucia	22.7	25.4	29.5	33.2	+ 10.5
St. Vincent	12.5	15.6	17.6	..	..
Trinidad and Tobago	91.7	95.3	86.9	111.3	+ 19.6
ASIA					
Hong Kong ^(g)	618.4	765.2	927.3	907.3	+ 288.9
India	188.8	244.7	280.8	301.0 ⁽ⁱ⁾	+ 112.2
Malaysia	50.7	53.2	76.4	49.9 ⁽ⁱ⁾	..
Singapore	300.2	408.7	521.7	632.1	+ 331.9
Sri Lanka (Ceylon)	28.3	40.2	46.2	39.7	+ 11.4
EUROPE					
Britain ^(h)	4,800.0	5,800.0	6,700.0	7,000.0 ^(p)	+2,200.0 ^(p)
Cyprus	88.5	118.0	126.6	178.6	+ 90.1
Gibraltar	306.0	220.2	140.7	132.0	- 174.0
Malta	137.0	186.1	170.9	178.7	+ 41.7
OCEANIA					
Australia	299.9	361.3	416.1	432.4	+ 132.5
Br. Solomon Islands	0.6	1.1	1.8	2.0	+ 1.4
Fiji	66.5	85.2	110.0	152.2	+ 85.7
New Hebrides	3.3	4.7	6.0	9.0	+ 5.7
New Zealand	126.3	140.8	170.8	..	..
Norfolk Islands ^(a)	7.9	8.4	10.2	10.7	+ 2.8
Papua-New Guinea	19.5	23.5	30.8	39.7	+ 20.2
Tonga	3.1	3.3	3.6	4.0	+ 0.9
Western Samoa	11.9	15.2	20.3	25.6	+ 13.7

Note: Figures exclude cruise ship passengers, except where otherwise stated. There was not sufficient statistical information to include British Honduras, Gilbert and Ellice Islands, Lesotho, Swaziland and Turks and Caicos Islands in this table.

FOOTNOTES

- (a) 1967/68; 1968/69; 1969/70; 1970/71
 (b) January to September only
 (c) January to June only
 (d) Statistics for the years 1968, 1969 and 1970 in previous editions have been revised and amended
 (e) Estimate
 (f) Includes cruise ship passengers
 (g) Excludes service men or those on rest and recreation
 (h) Figures rounded to nearest hundred thousand
 (i) January to July only
 (p) Preliminary

Source: Material submitted by Commonwealth Governments.

Table 2: COMMONWEALTH COUNTRIES: TOURIST RECEIPTS AS PERCENTAGES
OF TOTAL FOREIGN EXCHANGE EARNINGS (a)
1968 - 1971

COUNTRY	Tourist Receipts (£m)				As Percentages of total Foreign Exchange Earnings (%)			
	1968	1969	1970	1971	1968	1969	1970	1971
<u>AFRICA</u>								
Ghana	0.4	0.4	0.5	..	0.2 ^(b)	0.3 ^(b)	0.2 ^(b)	..
Kenya (r)	20.2	19.5	21.6	24.7	11.2	10.4	10.2	.. ^(e)
Malawi (r)	0.4	0.4	0.5	0.6	0.8	0.9	1.0	0.9 ^(b)
Mauritius (r)	9.9	13.5	18.0	26.3	2.3	3.0	4.9 ^(b)	6.5 ^(b)
Nigeria (b)	1.2	1.2	2.7 ^(b)	.. ^(b)	0.4	0.3	0.5	..
Sierra Leone	0.3	0.2	0.2	0.3 ^(b)	0.7 ^(b)	0.4	0.5	..
Tanzania	3.9 ^(b)	4.9	5.6	5.8 ^(b)	3.1	3.6	3.8 ^(b)	3.5 ^(b)
Uganda	4.6	6.4	8.3 ^(b)	8.5 ^(b)	6.0	7.7	7.0 ^(b)	7.4 ^(b)
Zambia	2.6	2.8	5.0	..	0.8	0.5	0.8	..
<u>AMERICA</u>								
Barbados	11.2 ^(b)	11.8 ^(b)	13.5	..	33.1 ^(b)	35.1 ^(b)	..	..
Bermuda	13.1	13.5	15.2	20.3 ^(e)	..	..	..	..
Canada (c)	377.0	416.0	465.9	..	5.7	5.7	5.6	..
Grenada	3.4	4.9	4.4	5.4	..	..	..	..
Guyana	0.5	0.6	0.6	..	1.2 ^(e)	1.2 ^(e)	1.0 ^(e)	..
Jamaica	36.6	38.9	39.8	45.4	19.7	18.5	18.9	..
St. Kitts-Nevis-Anguilla	0.7	0.9	..	..	..	..	..	..
St. Lucia	1.0	1.2	1.5	..	..	..	..	..
Trinidad and Tobago	7.1	12.1	9.0	..	3.9	4.9	3.6	..
<u>ASIA</u>								
Hong Kong	66.8	87.3	124.5	108.9	9.2	9.6	11.9	9.2
India	14.7	18.4	21.1	22.4 ^(f)	2.0	2.4	2.5	..
Malaysia (b)	3.6	3.2	3.8	2.7	6.0	1.8	..	..
Singapore (b)	20.3	30.3	38.2	45.4	3.1	3.8	4.7	4.8
Sri Lanka (Ceylon)	0.8	1.3	1.5	1.5	0.5	0.8	1.0	..
<u>EUROPE</u>								
Britain ^(d)	282.0	359.0	433.0	469.0 ^(p)	2.8	3.2	3.4	.. ^(p)
Cyprus	5.8	7.8	8.5	13.5	7.2	8.4	8.2	11.4 ^(p)
Malta	8.2	11.2	12.1	12.8	16.7	19.4	17.4	..
<u>OCEANIA</u>								
Australia	46.6 ^(b)	55.1 ^(b)	64.4	70.0 ^(p)	2.5	2.5	2.5	2.7 ^(p)
Fiji	6.6	8.8	23.2	31.5	..	..	18.0	..
New Zealand	9.3	11.1	13.9	19.6	1.8	1.6	1.7	1.8
Papua-New Guinea ^(h)	3.2	3.8	5.7	7.0	..	..	..	..
Tonga	..	..	0.4	0.3 ^(b)	..	..	10.0 ^(g)	11.0 ^(g)
Western Samoa	0.3	0.3	0.4	0.9 ^(b)	1.7 ^(b)	1.6 ^(b)	2.2 ^(b)	2.3 ^(b)

Note: There was insufficient information to include the following countries in this table: AFRICA - Botswana, The Gambia, Lesotho, the Seychelles and Swaziland; AMERICA - Antigua, Bahamas, Br. Honduras, Br. Virgin Islands, Cayman Islands, Dominica, Montserrat, St. Vincent and Turks and Caicos Islands; EUROPE - Gibraltar; OCEANIA - Br. Solomon Islands, Gilbert and Ellice Islands, New Hebrides and Norfolk Island.

FOOTNOTES.

- (a) Exports of Goods and Services on Current Account
- (b) Source - I.M.F. Balance of Payments Statistics, 1971 and 1972
- (c) Includes receipts from same-day excursionists
- (d) Figures rounded to the nearest million pounds
- (e) Estimated
- (f) January to August only
- (g) Approximate
- (h) 1967/68; 1968/69; 1969/70; and 1970/71
- (p) Preliminary
- (r) Revised
- .. Not available

Source: Material submitted by Commonwealth Governments (unless otherwise stated).

AFRICA

Botswana

Botswana's tourist potential depends largely on its reserves of wildlife, although there are other features of archaeological, historical and scenic value which can be developed to attract more tourists. Botswana's proximity to the Victoria Falls is an added attraction.

1. Value and Extent of the Tourist Industry

Ordinary tourist visitors to Botswana during 1971 increased to 8,050, a rise of 15 per cent over the previous year. The total expenditure by ordinary tourists is estimated at about R. 434,700 in 1971.

As well as ordinary tourists there were in the region of 150 tourist hunters from overseas whose total expenditure was over R. 90,000. However, it is now the policy of the Department of Wildlife and National Parks to discourage gun shooting and try to persuade nature hunters to shoot with their cameras. As more permanent facilities are made possible, there will be less hunting tourists and instead it is hoped there will be an increase in ordinary tourists.

The aim is to increase the number of ordinary tourist visitors to at least 22,000 by 1973/74 by providing more accommodation and other facilities. This will mean that the total expenditure by ordinary tourists will rise to over R. 800,000 per annum. Expenditure by tourist hunters, both from overseas and from the South African region, is unlikely to increase in this period.

2. Official Promotional Organisation

The Ministry of Commerce, Industry and Water Affairs is responsible for the development of tourism. A Tourism Division has now been set up and is working in close liaison with the Department of Wildlife and National Parks - the Department responsible for wildlife management on which so much of the tourism development depends. The Tourism Division is in the middle of completing the first ever glossy brochure specially made for tourism promotion.

The Information Department also provides general information on Botswana. Botswana Airways Corporation (in which the Government is the main shareholder) is also doing tourist promotion work from its Johannesburg office.

3. Internal and Infrastructural Organisation

Although Botswana's main tourist attractions are in the northern section of the country, including the Chobe National Park, the Moremi Wildlife Reserve situated on the edge of the Okavango Swamps, the Nxai Pan National Park and the Makgarikgari Pans Game Reserve, the central and

south-western sections also have their attractions; for example, in the central area the Khutse Game Reserve, which is more or less a reservoir for migrating game from the Central Kgalahari Game Reserve, and in the south-western area, there is the Gemsbok National Park.

There are plans by interested investors to build a game lodge within the next two years in the neighbourhood of the Gemsbok National Park-Mabuasehube Game Reserve-Central Kgalahari Game Reserve confluence, in order to bring visitors to these areas as well as to provide much needed accommodation in this area. At the moment much of the attractions in the north are being served by six safari companies and four smaller organisations offering photographic tours.

Road improvements are on the increase. In addition to the all weather road between Francistown and Maun, another road is under construction which will serve the Nata-Kasungula belt and with which it is hoped other ancilliary services will be provided to facilitate the travelling visitor's movements between these two points. As well as these, an access road from Victoria Falls to Kasane in the Chobe National Park has been opened.

Of the sixteen hotel/motel/lodge-type accommodation facilities, about nine are reasonably good hotels. Including the President Hotel in Gaborone, the Cumberland Hotel in Lobatse, Khwai Lodge, Riley's Crocodile Camp Lodge in the Maun area, Chobe Safari Lodge in the Kasane area. The remainder offer the traveller some cover overnight, plus good drinking and washing water, but relatively limited although reasonable services. With the two largest hotels due to open in the next two months or so, the picture of hotel accommodation in Botswana should certainly become brighter.

The only travel agent - Botswana Airways Corporation operates in the whole of Botswana. Its main offices are in Gaborone, Johannesburg and Francistown. The Corporation provides scheduled services throughout major tourist centres and major towns in Botswana and has weekly connections with South Africa and Zambia.

4. Government Participation

(i) Ownership or shares in hotels:

Botswana Government owns one hotel at present. This is the President Hotel in Gaborone, which is leased to a private hotelier. All other hotels are privately owned. The Government will have a 20 per cent share in the management company of the new Chobe Lodge.

It is intended that the Botswana Development Corporation should take over the Government's shares in future hotel investment ventures.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Loans may, under certain circumstances, be made available to hotel investors.

- (iii) Income tax and other concessions on hotel income :

A special depreciation allowance on hotel equipment is made and it is the intention to grant special allowances for hotel investment in the future .

- (iv) Import duty concessions on material and equipment :

At present there are no concessions for the import of tourist material and equipment .

- (v) Provision of public funds for publicity purposes :

Funds voted to the Department of National Parks and Wildlife, the Government Printer and the Information Department are used to a certain extent for publicity purposes (see Section 5).

- (vi) Government expenditure on infrastructure :

The Government has made a considerable investment in the Botswana Airways Corporation, which should make a considerable contribution in promoting tourism in Botswana. (See also Section 5)

5. Action Taken During the Current Year

A Tourism Section, which has currently been set up under the Ministry of Commerce, Industry and Water Affairs, is responsible for co-ordinating tourism development schemes. Accommodation, being a cardinal requirement, besides game and other attractions, is the immediate concern of this section.

Significant improvements are being made to Botswana's national parks and game reserves. These improvements include upgrading of the road systems in the established parks and reserves and the encouragement of safari companies to redirect their hunting safaris to photographic safaris, with permanent facilities, in the major game concession areas.

The Tourism Section has earmarked R.19,500 for publicity and advertising material, and another R.500 for additional infrastructural improvements. These include, among others, the signposting of tourist attractions along major tourist routes, etc.

Also provided for in the 1972/73 financial year is the sharing of the Botswana Airways office in Johannesburg for promoting tourism. It should be noted that, for a long time, travelling to Botswana's most attractive tourist areas will be mostly by air. And for this joint promotion deal, the Tourism Section has earmarked another R.2,000.

Because tourism is highly dependent on the quality of service, an additional R.2,000 has been reserved for research and market surveys which are so essential to the success of the industry. A total of R.24,000 has been initially provided by the government for this purpose; although this sum may appear to be meagre, nevertheless it is significant in relation to the level of Botswana's limited financial resources.

However, tourism in Botswana is now being helped towards maturity by the rapid expansion of the infrastructure and development of hotel facilities. The limited governmental financial resources are being supplemented by overseas investors who are alive to the vast tourist potential which the country has to offer. For example, in the Chobe National Park, a 100-bed hotel is under construction and will be opened towards the end of this year, and in Gaborone, a 240-bed hotel and casino complex will come into operation in August this year.

6. Future Plans for the Industry

In addition to the plans outlined in Section 5 above, in general terms, plans are under review to make the tourist industry in Botswana an economic and material success.

The Gambia

The Gambia's tourist potential depends largely on the agreeable climate of the country with its distinct dry and wet seasons, its scenic beauty, white sandy beaches, the attractive variety of cultural activity, together with a rich birdlife, a fairly good selection of wild life, its accessibility by air to Europe and America, and the friendliness of the people.

1. Value and Extent of the Tourist Industry

Table 1 shows the number of tourist arrivals to the Gambia, excluding cruise ship passengers; these numbered approximately 7,000 in 1970/71, and 6,000 in 1971/72.

Tourists arriving by air came mostly from Scandinavia, staying for approximately 14 days during which their per capita expenditure has been estimated at 500 dalasis (D500 = £100).

The tourist season runs from early November to the end of May.

2. Official Promotional Organisation

The principal promotional and advisory body is the Tourist Board - a non-statutory consultative body under the Chairmanship of the Minister of State responsible for Information, Broadcasting and Tourism. Membership of the Board comprises representatives from both the private and public sector.

A Tourism Division has been established within the President's Office, to take care of the day-to-day business in connection with the development of tourism. Promotion and publicity abroad is jointly undertaken with the Information Office and through visits of foreign travel writers, photographers, television and film producers.

The functions of the Division are many and varied, and include:

- (a) dealing with all enquiries on visits, local costs, accommodation, etc., as well as processing more specific enquiries on tourist development potential;
- (b) producing tourist literature (in conjunction with the Information Office) for overseas and local consumption;
- (c) devising local excursions in conjunction with local transport and travel agencies;
- (d) the Tourist Officer is Secretary to the Tourist Board;

- (e) general day to day liaison (especially during the tourist season) with tourist agencies, both in The Gambia and overseas;
- (f) ensuring that standards of local Gambian craftwork are kept high;
- (g) acting as a clearing house for complaints directed against local hotels, local transport, etc.;
- (h) liaison with police, the public health, Marine, Airport Authorities on all matters relating to tourism;
- (i) liaison with hotel managements in all matters of tourist comfort; hotel staff training and provision of tourist amenities;
- (j) overseas advertising, placing of feature articles in world's press; arranging public relations tours, etc.;
- (k) stimulating interest in local development of tourist facilities;
- (l) organising a trained pool of licensed guides; and
- (m) responsibility for Tourist Information Kiosk.

3. Internal and Infrastructural Organisation

Hoteliers, shipping agents, airline companies, and the local Taxi Drivers Union, are all represented on the Tourist Board. A Local Tourist Friendship Society which aims at fostering Gambian-visitor contacts, is also represented.

The Gambia has eleven hotels (containing 1,028 beds) most of which are situated along the Atlantic coast and are close to Bathurst. The Government has a share-holding in only one hotel and all the others are privately owned.

Tour Operators - there are five tour operators in the Gambia (two Scandinavians, two British and one Belgian) and one travel agency - Wing Afric Ltd. - in which the Government is a partner.

Vocational Training - plans are afoot for the training of hotel personnel under the guidance of an I.L.O. Expert. With U.N.D.P. assistance it is hoped that eventually a vocational training centre will be established for training of hotel staff and guides.

Guides - a crash course was organised in 1970 for tourist guides. Some of the successful trainees were employed by Wing Afric Ltd. and the hotels.

4.

Government Participation

- (i) **Ownership or shares in hotels:**
Government holds 34 per cent of the share capital in African Hotels (The Gambia) Ltd. - a local company interested in the development of hotels. So far, the company has built one hotel (Sunwing) containing 160 beds and work is in progress on an additional 240 beds to be ready by November 1972. Sunwing hotel is managed by a private firm and all the other hotels are privately owned and managed. Government has also entered into partnership with a foreign tour operator to form a local travel agency - Wing Afric Ltd. (50 per cent shares each), to take care of tourist excursions in and around The Gambia.
- (ii) **Financial assistance specifically available (e.g. loans and guarantees):**
Not available at time of publication.
- (iii) **Income tax and other concessions on hotel income:**
The Development Act provides for a maximum of five years tax holiday period.
No restriction is placed on the repatriation of profits in the currency appropriate to the country of residence of the original investor.
- (iv) **Import duty concessions on material and equipment for hotel or other tourist construction:**
By the same Act, certain items of plant and hotel equipment are exempted from customs duty. Building materials are similarly exempted.
- (v) **Provision of public funds for publicity purposes:**
A provision of D3,925 (£785) has been made in the national budget for publicity material and general public relations.
- (vi) **Government expenditure on infrastructure:**
The main improvements in relation with tourism contained in the Third Development Programme (1971/72 to 1973/74) are :
- (A) **Public Utilities -**
- | | |
|--|------------|
| (a) Generating set for Bathurst | (D650,000) |
| (b) Improvement to Bathurst V.H. Distribution System | (D 85,000) |
| (c) Bathurst Drainage and Sewerage Scheme | (D150,000) |

(B)	Communications -	
(a)	Roads	(D 550,000)
(b)	Port Development Project	(D5,060,000)
(c)	Replacement of M.V. "Lady Wright"	(D1,500,000)
(C)	Yundum Airport - Development Project - new apron, equipment and terminal building	(D2,050,000)
(D)	Health Services - Development Programme	(D 357,000)

5. Action Taken During the Current Year

See Sections 4 and 6.

6. Future Plans for the Tourist Industry

Over 100 per cent increase in tourist traffic is expected during the 1972/73 tourist season which will start two weeks earlier and end about two weeks later than the 1971/72 season. A new Scandinavian tour operator will commence operations in The Gambia. Many more hotels are likely to be built during the next few years.

A national park has been proposed at a site about 100 miles from Bathurst. This will be a major tourist attraction in due course.

Government have acquired, through the U.N., the services of a tourist adviser and he is expected to take up office very soon.

A feasibility study of tourism development has been undertaken by a team of experts under the auspices of the British Government and the report of the team is awaited.

Ghana

The tourist potential of Ghana depends largely on its warm weather, places of scenic beauty, beaches (there are 334 miles of coastline), surfing at Takoradi, Tema, Winneba and Busua, its historic castles and forts, forests, game reserves, lakes and the colourful dress, customs and festivals of the people.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Ghana (see Table 1, p.(xiv)) has risen steadily over recent years from about 30,000 in 1967 to over 35,000 in 1971. Visitors come mainly from Britain, the United States, Germany and France.

After reaching a peak of almost N¢2.6 million in 1963, foreign exchange receipts from tourism fell heavily in the following year to some N¢126,000, but since then there has been some recovery to N¢1.1 million in 1970 (latest figure available - see Table 2, p.(xv)). Nevertheless tourism accounts for only a very small proportion of total foreign exchange earnings.

2. Official Promotional Organisation

The National Tourist Corporation of Ghana, now the Ghana Tourist Corporation, was set up in October 1968 to determine policy relating to the development and promotion of tourism and to serve as the central co-ordinating and advisory body in all matters relating to tourism.

The Corporation, which is under the direct supervision of the Ministry of Trade, Industry and Tourism, is governed by a nine-member Board which consists of a Chairman, a representative from the Ministry, a representative from the Ministry of Education, Culture and Sports, the Managing Director of the State Hotels Corporation, a representative of the Ghana Airways Corporation and two other distinguished Ghanaians in the field of tourism. The functions of the Corporation are:

- (a) the promotion, development and enhancement of places of historic and scenic interest in Ghana;
- (b) the encouragement and inducement of holiday makers, travellers and tourists to travel to and see such places;
- (c) the promotion and advertisement of tourism in Ghana and abroad;
- (d) the promotion and advertisement of tourist organisation;
- (e) the promotion of tourism consciousness throughout Ghana;

- (f) the carrying out of study and research on tourism; and
- (g) the carrying out of such functions relating to tourism as it may think fit and are in the national interest.

3. Internal and Infrastructural Organisation

Other organisations connected with tourism include the State Hotels Corporation, the Ghana Association of Travel Agents, and the Board of Airline Representatives.

The State Hotels Corporation operates eight hotels and five rest-houses located in the major cities and towns, and there are also a number of privately owned hotels of a standard suitable for international travellers. In the minor towns there exists a large number of small non-catering rest-houses patronised mainly by travellers using their own cars.

There are 16 travel and tourist agencies in Ghana, eight of which possess IATA licenses. The IATA licenced travel agents form an Association which is a member of the Universal Federation of Travel Agents' Associations (UFTAA).

Ghana has one international airport (Accra) and three airports for internal use (Takoradi, Kumasi and Tamale). Scheduled services between Accra and the major cities of Western Europe, Africa and the Middle East are operated by thirteen airlines.

The main shipping lines operating through the country's two ports at Tema and Takoradi are the Black Star Line, Liner Agencies, Farrel Lines, Umarco, Scanship and Woermann Line. The two ports, though principally commercial, have good facilities for the reception of visitors.

Ghana's network of major roads (those under the care of the Public Works Department) stretches over 6,000 miles, 2,500 of which are tarred. These roads link up the main tourist regions of the country and other neighbouring African countries.

4. Government Participation

- (i) Ownership or shares in hotels:

Government owns eight hotels, namely Ambassador, Continental, Meridian, Atlantic, City, Star, Airport and Volta, and five catering resthouses at Kumasi, Tamale, Sunyani, Cape Coast and Winneba Catering Resthouse.

- (ii) Financial assistance specifically available (e.g. loans and guarantees):

Consortium loan from the National Investment Bank and the Commercial Banks for the rehabilitation of the Ambassador and Continental Hotels is being negotiated.

- (iii) Income tax and other concessions on hotel income:

No concessions are granted.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:

None.

- (v) Provision of public funds for publicity purposes:

Not available at time of publication.

- (vi) Government expenditure on infrastructure:

Not available at time of publication.

5. Action Taken During 1969 (latest information available)

When 1969 was proclaimed as the International Year of African Tourism, Ghana played its part for the full realisation of the objectives, by devoting two weeks of May to an Exhibition on Tourism in the capital, Accra, at which all the leading practitioners of tourism in Ghana combined to demonstrate the facilities that exist in the country for holidays and tourism.

Ghana published a brochure on tourism in commemoration of the International Year of African Tourism which gave detailed information on Ghana including:

- (a) How to get to Ghana by air, land and sea;
- (b) Climatic conditions;
- (c) Facilities: hotels, restaurants, health, etc.;
- (d) Cultural activities: a calendar of holidays, information on traditional dancing, music and festivals, etc.;
- (e) Currency: the unit of Ghana monetary value compared with the US dollar, sterling and the German mark;
- (f) Customs regulations: documents required by foreign citizens and how to get them;
- (g) Common courtesies and local customs: what is expected of a tourist, how to dress, etc.;
- (h) Where to go: sight-seeing notes on cities and places of interest; and
- (i) Sources of further information: where to go for any information required.

Ghana issued other tourist literature on the occasion of the celebration of International Year of African Tourism, including:

- (a) "How to see Accra" - a seven page folder;
- (b) "A Guide Map of Accra"; and
- (c) I.Y.A.T. commemorative envelope.

Kotoka International Airport: steps have been taken to provide first class facilities at the new international airport for visitors. They include a duty free shop, craft shop and a tourist information desk.

6. Future Plans for the Tourist Industry (as at December 1970)

Steps are being taken to engage the services of a competent and reputable firm of consultants to conduct a feasibility study of the whole country as a pre-requisite for enunciating a national tourism development policy. In such a survey, experts will be able to list out all the tourist potentials for both local and foreign consumption. They will propose those to be developed and promoted and in what way and how best in order of priority.

Promotional Activities:

The Corporation has undertaken to publish three different brochures on tourism. The first brochure entitled "Official Guide Book of Ghana" came out in July, 1969. The second brochure, which followed in 1970, gave detailed information on tourist attractions and events. This covered beaches, waterfalls, scarps, forts and castles, lakes, zoos, and gardens, resthouses and catering facilities, etc. The third brochure is expected to feature important towns and cities like Accra and Tema, Kumasi and Takorandi, etc.

Tourist Centres:

These are to be established both within and outside Ghana. All the diplomatic missions abroad, especially in the U.S.A., Canada, Britain and West Germany, will be supplied with brochures for distribution. In addition, a colour film highlighting Ghana's cultural heritage will be produced and distributed to television stations in North America, Britain and Europe on an exchange basis and to the diplomatic missions for showing to foreigners with a view to attracting tourist visits.

Tourist Season and Events:

The winter months, i.e. December to February, will be declared the tourist season to attract visitors from America and Europe. During the tourist season, special flights at reduced fares will be arranged from such major centres as London, Bonn, New York to Accra. Special traditional events and festivals will be arranged towards the entertainment of tourists during the season, for example the Regatta at the Accra Wharf and a special dramatised durbar at the Elmina Castle to recall the first contact between the Portuguese and Ghanaian Chiefs at Elmina.

Cultural Projection:

Efforts will be made to expose Ghanaian culture in the U.S.A., Britain and West Germany with the view to attracting visitors to Ghana.

Resthouses and Catering Facilities:

These will be provided at every spot of tourist attraction, for example, at beaches, waterfalls and botanical gardens, etc. Private business companies will be encouraged to build motels, etc., whilst the Government will provide all necessary infrastructural facilities such as roads, electricity, water, etc. to tourist spots.

Kenya

Kenya's tourist potential lies mainly in its warm climate and natural endowments such as its vast reserves of wildlife, its excellent beaches, its national parks, the scenic beauty of its Highlands, the traditional customs of the colourful dancers and above all the natural hospitality of its people.

1. Value and Extent of the Tourist Industry

Tourist arrivals in Kenya (including visitors from Tanzania and Uganda) are shown in Table 1, p.(xiv). These have risen steadily over the past few years, from 247, 494 in 1967 to 266, 325 in 1970, an increase of almost 8 per cent. Tourists come mainly from Britain, the United States and Western Europe. Foreign exchange receipts from tourism have grown at an even faster rate than actual tourist numbers, having risen by 18 per cent between 1967 and 1970, and tourism currently contributes about 10 per cent to total foreign exchange earnings (see Table 2).

2. Official Promotional Organisation

The Kenya Tourist Development Corporation is a statutory board established in November 1965, by an Act of Parliament. Prior to 1965, tourism was promoted by a voluntary association, the East African Tourist Travel Association which received financial support from the three East African governments and from private bodies. With the advent of independence it became necessary for each country to set up its own tourist office. The K.T.D.C. has a board consisting of a chairman and about ten members drawn from the Permanent Secretaries to the Ministries of Tourism and Wildlife, Finance and Planning and Natural Resources, and such other persons who possess qualifications that might be of benefit to the Corporation, and these include among others the representatives of hotels, tour operators, airlines and travel agents.

The Chief Executive Officer of the Corporation is the General Manager who is responsible for the day to day management of the business of the Corporation. The Corporation is subject to the general and special direction of the Minister of Tourism and Wildlife.

The functions of the board include the investigation and formulation of projects for the promotion and expansion of new and existing enterprises; assisting other authorities or persons either financially or in any other way to perform any functions aimed at promoting tourism.

The Ministry of Tourism and Wildlife, however, retains overall responsibility for the operation of hotels, motels, lodges, camping sites, restaurants and other places of accommodation, refreshment or recreation; promoting or advertising tourism; providing, maintaining or improving

transport facilities; the provision of information and booking facilities for tourists; and the development and preservation of wildlife and the natural flora and fauna of Kenya.

In order to step up the promotion of the tourist campaign, the Ministry has set up tourist offices in London, Frankfurt and New York and other overseas offices are planned. Tourist literature and films are also sent to all embassies overseas. In a joint effort each establishment carries out distribution of tourist literature to tour operators, travel agents and individuals in its area of jurisdiction.

3. Internal and Infrastructural Organisation

Airlines, shipping companies and tour operators assist in promoting Kenya's tourism in association with the Ministry. Tour operators often plan their itineraries without regard to national boundaries, taking East Africa as a single tourist zone.

The Ministry of Tourism and Wildlife has completed the classification of hotels all over the country and a hotel guide was published in September, 1971.

The Board of Trustees of the National Parks administers the Kenya National Parks and archaeological sites. The County Councils, however, administer the game reserves within their jurisdiction. But the Game Department is responsible for the preservation of game and general game policy, including the issuing of hunting licences and demarcation of hunting zones.

4. Government Participation

(i) Ownership or shares in hotels:

In 1969 the Government requested a hotel expert to make a feasibility study of the construction and improvement of tourist lodges. On the basis of the report, the Government set up a company known as the Kenya Safari Lodges and Hotels Ltd., in which it holds shares through the Kenya Tourist Development Corporation. To date this company has erected two lodges, one at Ngulia and the other at Voi in Tsavo National Park. It has also erected the Mombasa Beach Hotel at Mombasa. The Kenya Tourist Development Corporation has also participated in the construction of both the Hilton and Inter-Continental Hotels which are now fully operational.

<u>Project</u>	<u>Hotels under Implementation</u>	
	<u>Location</u>	<u>Number of beds</u>
A new lodge	Masai Mara	100
A new lodge	Masai Amboseli	100
A new hotel	Shanzu Beach	100
A new hotel	Nairobi	150
Karibuni Hotel	Kikambala	200
Baharini Lodge	Nakuru	100
A new hotel	Mount Elgon	50

For Implementation Soon

<u>Project</u>	<u>Location</u>	<u>Number of beds</u>
Marsabit Lodge	Marsabit National Park	48
Bamboo Forest Lodge	Kijabe, Abardare Forest	112
A new hotel	Kisumu	80
A new lodge	Maralal	100
A new hotel	Kilifi	300

- (ii) Financial assistance specifically available:

See (i) above.

- (iii) Income tax and other concessions on hotel income:

There is a 20 per cent investment allowance for hotel development exceeding a minimum of £4,000.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:

None.

- (v) Provision of public funds for publicity purposes:

Expenditure on promotion met from Ministry of Tourism recurrent budget is estimated to total £225,000 in Kenya's Development Plan 1970-74.

- (vi) Government expenditure on infrastructure:

The tourism development plan for the period 1969-1973 envisaged the expenditure of £10.5 million of which £3 million would be contributed by the public sector, in hotel and lodge accommodation. Expenditure on improving the infrastructure was estimated at £8.3 million, including £2.5 million on tourist roads, £0.7 million on national parks and reserves, £0.6 million on the Game Department and £3 million on airports. The Government, in co-operation with the East African Hotelkeepers' Association, has set up a Hotel Training School. Experts have been invited to advise on the improvements required for the Mombasa airport to enable it to take a larger type of aircraft bringing package tourists. In 1968 the Government received plans envisaging an outlay of more than £30 million for the development of air traffic in the Nairobi area; the plans call for a continuous programme of capital expenditure up to the year 1990. The first stage of development, was completed in 1972. This included extension of the airport for Jumbo Jets; landing services expedited by the installation of conveyor belts; and improvements made to the arrival and departure lounges.

5. Action Undertaken During the Current Year

The development of tourist roads all over the country has been phased in three stages. The aim is to bring up to all-weather condition access as well as internal routes within the parks and game reserves. By

the end of 1969, Phase I and II had been completed and plans for the development of Phase III had been finalised. In line with the development of tourist roads, work has continued on the main trunk roads. Bituminisation of Nairobi-Addis has continued, while the Athi River-Namanga road was completed in 1971. It is hoped to have a highway running from Tanzania to Addis all through Kenya when work on these roads is completed.

6. Future Plans for the Tourist Industry

It is quite obvious that tourism in Kenya has enormous potential for growth.

Holiday traffic grew at the rate of 28 per cent between the end of 1961 and the end of 1966, and 32 per cent from the beginning of 1964 to the end of 1966. Projecting these figures forward until the end of 1973, the indications are that Kenya can expect to receive 385,000 visitors. Of the additional 6,568 beds which it is estimated will be required by the end of 1973 nearly 70 per cent will be sited on the coast and in the wildlife areas. It is recommended that certain plots of State and Trust Land at the coast should be allocated and developed as hotel sites in conformity with the proposed Town Planning Zoning Scheme and that infrastructural development in these regions should be given high priority. In up-country areas emphasis will be placed on the modernisation of premises to raise their economic viability.

Lesotho

Lesotho's tourist trade has recently received several important boosts. The first national park - destined to become a major tourist attraction - is now in course of development while, in October 1970 the first Holiday Inn and Casino were opened in the capital, Maseru. Great tourist potential lies in the country's spectacular mountain scenery, such as Thabana Ntlenyana which rises to 11,245 feet, and is the highest peak in Southern Africa; in winter the snow-capped mountains make skiing possible. Other attractions include the Maletsunyane falls, 630 feet in height; trout fishing; places of historical interest, such as Matsieng - home of the Paramount Chiefs - and the cave-house of Masitise. There are also numerous examples of rock paintings, dinosaur foot-prints and fossilised plants.

1. Value and Extent of the Tourist Industry

There has been a sharp increase in the number of tourist arrivals to Lesotho in recent years, due largely to the opening of the Holiday Inn and Casino in Maseru in 1970. Numbers rose from about 3,600 in 1966 to an estimated 45,000 in 1971. The tourists come mainly from South Africa, but a number also come from Western Europe, generally as part of a tour of Southern Africa. Foreign exchange receipts have also risen considerably, amounting to approximately R. 800,000 in 1971 (or about 18 per cent of the country's total foreign exchange earnings) compared with only R. 28,000 in 1966.

2. Official Promotional Organisation

The Tourist Board, established early in 1967, has been replaced by a government operated Tourism Office as a precursor to a full Department of Tourism which is due to be established in the 1972/1973 financial year. This Office is responsible for all aspects of government policy in the future development of tourism in this country.

Facilitation:

Action has been taken for the simplification of entry and departure formalities, now reduced to a minimum, and for reciprocal arrangements for visas, which have thus far been concluded with the following countries: Norway, Denmark, Italy, Belgium, Netherlands, Greece, Iceland, Israel, Finland, San Marino, Luxembourg and South Korea.

Overseas representation:

The Government has not yet established offices abroad for tourism promotion. However, diplomatic and consular officials represent Lesotho tourist interests overseas.

Familiarisation tours:

The Tourism Office intends to organise tours for airline operators, journalists and tour operators etc.

The Government is not yet a member of any international or regional tourist organisation, but is negotiating to join a number of these in the foreseeable future.

3. Internal and Infrastructural Organisation

District Administrators are examining the possibilities of providing facilities for tourists throughout the country, such as caravan parks with water and sanitation. Rest huts exist in several places in the mountain areas.

Hotels:

In 1971, there were nine hotels and four tourist lodges in Lesotho, which provided 725 beds. Two new hotels have recently been opened in Lesotho. Maseru saw the grand opening of the Holiday Inn and Casino in October 1970, with 116 double-rooms, all with private baths. In the second half of 1971, the Inn had already been expanded by the construction of an additional 122 double-rooms. A small modern hotel was opened at Mafeteng at the beginning of 1971. A modern tourist lodge in the foothills at Qaba some 50 miles from Maseru, was also opened in 1971. Widespread improvements have been effected at the Blue Mountain Inn, Teyateyaneng - always a popular family hotel.

Air Services:

External (international) air services are limited to three flights per week between Maseru and Johannesburg. The national airline, Lesotho Airways, is responsible for maintaining all internal services and also arranges from time to time for charter flights into and out of the country. Since the signing of an air services agreement with South Africa in 1968, two further such agreements have been concluded: with Botswana in November 1970 and with Malawi in January 1972. An air services agreement between this country and Swaziland is in an advanced stage of negotiation.

Roads:

A new programme of road construction has recently been launched. The road to Roma - home of the University of Botswana, Lesotho and Swaziland - should be completed by the end of 1972, while a start is to be made in the same year with the extension of the tarring of the main road to the south towards Mafeteng. An entirely new road has been surveyed from Mafeteng to Quthing via Mohale's Hoek, and a new route has also been surveyed between Leribe and Butha-Buthe. In 1971, the long-standing dream of a Trans-Lesotho route was realised with the completion of a jeep track from Mantsonyane - the end of the present Mountain Road - to Sehlabathebe at the eastern escarpment of the country.

National Parks:

A start has been made for the establishment of national parks in Lesotho. The first national park, at Sehlabathebe, was proclaimed in February 1970; development is under way and it is hoped to turn this 25 square-mile area, with untold natural beauty, into one of Lesotho's premier tourist attractions. Other national parks may be established in other parts of Lesotho in the near future to preserve as much as possible of the country's natural beauty.

4. Government Participation

(i) Ownership or shares in hotels:

The Government of Lesotho, through the Lesotho National Development Corporation, is an important shareholder in the Maseru Holiday Inn. At present, all other hotels in Lesotho are privately owned with the exception of the Orange River Hotel at Quthing, the Senqunyane Lodge at Marakabei and a small lodge at Semonkong, where the buildings are owned by Government, but leased out to private enterprise.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

The Government-sponsored Lesotho National Development Corporation is prepared to consider proposals for financial assistance in the hotel and allied industries through capital participation.

(iii) Income tax and other concessions on hotel income:

The Pioneer Industries Encouragement Act No. 19 of 1969 provides for substantial tax concessions.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

None, as all import duties on goods consigned to Lesotho are, in terms of the Customs Agreement, levied at ports of entry in South Africa. No additional import duties are levied at Lesotho ports of entry.

(v) Provision of public funds for publicity purposes:

To be allocated with the formal establishment of the Department of Tourism.

(vi) Government expenditure on infrastructure:

The Government is committed to a substantial expenditure programme on new road construction and the betterment of existing roads and this will have a telling effect on the development of tourism in the years ahead.

5. Action Taken During the Current Year

The decision has been taken to establish a Department of Tourism in the financial year 1972/1973. Tourism will then gradually assume a more

important role in the country's overall economic development. A U.N. Adviser on Tourism, who arrived in the country in November 1971, was recruited.

The Department will initially concentrate on the following lines of action:

- (a) gathering tourist statistics which are at present almost non-existent;
- (b) inspection of hotels and other tourist facilities and make suggestions for improvements to both owners and the liquor licensing authorities;
- (c) the establishment of information centres at suitable points in the territory;
- (d) co-ordination of all Government departments involved in tourism;
- (e) advising Government on tourism policies and legislation pertaining thereto;
- (f) publication and distribution of publicity material;
- (g) liaison with travel agents and tour operators to further the cause of tourism in this country; and
- (h) promoting public understanding of tourism throughout Lesotho, particularly in the countryside, hitherto cut off from the larger centres, where much enlightenment on the meaning of tourism is needed.

6. Future Plans for the Tourist Industry

See Section 5 above.

Malawi

Malawi has an individual, if not unique, package of tourist attractions, the chief of these being Lake Malawi, with the mountain areas and three national parks as important, but nevertheless secondary attractions. Furthermore, the country is strategically situated to take advantage of the large and prosperous markets for tourists nearby in southern and central Africa. The innate friendly courtesy of its inhabitants is also an important attraction for tourists. The Government attaches considerable importance to developing the tourist industry as a means of earning additional foreign exchange and of creating additional income and employment.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Malawi has risen steadily from 8,000 in 1968 to 10,200 in 1971 (see Table 1). Foreign exchange receipts from tourism have grown even more appreciably over this period, from MK 370,000 to MK 620,000, representing an increase of some 70 per cent. As shown in Table 2, tourism now contributes around 1 per cent of the country's total foreign exchange earnings.

2. Official Promotional Organisation

Tourism and hotels are the responsibility of the Ministry of Information and Tourism, whose Department of Tourism is the country's official tourism promotional organisation. The country also has a Tourism and Hotels Board which is advisory to the Minister of Information and Tourism. The Department is responsible for the promotion, co-ordination and development of the tourist industry and in this work is assisted in a counselling capacity by the Tourism and Hotels Board.

The country's tourism potential has been thoroughly investigated by a number of surveys, and comprehensive plans for development are being finalised and will soon be in the process of implementation.

The Department produced the following items of tourism publicity in 1971 (production run in brackets):

A 58-page Holiday Guide (35,000); a general promotional folder (125,000); an area promotional pamphlet (10,000); one speciality folder (20,000); one colour poster (2,000); a reprint of two windscreen stickers (25,000); a new welcome/suggestions postcard for tourists (10,000); and a VIP information wallet (2,000).

The Department also continued during the year its series of regular press features of Malawi's holiday attractions, which have a wide

circulation inside Africa, and also assisted commercial enterprises in the production of colour calendars, maps, postcards, slides, brochures and souvenirs.

The Department works closely with the Tourism and Hotels Board and, indeed, is closely associated with all Government and commercial agencies that directly or indirectly have an affect on improving conditions for tourists visiting Malawi.

In overseas countries, tourism is covered by the twelve High Commission, Embassy, Consular and Government Representative offices, the external offices of Air Malawi, the Malawi Buying and Trade Agents in London, and Hallway Hotels Overseas Limited, in their New York, Johannesburg and Geneva offices.

3. Internal and Infrastructural Organisation

Communications, both by road and air, were further improved in 1971. The extensive programme of road bituminisation continued to be implemented and by the end of the year main tourist routes to the resort areas on Lake Malawi, in the main plateaux and to the national parks were either tarred roads or first-class gravel roads on a 32 ft. formation. This standard compares favourably with that of neighbouring countries. Most of the roads between the chief centres are now bituminised and recently the country's total tarred mileage was considerably increased by the completion of the full width Zomba/Lilongwe highway. Another important tourist road to be developed in the near future is the new road south from Blantyre to the Mozambique border via Chikwawa.

Taking the road programmes for neighbouring countries into consideration, it is possible to predict that within a few years at most, motorists will be able to drive from South Africa via Rhodesia and Mozambique to Malawi on fully tarred highways, and that once in Malawi they will be able to visit all the main centres, as well as tour the Lakeshore, on bituminised roads throughout.

Air communications have similarly been improved and extended. Air Malawi, the national airline, has recently acquired a BAC 1-11 jet aircraft and is now able to provide regular scheduled services within the medium-haul range. Externally Malawi is now linked by regular scheduled services to Britain, Europe, East Africa, the Far East, Rhodesia, Zambia, Mozambique, South Africa, Madagascar and Mauritius. Internally, the national airline operates scheduled flights to the main airports of Lilongwe, Mzuzu and Salima, using HS 748 turboprop and Viscount aircraft. Services to smaller air centres are provided by nine-passenger twin-engined aircraft, which, together with other smaller aircraft, are available for charter. Chileka, the country's international airport near Blantyre, accepts Comets, VC 10's and B 737's.

The standards of private sector hotels throughout Malawi have been raised following the implementation of appropriate hotel legislation. In addition, the Government, through the Malawi Development Corporation, a statutory body established by Government to assist in the promotion of the country's commerce and industry, and its associate, Malawi Hotels Limited, have both built new hotels and acquired and improved existing hotels. The largest hotel in the M.H.L. group is the 193-bed international standard Mount Soche, in Blantyre, which cost MK 1.2 million and opened in

February, 1969. Another hotel operated by M.H.L. is the 52-bed Lake-shore holiday hotel near Mangochi, the Nkopola Lodge, costing MK 200,000, opened in May, 1970. M.H.L. has also acquired, refurbished and extended the 36-bed Ku Chawe Inn on Zomba Plateau and the 83-bed Lilongwe Hotel located near the new capital site. All four hotels are managed by Hallway Hotels Overseas Limited, a British hotel management company, in which the Commonwealth Development Corporation has a major interest.

Another Government subsidiary is Hotels and Tourism Limited, which was formed in 1970 to exploit the tourism potential of Malawi. To date this company has acquired and renovated the Grand Beach Hotel on the Salima Lake-shore and has established a successful Arts and Crafts Centre in the city of Blantyre which has provided a new stimulus for local artists and craftsmen.

The implementation by Government of minimum standards legislation to hotels and the encouragement of private investment in the hotel industry have already shown signs of success. One privately owned Blantyre hotel, for example, spent MK300,000 on renovation and extension, while in March 1970, the first private sector Lake-shore hotel to be built for several years was opened, the 50-bed Club Makokola, costing some MK150,000.

The Department of Tourism recently took full responsibility for the Government chain of resthouses in the country, which number some thirteen with a total of 144 beds and are located in all the main centres of the Central and Northern Regions. The sites of these resthouses are, in the main, areas of the country which are not served by the hotel industry. Since becoming responsible for these resthouses, the Department has rationalised their operation by providing training courses for the staff and will shortly be introducing catering into the resthouses.

Game Reserves - Malawi has three main national parks, one in each Region: Lengwe in the Southern, Kasungu in the Central, and Nyika in the Northern Region. Game camp accommodation was considerably extended during the year. The feasibility of creating further game reserves at Liwonde, in the Central Region, and Vwaza March in the Northern Region is being studied.

Training - The M.H.L. is professionally managed and the central management company in Britain provides Malawians with training both at home and overseas. The Department of Tourism acquired in 1970 the services of a Hotel Staff Training Adviser, on secondment from the British Government under the auspices of SCAAP, to advise on appropriate training to meet the needs of all local hotels.

4. Government Participation

(i) Ownership or shares in hotels:

The Malawi Government owns no shares in existing private hotels. It has raised loans, mostly from the Commonwealth Development Corporation, with which to build new hotels and acquire existing hotels. The chain of resthouses in the country are wholly owned by Government.

- (ii) Financial assistance specifically available (e.g. loans and guarantees):
Small loans are, in principle, available to hotel proprietors.
- (iii) Income tax and other concessions on hotel income:
The Income Tax Ordinance of 1963 provides for allowances on certain capital expenditure incurred by taxpayers for the construction and equipping of "industrial buildings" which are defined so as to include hotels as follows:
 - (a) Initial Allowance - in respect of capital expenditure incurred during the year of assessment on the construction of new industrial buildings or additions or alterations to industrial buildings and in respect of implements, machinery etc., used by the taxpayer for his trade.
 - (b) Annual Allowance - in respect of capital expenditure on industrial buildings or implements, machinery, utensils etc., used by the taxpayer for the purpose of his trade, the value of which has been diminished by wear or tear.
 - (c) Investment Allowance - equal to 10% of the cost of new and unused industrial buildings, plant or machinery intended for manufacturing purposes.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
The Customs and Excise Tariff provides for special low duty on crockery, cutlery etc., marked with the name of a hotel licensed under the Hotels Act of 1965.
Remission of duty may be granted on any goods imported for the purpose of the establishment of any industrial undertaking or enterprise (including a hotel) deemed by the Minister of Finance to be of national importance.
- (v) Provision of public funds for publicity purposes:
Virtually all the country's tourism publicity is financed by the Malawi Government. Total expenditure for this purpose for 1971 amounted to MK 67,000.
- (vi) Government expenditure on infrastructure:
See section 3 above.

5. Action Taken During the Current Year

Air Malawi continued with considerable success with their "Sky-lake" package tours from South Africa, Rhodesia, and Zambia, which were introduced early in 1970.

External scheduled flights to Europe and to territories within Africa were increased yet again in number and range. The acquisition by Air Malawi of its first jet aircraft - a BAC 1-11 - brought Malawi into direct operation of medium-haul flights.

Hotel legislation was extended to cover the operation of restaurants and night clubs. Regular inspections to implement the hotels and restaurants legislation showed that marked improvements have been made to the standards of private sector hotels and restaurants.

The M.H.L. opened an extension to the Nkopola Lodge late in 1971, which consisted of self-service family chalets with cookers and refrigerators provided, thus introducing a new concept in accommodation on the Lake-shore.

One private sector hotel at Salima opened an extension of 12 rooms.

Game camp accommodation was improved and extended, particularly at the Lifupa Camp in the Kasungu National Park, where a swimming pool was also constructed.

The chain of Government resthouses was rationalised by the Department of Tourism. Extensive renovations and improvements to equipment were carried out as well as comprehensive training courses for resthouse staff. Supervision of this chain of resthouses is the responsibility of a young Malawian lady who is fully qualified in catering management.

The Department of Tourism was expanded to keep pace with the country's developing tourism industry and its publications output increased by nearly 50,000 items.

The Department of Tourism sponsored and organised a contest amongst restaurants to encourage further the standards of service and cuisine. This will now be an annual event.

Compared with 1970, the number of tourist arrivals rose by only 4 per cent in 1971, as the marked increase of 26 per cent during the first six months was largely offset by the reduction in the second half of the year due to external factors. The recorded average expenditure per tourist rose 16 per cent over 1970, so that there was an increase in total receipts from foreign tourists of almost 21 per cent to MK 620,000. The average length of stay of tourists also showed a significant increase, and average expenditure per visitor night rose over 8 per cent to MK 5.79 which is still a relatively low average figure. It is difficult to predict what effects the United States and South African currency devaluations will have upon tourist numbers and expenditures from those countries, which in 1971 accounted for 9 per cent and 14 per cent respectively of total tourist arrivals. The increase in total visitor nights in 1971 was reflected in a rise of 8.3 per cent in the total number of hotel guests (1970 figure estimate only). In 1971, 41 per cent of hotel guests were Malawi-residents, the next highest sources being Zambia and Rhodesia with 13 per cent each, and South Africa, with 10 per cent.

Hotel Statistics

	<u>1970</u>	<u>1971</u>	<u>% change</u>
Total bed-nights available	232,520	243,538	+4.7
Occupancy rate (%)	43	44	+1
Total number of guests	35,490	38,451	+8.3
Average length of stay (nights)	n.a.	3.56	-
Gross income of hotels and restaurants (MK'000)	n.a.	1,849	-

1971 was the first year in which comprehensive statistics were kept on hotels in Malawi; this study will now become a permanent feature.

During 1971 the Department of Tourism became a member of the International Union of Official Travel Organisations (I.U.O.T.O.) and the American Society of Travel Agents (ASTA).

A detailed study of the prospects for tourism was commissioned through the British Government SCAAP programme and was carried out by a team of British consultants who reported on the first phase of their study in June 1971. The report indicated that there is a potential for 70,000 foreign tourists a year in 5 years time if the sum of MK 12 million is provided in phased investment in the necessary infrastructure and hotel accommodation. It is estimated that this programme would increase gross foreign exchange earnings by some MK 4 million a year by 1978, an increase of some 3 per cent on projected total export earnings. Clearly, however, the breakdown of national resources invested in tourism is to be compared with expected returns in other sectors of the economy. A more detailed analysis with more precise costings will be made when the consultants return to carry out the second phase of the study in 1972.

The year saw the introduction of Government sponsored hotel staff training courses aimed at secondary-school-leavers and financed by contributions to the Hotel Staff Training Fund (this Fund is financed by 20 per cent of the revenue collected by Government-sanctioned 5 per cent service charges on all hotel and restaurant bills). Eleven candidates were sent for 12-month cooks' and 6-month waiters' courses, and arrangements were also made for refresher courses for hotel staff currently employed. Four graduates from the University of Malawi were sent to the U.S.A. for diploma and Masters' Degree courses in hotel administration and the Government continued to sponsor two students on a four-year hotel management diploma course at the Nairobi Polytechnic's Swiss-run hotel school.

The Malawi Government hosted a follow-up to the first Southern African Regional Tourism Co-operation Conference in February 1971. The objects of both these conferences was to explore and identify all possible avenues of opportunity for accelerating the growth of the tourist industry in the Southern African Region; to examine how this potential could best be exploited to the mutual economic benefit of every member state in the region and attempt to create in this part of Africa a "multi-centre" tourist destination for all seasons; and to try to establish a tourist climate conducive to rapid economic and social development. The first of these conferences, held in late August 1970, was attended by the responsible Ministers of the countries within the region, the second conference, attended by senior Government officials, aimed at determining the actual establishing and financing of the Southern African Regional Tourism Council. Articles of Agreement were drawn up and a committee was formed to produce Rules and Procedures for the Council. Three countries (Malawi, Portugal and South Africa) so far have acceded to the Articles of Agreement, and it is hoped that at least two further countries will accede to the Articles in 1972. The countries which attended both conferences were: Botswana, Lesotho, Malagasy Republic, Malawi, Mauritius, Portugal, South Africa and Swaziland.

6. Future Plans for the Industry

The Government plans to continue to improve and expand its communications system, both by air and road. It is hoped that the access road to the southern Lake-shore will be fully bituminised by the end of 1973, and that the new bituminised road from Blantyre to the Mozambique border will be completed by the end of 1974.

A tourism marketing officer for the Department of Tourism is expected to be recruited on secondment from the British Government under the SCAAP programme.

Catering will be introduced to the Government resthouse chain in the Central and Northern Regions in the very near future.

Hotels and Tourism Limited will begin work in 1972 on a new 50-roomed hotel at Cape Maclear, which is acknowledged as being the most scenically attractive resort area on Lake Malawi. Early in 1972 the Lilongwe Hotel (part of the M.H.L. group) will complete a new extension of 21 rooms; and Ryall's Hotel in Blantyre (a private sector hotel) will complete a new extension of 26 rooms and a swimming pool.

A planned promotional campaign is to be undertaken by Air Malawi and the Department of Tourism in the nearby territories, with a view to increasing significantly the flow of car and air tourists to Malawi. With this project in view the Government will continue to participate in trade fairs and exhibitions outside Malawi; will continue to send high level delegations to tour nearby countries to meet members of travel trade representatives; will continue to encourage private hotel investment in the country's private hotel industry; will continue press advertising campaigns; will extend the range of air package tours; will increase the output and widen the scope of the tourism publications produced by the Department of Tourism; will expand the Department to enable it efficiently to undertake its extended role in the above programme.

Mauritius

The tourist potential of the island depends on its sub-tropical maritime climate, its lush vegetation and scenery, its mountains, crater lakes, beaches, lagoons and coral reefs. There are abundant facilities for swimming, sailing, deep-sea fishing and other aquatic sports.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Mauritius more than doubled between 1968 and 1971. (See Table 1). Foreign exchange receipts from tourism increased even more rapidly during this period, from R.13 million to R.35 million, a rise of 170 per cent, and tourism now contributes about 6 per cent of the country's total foreign exchange earnings. (See Table 2).

The majority of tourists come from the neighbouring islands of Reunion and Madagascar, while the remainder come largely from South Africa and Britain. About 75 per cent of the tourists come by air, and the remainder, by sea. They tend to spend their whole holiday in Mauritius and the number of bed nights average between 11.5 and 12 per tourist.

2. Official Promotional Organisation

The Mauritius Government Tourist Office was set up in January, 1959 with the purpose of developing the tourist potential of the island and expanding the tourist industry in the interest of economic development. The Office is answerable to the Ministry of External Affairs, Tourism, and Emigration. A Tourist Advisory Board, whose function is purely consultative, advises the Ministry and the General Manager of the Tourist Office on all matters connected with tourism.

The Government Tourist Office prepares printed pamphlets and booklets on tourist attractions for distribution at home and abroad. The Office also promotes air tourism to the island by co-operating in joint publicity ventures with airlines, e.g. it carries out regularly joint publicity with B.O.A.C., Qantas and Central African Airways. The Mauritius diplomatic missions in London, Paris, Washington, New Delhi and Islamabad (Pakistan) also distribute tourist publicity and information material to potential tourists. The Office also provides facilities for visiting journalists and travel writers. During the year 1970, for instance, the Ministry of External Affairs, Tourism and Emigration jointly played host with the Government Tourist Office and local tour operators, (involving also financial participation) to British travel writers and German, French, Australian and Indian travel agents. Further action taken by the Government to encourage the industry includes the relaxation of controls on importation of Mauritius

currency by visitors, the exemption of duty on cameras and accessories, and the abolition of written declaration of goods to Customs by passengers. Holders of International Driving Licences are allowed to drive on the island.

3. Internal and Infrastructural Organisation

Tourists stay at hotels and boarding houses. There are 1,400 hotel beds and private accommodation provides a further 200 beds (December 1971). Progress in hotel development is being helped by the provision of loans through the Development Bank of Mauritius. A new hotel is being built at Le Morne Brabant (on the south-west coast of the island) and plans are also being considered for new hotels at Curepipe and Port Louis. So far, no training facilities are provided, but the services of a catering officer to train hotel staff will be sought under the Technical Assistance Scheme.

The inter-isle organisation known as the "Alliance Touristique de l'Océan Indien" of which Mauritius is a partner along with Reunion, Madagascar and the Comores Islands, was established with a view to setting up a common programme so as to offer to visitors to this area a variety of tourist entertainment on widely different patterns by making full use of the varied attractions of the four islands.

Plaisance International Airport has been reinforced and extended to 8,500 feet to enable it to take modern jet aircraft. Extensions and improvements to the terminal building, to raise the level and scope of facilities especially to service eventually Jumbo (Boeing 747) jets is also being contemplated. Mauritius is served by eight major airlines - B.O.A.C., Air France, Qantas, South African Airways, East African Airways, Zambia Airways, Lufthansa and Air India.

Efforts have been made in the past few years to attract more tourists, particularly by air, from the African mainland and Europe; e.g. there is growing popularity of package tours arranged by B.O.A.C. jointly with Messrs. Houlder Brothers in London. Another parallel tour from Brighton sponsored by Martlet Travel and East African Airways working in pool has just started operating. There are also visitors by chartered aircraft which appears to be a promising means of providing cheaper travel.

4. Government Participation

(i) Ownership or shares in hotels:

The Government holds shares in the New Mauritius Hotels Limited.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Since 1964, loan funds to industry have been channelled through the Development Bank of Mauritius which is now in course of investing up to Rs.6 million by way of loans and equity in hotel development.

- (iii) Income tax and other concessions on hotel income:
None.
- (iv) Import duty and other concessions on hotel and other tourist construction:
The Government grants exemption from customs duty on hotel equipment for approved establishments.
- (v) Provision of public funds for publicity purposes:
Government finances the Tourist Office which is responsible for promotional publicity. To boost promotional publicity in the field of tourism the sum of Rs. 1,015,000 has been earmarked under the Four-Year Development Plan 1971-75.
- (vi) Government expenditure on infrastructure:
The Government in carrying out its general development programme, has improved airport facilities, roads, etc., all of which aid tourist development; it does not however, provide infrastructure specifically for tourism.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Industry

Not available at time of publication.

Nigeria

Nigeria's tourist potential rests on the wide variety of the traditional life of the country as well as scenic variety, sunshine, warm climate and wild game at Yankari. The North is the centre of some ancient cultures and at Lake Chad there is game hunting and fishing. The South has its share of ancient culture (Benin is 1,000 years old) with the superlative bronze heads of Ife, and the traditional brass and carving at Benin.

1. Value and Extent of the Tourist Industry

Tourist arrivals increased sharply between 1966 and 1968 but there was a drop of some 10,000 visitors in 1969 to 13,767 (latest available figure), due to the circumstances prevailing in Nigeria during that time. Visitors came mainly from other African countries.

Total foreign exchange receipts from tourism and their percentage of total foreign exchange earnings are shown in Table 2, p. (xv).

2. Official Promotional Organisation

Nigerian Tourist Association under the jurisdiction of the Federal Ministry of Trade is the organisation concerned with tourism development in Nigeria. The Association is a non-profit making organisation structurally based on the lines of the former British Government supported British Travel Association, which has helped the Association by advising on organisation.

(It should be noted that the following is a description of the functions which the Nigerian Tourist Association is intended and empowered to carry out, but current activity is limited by finance).

The functions of the Association include tourist promotion through publicity and advertising abroad; co-ordination of all tourist promotional and development activities official as well as private; stimulation of all national activities likely to contribute to tourism development; development of tourism programmes and policies; promotion of tourism consciousness amongst the people; encouragement of domestic, social and youth travel; carrying out studies and research in the field of tourism, including preparation of an inventory of the country's tourist potentials; elaboration and application of regulations governing the various sectors of tourism and representation and participation in the work of international and regional tourist organisations.

Publicity activities include the preparation and distribution of information literature; production of tourist publicity films; preparation and organisation of advertising programmes on press, radio media; participation

in joint publicity campaigns in collaboration with the private sector of the tourist industry (e.g. carriers, hoteliers, tour operators) at both national and international levels and organisation of familiarisation trips for journalists.

It provides up-to-date information on tourist facilities in Nigeria for international bodies such as the African Travel Commission, the Alliance International de Tourism (A.I.T.), the World Touring and Automobile Association and the International Union of Official Travel Organisations (I.U.O.T.O.).

The Nigeria Tourist Association has not yet established offices or representatives overseas but co-operates fully with the Nigerian diplomatic and consular representatives abroad for distribution of tourist material at Embassies and High Commissions.

It represents Nigeria at international tourist conferences in the sole capacity as the national travel organisation.

The Association takes action with a view to abolish, relax and simplify entry and departure formalities; for example, it is now possible for British consuls in some European countries to issue visas to tourists for stays up to one month, without previous reference from the Federal Government of Nigeria. It takes action with the responsible authorities of Nigeria to encourage adherence to international conventions in favour of tourism and the application of their provisions and also promotes measures for the provision of services for tourists at entry points (e.g. information offices, money exchanges, duty free shops, etc.). It will not of itself be responsible for the development of any local amenities or attractions. It seeks to develop the flow of tourists inside and into Nigeria so that local investment in the development of tourist attractions and amenities is rewarded.

3. Internal and Infrastructural Organisation

Nigerian Railway Corporation now co-operates with Nigerian Hotels Ltd., in order to enhance catering facilities offered by the company on railway and air services.

Each State Government is a member of the Nigerian Tourist Association. Each State Government has a ministry directly responsible for tourism. The Association supervises, controls, and co-ordinates tourist activities amongst the State Governments and all agencies in the travel industry in the country.

Resorts - apart from interests of the main cities of Kano, Lagos, Ibadan and Enugu, Nigeria has resorts at Jos in Northern Nigeria and at the Obudu cattle ranch. At Lake Chad there is game hunting and fishing, but no amenities are provided.

4. Government Participation

(i) Ownership or shares in hotels:

The Federal Government owns one of the major hotels in the Federal capital. In the regions, the majority of hotels are owned and managed by the various Regional Governments.

- (ii) Financial assistance specifically available (e.g. loans and guarantees):

The former Regional Governments financed entirely such projects as the Yankari Game Reserve, the Obudu Cattle Ranch and all other forms of development to date including of course, the catering resthouses. The total amount involved is not known.

- (iii) Income tax and other concessions on hotel income:

The hotel industry is treated as a pioneer industry under the Industrial Development (Income Tax Relief) Ordinance.

- (iv) Import duty concessions on material and equipment for hotel construction:

The Association cannot grant exemptions from customs charges on equipment for the hotel and tourist industries. It can only press for action by the Customs and Excise authorities.

- (v) Provision of public funds for publicity purposes:

Budget for total tourist expenditure in 1971/72 was £N31,500.

- (vi) Government expenditure on infrastructure:

The amount is considerable since infrastructure covers roads, services and communications which involve substantial expenditure. This is not directed specifically to tourism, but its value to tourism is obvious, as facilitating the flow of movement, ease of making necessary arrangements and providing essential services. Under the national development plans, a very high rate of spending is devoted to such services.

5. Action Taken During the Current Year

A team of experts with the assistance of the Nigerian Tourist Association carried out a tourist survey of the entire Federation in preparation for the new development programme intended for the tourist industry in Nigeria.

Nigeria hosted the meeting of the African Travel Commission in Lagos in August 1971. At this meeting, Lagos was chosen as the seat for the African Travel Commission Secretariat.

6. Future Plans for the Industry

Future of the tourist industry in Nigeria depends on the Federal Military Government's reaction to the Survey Report which is now being studied.

Seychelles

The principal tourist attractions of Seychelles are its unique scenery; magnificent beaches and bays around the main island, Mahe, and the nearby smaller islands, offering all forms of fishing, goggling, skin-diving, sailing and other activities; tropical but healthy climate; and unspoilt character.

1. Value and Extent of the Tourist Industry

There was a substantial rise in the number of visitors to the Seychelles during 1971, when numbers doubled from 1,622 to 3,175 (see Table 1). About 74 per cent of the visitors came on holiday (as compared with 62 per cent in 1970), while about 22 per cent came on business. Over 62 per cent of the visitors came from Commonwealth countries. The origin of the visitors was - Europe 46%; Africa 41%; America 7%; Asia 5%; and Oceania 1%.

In addition to the 3,175 recorded above for 1971 there were 4,050 visitors on the various cruise ships which operated to the Seychelles from South and East Africa.

The total expenditure of the visitors in Seychelles in 1971 is estimated at roughly £700,000, which exceeds the value of total exports by about 20 per cent for the same year.

The international airport opened on July 4th, 1971 and B.O.A.C. operated as from that date a weekly London service via Nicosia (Cyprus) and Nairobi (Kenya). There were also a number of charter flights from South Africa and Malagasy with a once fortnightly South Africa charter using Seychelles as a technical stop in either direction on a route between Johannesburg (South Africa) and Bangkok (Thailand). During 1971, a local inter-island (Mahe-Praslin-Bird Island) air service licence was awarded and the operation is planned to commence in mid-1972.

2. Official Promotional Organisation

The Seychelles Government maintains two official representatives overseas - in Mombasa and Melbourne and has appointed a London based organisation, with representation offices in Paris, Geneva, Frankfurt and Johannesburg to be responsible for marketing and promotional activities in the United Kingdom, Europe and South Africa.

3. Internal and Infrastructural Organisation

The average length of stay in 1971 of all visitors was 28.9 days. At present the Seychelles has 8 hotels with a total of 230 beds and an hotel on Praslin Island (21 miles distant) with 30 beds. A proportion of visitors, particularly those staying for 2 or 3 months or more, either stay with friends or business associates or rent houses.

4.

Government Participation

- (i) Ownership or shares in hotels:
Government is in partnership on a share-holding basis with a consortium to operate a 350 bed hotel now under construction and due for completion in 1973.
- (ii) Financial assistance specifically available (e.g. loans and guarantees):
The Seychelles Government, through its Tourist Loans Advisory Committee, offers small low-interest loans for small-scale tourist amenities, primarily operated by local entrepreneurs.
- (iii) Income tax and other concessions on hotel income, tourism, etc.:
 - (a) "Investment Allowances" on construction cost of new hotels and provision of approved tourist facilities:
$$10\% \text{ per annum} = \frac{60\% \text{ of expenditure allowable in first year}}{(70\% \text{ allowable for each of next 7 years})}$$
making total of 130%
 - (b) Company Income Tax rate is 35% which is wholly creditable against tax of shareholder on dividends declared out of the company's taxed profits.
Personal Income Tax rates range from 4% to 35% (surtax equivalent was abolished in 1971).
 - (c) No hotel or tourist taxes, for example, on hotel rooms, transit, departure from airport, etc.
 - (d) Tourist goods such as cameras, films, binoculars and watches are purchasable duty-free without customs formalities.
- (iv) Import duty concessions on material and equipment for hotel or other tourist facilities:
 - (a) All materials and equipment (but not consumables) for hotels are admitted at nil or (dependent upon country of origin) reduced rates of duty; moveables must be marked with the hotel name or crest.
 - (b) Similar concessions are available to restaurants and reputable bars.
 - (c) Virtually all building materials are admitted on similar terms.
- (v) Provision of public funds for publicity purposes:
Funds for tourism marketing have been made available under the Development Plan.

(vi) Government expenditure on infrastructure:

Development Plans include large capital sums for electricity supplies and roads and on water schemes scheduled for completion by 1981.

5. Action Taken During the Current Year

The aims and objectives of the Government's White Paper on Tourism Development in the Seychelles are being implemented in accordance with the approved development Master Plan.

6. Future Plans for the Industry

In accordance with the White Paper on Tourism Development, hotel and amenities construction is broadly following the assessed growth and during 1971 work commenced on three hotels, one of 200 beds, one of 300 beds and the other of 350 beds, the first two scheduled for completion in 1972 and the latter in 1973.

Work continues on the Town Centre and Port Area, reclamation having finished; infrastructure and services are now being installed in preparation for building work commencing in 1972.

Sierra Leone *

Sierra Leone's tourist potential depends on its pleasant beaches which extend along the 21 mile Freetown Peninsular; its deep-sea fishing at Shenge and Sherbro; its exotic mountain scenery from which Sierra Leone derived its name and the colourful costumes and dance forms of its people including the Sierra Leone National Dance Troupe.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Sierra Leone has fluctuated in recent years, having reached a peak in 1969, when over 7,000 visitors were recorded (see Table 1, p.(xiv)). Visitors come mainly from the United States, Britain, France and the U.S.S.R.

Foreign exchange receipts from travel as shown in the IMF Balance of Payments statistics have been running around US\$0.5 million per annum; this represents well under 1 per cent of the country's total foreign exchange earnings, (see Table 2).

2. Official Promotional Organisation

The Sierra Leone Tourist Board, a statutory body established to develop the tourist industry, consists of members from both the public and private sectors of the industry. Its functions are promotional and also to organise the tourist industry within the country. The Board has not yet established tourist offices abroad. At present, diplomatic and consular officials overseas represent Sierra Leone's tourist interests. The Tourist Board is not yet a member of any international or regional tourist organisations.

Facilitation - action is normally taken to facilitate entry and departure formalities. A tourist information office is available and also transit halls at entry points.

3. Internal and Infrastructural Organisation

There are several private tour operators, e.g. Aureol Travel Agencies Ltd., Freetown Travel Agencies, Sierra Tours, and Yazbeck Tourist Bureau which organise tours around the coast and to the interior.

Hotels - The Tourist and Hotels Board facilitates the construction of new hotels and the improvement of existing ones. In June 1971 there were two first-class hotels providing 250 beds and four second-class hotels providing approximately 130 beds. New first-class motels have been built at Lungi Airport with 60 beds.

* Information largely unrevised since the December 1970 edition as further information was not available at time of publication.

Airlines - Freetown International Airport (Lungi) is served by Sierra Leone Airways the national carrier, Ghana/Nigeria Airways, British United Airways, Union De Transport Aeriens (UTA), Middle East Airlines, K.L.M. Royal Dutch Airlines, Air Afrique, United Arab Airlines, Air Guinea, Air Mali, Interflug Airlines, Czechoslovak Airlines and Swiss Air.

Sierra Leone Airways also provide domestic flights daily (except Sundays) from Hastings (14 miles from Freetown) to Bo, Kenema, and Yengema and the thrice weekly service to Bonthe and Gbanbatoke. Occasional charter flights are also made to Marampa.

Resorts - Sierra Leone has resorts at Bunce Island, Turtle Islands, Juba Beach, Lumley Beach, No.2 River Beach and Kent Beach, all situated within reasonable distance from Freetown.

Sierra Leone has not yet developed any game reserves but plans are being made for the creation of game reserves in the Koinadugu District, which is 233 miles from Freetown. There are no national parks.

4. Government Participation

(i) Ownership or shares in hotels :

The Government owns some hotels and also owns a percentage of shares in others.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income :

Government grants concessions on hotel income under the Development of Industries Act.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction :

Government offers import duty concessions under the Development of Industries Act.

(v) Provision of public funds for publicity purposes :

The allocation granted specifically for promotion in 1970 was Le.34,500 (£17,250).

(vi) Government expenditure on infrastructure :

Besides the subsidy granted to hotels and the maintenance of the Sierra Leone National Dance Troupe, the Arts and Crafts Centre and Sierra Leone Museum, the Government has spent £1 million on further development of the Lungi Airport.

5. Action Taken During 1970

(i) Large ferries have been ordered to improve transport facilities to and from Lungi Airport.

- (ii) Negotiations were concluded to open Cape Sierra Hotel by October, 1971.

6. Future Plans for the Industry (as at December, 1970)

The Government plans to improve hotel facilities, especially outside Freetown and to improve transport and communication facilities, particularly the internal air services. There are plans to develop Lumley Beach as a special tourist centre including the creation of a cultural village and arts and crafts centre. The Government also proposes to establish a Zoo and a game reserve.

Swaziland

Swaziland's tourist potential lies in its geographical position being only 230 km. from Lourenco Marques, 400 km. from Johannesburg and 650 km. from Durban, on its scenic beauty, the hospitality of its people, its casino, its generally equitable climate ranging from the temperate to the near tropical and its accessibility both by road and air.

1. Value and Extent of the Tourist Industry

The exact figure of the number of tourists visiting Swaziland in 1971 is not yet available, but over 131,000 vehicles crossed into the country and the hotel bed/night was 240,000. It is estimated that each visitor spent R7 per night which gave an estimated tourist income of R1.63 million. It is also estimated that, within the next three years, hotel accommodation will develop to the extent that the total number of tourist nights in 1975 will be almost 500,000 which on a basis of R8 per head, will give a total tourist revenue of R3.5 million.

2. Official Promotional Organisation

In 1970, the Tourist Division was established within the Ministry of Commerce, Industry and Mines. This Division is now in the process of planning tourist promotion and the future of this industry. It is hoped that a Tourist Board will be established within six months to deal with the tourist industry.

3. Internal and Infrastructural Organisation

The twenty hotels with 1,345 beds are all privately owned with the Casino complex providing 600 of these beds.

There is an international standard 18-hole golf course and 9-hole courses at all centres. There are also facilities for swimming, riding, tennis, bowls and hiking. The Mlilwane Game Sanctuary and Ehlane Game Reserve offer the visitor unique opportunities for watching game and there are many fine rock paintings in the country. There are good roads to Lourenco Marques and into South Africa. Swazi Air operates a service five days a week to Johannesburg and twice a week to Lourenco Marques.

4. Government Participation

(i) Ownership or shares in hotels:

Equity participation is planned in a new hotel to be built in Mbabane.

- (ii) Financial assistance specifically available:
The National Industrial Development Corporation of Swaziland may be able to participate formally in tourist projects by 1972.
- (iii) Income tax and other concessions on hotel income:
Special income tax concessions were granted to the Casino opened in 1966 in conjunction with the Royal Swazi Hotel and Spa Luxury Hotel. There is provision for a minimum annual levy of 40 per cent of net profits, rising to 50 per cent after six years of operation.
Legislation is presently being reviewed regarding tax concessions.
- (iv) Import duty concessions on material and equipment for hotels and other tourist construction:
Not available at present.
- (v) Provision of public funds for publicity purposes:
R10,000 (~~\$~~9,000 approximately) has been allocated against R6,310 (~~\$~~3,800) in 1970.
- (vi) Government expenditure on infrastructure:
In recent years there has been substantial sums invested in communications and it is hoped that in 1972 tarring of the 38-mile high grade gravel road Mpaka to Lomahasha will begin.

5. Action Taken During the Current Year

The Canadian International Development Agency (C.I.D.A.) have been asked to have a full-scale survey carried out in 1972. In 1971 an I.L.O. expert on the hotel industry visited Swaziland for two months to carry out a survey; the report is expected in a few months. Also in 1971, a U.N.D.P. expert (Tourism) (O.P.A.S.) joined the Ministry of Commerce, Industry and Mines. The Government has taken active steps to encourage private investment in the tourist industry. It is hoped that in 1972, a 3-star 160 bedroomed hotel complex will be started in Mbabane.

6. Future Plans for the Tourist Industry

The establishment of a Tourist Board and the improvements of existing facilities must take a high priority. It is also hoped that in 1972 more will be done towards active promotion of tourism. Furthermore, Government is considering the possibility of Swaziland joining in the proposed Southern Africa Regional Tourist Organisation. Legislation is now under review to control and grade hotels and the National Commission Act is now in operation and this should facilitate the establishment of national parks and the national centre.

Tanzania

Tanzania presents a total tourist product comprising a tropical location with extensive seaboard and interior, a diversity of tourist magnets, comprehensive modern plant, international air communications with major generating centres, and a good domestic air network. The tourist attractions includes some of the finest concentrations of wildlife in the world; big-game hunting safaris under licence in controlled areas and game reserves; Mount Kilimanjaro, at 19,340 feet, the highest mountain in Africa; the pre-historic site of Olduvai Gorge, home of Zinjanthropus Boisei, "Nutcracker Man"; the spice island of Zanzibar, big-game fishing at Mafia Island; Begamoyo - the once infamous slave port; miles of uncrowded white sandy beaches and extensive coral reefs; the scenic grandeur of Lake Victoria; the music, dancing and other cultural skills of a friendly people comprising more than 100 tribes.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Tanzania has risen appreciably in recent years, from 49,105 in 1968 to over 72,000 in 1971, an increase of some 50 per cent (see Table 1, p.(xiv)). Foreign exchange earned from tourism also reflects this increase, but the contribution made by tourism to the country's total foreign exchange earnings has not shown the same appreciable rise, having fluctuated around 3½ per cent since 1968.

2. Official Promotional Organisation

The Tourism Division of the Ministry of Natural Resources and Tourism is the official tourism promotion agency of the Government of Tanzania, although the Game Division of the same Ministry is responsible for the promotion of the hunting industry.

Functions of the Tourism Division:

The functions of the Tourism Division are generally to promote Tanzania abroad in order to increase the number of tourist arrivals to Tanzania and the average length of stay of visitors, to improve the quality of stay for tourists in Tanzania, and to educate the people of Tanzania on the benefits of international tourism as well as to encourage the people of Tanzania to see their own tourist assets.

Specific activities of the Tourism Division, aimed at encouraging foreign tourists to visit Tanzania, include the organisation of travel agent and journalist familiarisation trips, production and distribution of tourism publicity material, responding to tourist enquiries, maintaining tourist offices overseas, co-ordinating the activities of foreign missions and embassies in the promotion of tourism, organisation of tourism workshops abroad where sellers of tourist facilities are put in contact with foreign purchasers.

In order to improve the quality of visits to Tanzania, the Tourism Division prepares and distributes information material for tourists already in Tanzania; maintains three offices in Tanzania to deal with tourist enquiries and difficulties; endeavours persistently to ease the entrance and exit formalities for tourists; regulates the travel industry through the Hotels Board, which licences hotels, and the Tourist Agents Licencing Authority, which licences travel agents, professional hunters and tour operators; co-ordinates tourism activities within the Government of Tanzania and within the East African Community; sees to the provision of minor infrastructure necessary for tourism development; and endeavours to co-ordinate the activities of the private sector in tourism.

In order to promote the growth of domestic tourism and to increase the appreciation among the people of Tanzania for international tourism, the Tourism Division organises game park tours and participates in local seminars with various groups.

Representation Abroad:

The Tourism Division maintains tourist offices in London and Frankfurt and it is the function of these offices to promote tourism among the travel trade in European centres as well as to deal with tourist inquiries.

Facilitation:

The Tourism Division is actively engaged in making it substantially easier for tourists to enter and leave Tanzania. In this respect, it is actively engaged in promoting the relaxation of immigration procedures, and customs formalities, as well as in educating the travelling public on Tanzania's entrance and exit regulations. To accomplish these tasks, an intra-Governmental committee has been formed to deal with facilitation problems.

3. Internal and Infrastructural Organisation

The Ministry of Natural Resources and Tourism is responsible for Tourism development and the management of the tourism sector for the benefit of the people of Tanzania. The following agencies operate under the supervision of the Ministry of Natural Resources.

- (a) Tourism Division, Ministry of Natural Resources and Tourism, responsible for tourism promotion generally and other matters relating to tourism as mentioned in the previous section.
- (b) Game Division, Ministry of Natural Resources and Tourism, responsible for the development and administration of game reserves, game controlled areas, the import and export of game skins, and the professional hunting industry.
- (c) Tanzania Tourist Corporation, responsible for the development of commercial tourist industries on behalf of the Government of Tanzania. The Tanzania Tourist Corporation is a parastatal body directly responsible to the Minister of Natural Resources and Tourism.
- (d) Tanzania National Parks, responsible for the development and operations of Tanzania's outstanding national

park system. The Tanzania National Parks are responsible to their Board of Trustees and the Ministry of Natural Resources and Tourism.

- (e) Ngorongoro Conservation Authority, responsible for the development and administration of the Ngorongoro Conservation Area.

The Tourism Division, Game Division, Tanzania National Parks, and Ngorongoro Conservation Authority are jointly responsible for the development of tourist infrastructure. The Tanzania Tourist Corporation is the commercial wing of the Government of Tanzania in tourism, and as such, currently has holdings in several hotel companies, a hotel management company, a travel agency, a ground transport company, a hunting company, an airport catering company and a film company.

East African Airways Corporation, an international and domestic airline serving East Africa, is operated by the East African Community in which Tanzania participates as an equal partner with Kenya and Uganda.

In the private sector, the principal agencies in tourism are the Tanzania Hotel and Catering Association and the Airline Operators' Association.

4. Government Participation

- (i) Ownership or shares in hotels:

There are approximately 104 substantive hotels in Tanzania, of which 10 are owned outright by the Tanzania Tourist Corporation. The Corporation is part owner in three additional hotels. In addition, the East African Railways Corporation, of which the Government is one-third owner, owns three hotels and an oil company, of which the Government of Tanzania is 50 per cent owner, owns another hotel.

- (ii) Financial assistance specifically available (e.g. loans and guarantees):

The Government of Tanzania does not provide loans and guarantees for tourist projects specifically, but loans for tourist projects can be secured from the Tanzanyika Development Finance Company and from the Tanzania Investment Bank.

Certificates issued under the Foreign Investors Protection Act guarantee that foreign investors will be permitted to repatriate profits, that foreign investments will not be nationalised without compensation, and that proceeds from the sale of investments can be repatriated abroad.

- (iii) Income tax and other concessions on hotel income:

The Government of Tanzania offers capital allowances and depreciation allowances. The capital allowances amount to 20 per cent of the cost of the hotel building and fixed plant and machinery installed therein. Depreciation allowances are 6 per cent annually of the declining value of hotel buildings and fixed assets installed therein.

(iv) Import duty concessions on material and equipment:

The Government of Tanzania does not, in general, give concessions in this area.

(v) Provision of public funds for publicity purposes:

The Government of Tanzania provides approximately 1,600,000 shillings annually for the Tourism Division. Of this total, 1,200,000 shillings finances tourism promotion activities of the Dar es Salaam Head Office and the Overseas offices.

(vi) Government expenditure on infrastructure:

The Government of Tanzania finances the development of tourism infrastructure to a substantial degree. Government contributions in 1971 amounted to 3,000,000 shillings including 2,000,000 shillings for Tanzania National Parks.

5. Action Taken in 1971

During 1971, the major development was the completion of Kilimanjaro International Airport, which is situated in the middle of Tanzania's northern wildlife preserves and will provide an important gateway to these northern areas.

6. Future plans for the Industry

In 1970, the Government hired a tourism consulting firm to prepare a study of tourism development in Tanzania. This study has been received by the Government and is being reviewed at the present time. A long term tourism development plan is expected to follow from this report.

Immediate plans include:

- (a) The construction of the 400-bed Mount Meru Hotel in Arusha to serve the newly opened Kilimanjaro International Airport.
- (b) The creation of a National Park on Mount Kilimanjaro in December, 1972.
- (c) The tarmacing of the Makuyuni-Ngorongoro Crater road. This road forms an integral part of Tanzania's northern tourist circuit which includes Serengeti National Park, Ngorongoro Crater, Lake Manyara National Park, Tarangire National Park, and Arusha National Park.
- (d) The completion of the Tanzania-Zambia Highway, which will make some of Tanzania's southern wildlife reserves such as Mikumi and Ruaha National Parks much more accessible to visitors in Dar es Salaam.
- (e) The completion of the Tanzania-Zambia Railway, which will make the Selous Game Reserve, the world's largest nature preserve, accessible from Dar es Salaam.

Uganda *

Uganda's main tourist attractions are its wild-life and scenery, plus the fact that these attractions can be seen and enjoyed in a traditionally African setting and in the comfort of an excellent and equitable climate. The three national parks, the Murchison Falls, the Queen Elizabeth and the Kidepo Valley, are teeming with game and attract over 80 per cent of all visitors to Uganda. Furthermore, the existence of so many waterways in these parks makes it possible to observe the game at very close quarters from the comfort of modern launches - a feature that is not found anywhere else in the world.

The legendary Mountains of the Moon, the craters of the Queen Elizabeth National Park, the mountains and lakes of the Kigezi District and above all, the Murchison Falls themselves are some of the most memorable sights that tourists may experience.

1. Value and Extent of the Tourist Industry

Recent figures for tourists to Uganda are not available; however, up to 1969 (latest figure), there was a substantial rise in tourist traffic when the number reached about 74,000. (See Table 1).

Foreign exchange earned by the tourist industry has reflected this increase and in 1971 receipts from this source accounted for about 7.4 per cent of the country's total foreign exchange earnings.

2. Official Promotional Organisation

In July 1969, the Uganda Tourist Board was established by Act of Parliament and was entrusted with the functions previously carried out by the Tourism Department of the Ministry of Information, Broadcasting and Tourism. Whereas the Tourism Department's functions had concentrated mainly on promotional activities, the Board was additionally given charge of all co-ordination in the tourist industry and was empowered to participate in any tourist enterprise either alone or in association with other authorities or persons. Specifically, the Board may perform all or any of the following functions:

- (a) Investigate and formulate projects for the promotion or expansion of new or existing enterprises and carry out such projects.
- (b) Carry on undertakings which appear to the Board to be needed for or in connection with the promotion or expansion of new or existing enterprises.

* Information largely unrevised since the December 1970 edition, as further information was not available at time of publication.

- (c) Assist other authorities or persons, either financially or in any other form, in the performance of any functions which the Board is empowered to perform by virtue of its authority.
- (d) Establish or expand, or promote the establishment or expansion of other bodies to carry on (either under the control or partial control of the Board or independently) any such functions as are mentioned in the previous paragraph.

The Board carries out tourist promotion through direct advertising, production and distribution of tourist literature, exhibitions, conferences, familiarisation trips for travel agents and travel writers, etc.

In addition to these activities, the Board in 1970 opened up a tourist office in Frankfurt, West Germany, through which it promoted tourism on most of the European continent. The Board plans to open more tourist offices particularly in London and New York.

3. Internal and Infrastructural Organisation

Other organisations concerned with tourism:

The Uganda Tourist Association consists of members from the private sector of the industry.

The Uganda Development Corporation was incorporated in 1952 with an authorised capital of £8 million of which over £6 million has since been wholly issued by the Government of Uganda. The Corporation, designed to assist in strengthening and broadening the economic life of Uganda, plays an important part in the development of the tourist industry, for example, it has completed a chain of over twenty hotels and lodges strategically placed for tourists.

National Parks:

Uganda has three national parks - Queen Elizabeth National Park, Murchison Falls and the Kidepo Valley National Park.

Game Reserves:

Uganda has thirteen game reserves placed in various parts of the country.

Sanctuaries:

So far there are nine sanctuaries in different parts of Uganda. Settlement is allowed within the sanctuaries, but the right to hunt is restricted.

4. Government Participation

In most of the existing tourist facilities, the Government has invariably taken full responsibility through its parastatal organisations and some Government departments. The Government however, considers it of utmost importance for the private sector to increase its role in this field. This is why there are laws on the Statute books of Uganda, geared towards encouraging and protecting private investment, particularly foreign investment.

- (i) Ownership or shares in hotels:
Through the Uganda Development Corporation and the Kampala International Hotel Corporation.
- (ii) Financial assistance specifically available (e.g. loans and guarantees):
Direct participation through parastatal bodies.
- (iii) Income tax and other concessions on hotels income:
Concessions are available based on depreciation on capital investment.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
Encouragement is given towards use of local materials as much as possible.
- (v) Provision of public funds for publicity purposes:
Funds for promotion and publicity have always been part of budgetary provision through the Ministry responsible for tourism.
- (vi) Government expenditure on infrastructure:
The National Parks are connected by all-weather roads most of them bitumenised. Through its parastatal bodies, hotels and lodges have been built in all the major towns and the national parks, namely: Entebbe, Kampala, Jinja, Tororo, Soroti, Moroto, Lira, Kitgum, Gulu, Arua, Masindi, Kaseses, Kabale, Masaka, Murchison Falls National Park, Queen Elizabeth National Park and Kidepo Valley National Park.

5. Action Taken During the Current Year

Not available at the time of publication.

6. Future Plans for the Tourist Industry (as at December, 1970)

Arrangements are being made for the commissioning of a survey of tourism in Uganda which will form the basis of a ten-year master plan for the development of the tourist industry. Until the results of the survey are known, no future projections can be made.

Zambia

Zambia's tourists are attracted by the Victoria Falls at Livingstone, and the wildlife centred in the national parks, of which there are now 18 fully protected areas covering over 8 per cent of Zambia's total land area.

Unique animal species and the world's highest animal densities are to be found in Zambia's two largest national parks, the Luangwa National Park and Kafue National Park. Sumbu National Park on Lank Tanganyika contains some of Africa's finest fishing.

1. Value and Extent of the Tourist Industry

The number of tourist arrivals in Zambia, shown in Table 1, are derived from the Department of Immigration's figures and exclude business visitors, friends and relations of expatriates living in Zambia who arrive for holidays, and those visitors staying for more than twenty-four hours, but declaring their purpose of visit as intransit.

Tourists to Zambia come mainly from Africa, Britain and Europe. The volume of tourist traffic was decreased by U.D.I., and the years immediately after U.D.I. saw a sharp fall in visitors from Rhodesia and South Africa. However, as a result of promotional activities overseas, the loss has been made up by an increase in visitors from Britain, Europe and United States.

Foreign exchange receipts from tourism have increased steadily since 1967 and have, in fact, more than doubled between then and 1970, increasing from £2.3 million to £5.0 million during these years. Tourism currently provides just under 1 per cent of the country's total foreign exchange earnings.

2. Official Promotional Organisation

The Zambian National Tourist Bureau under the Ministry of National Resources and Tourism, is responsible for the development of tourism in Zambia. The Bureau maintains tourist offices in New York, London, Nairobi, Frankfurt and Rome.

The Zambia National Tourist Bureau is responsible for:

- (i) Presenting Zambia as an attractive tourist destination in the world's markets;

- (ii) co-ordinating all promotional and tourist development activities, domestically and internationally;
- (iii) encouraging activities in Zambia contributing to tourist satisfaction - catering, national arts and crafts, national dance and music groups, sports activities, wildlife study;
- (iv) improving and extending enjoyment of tourist attractions and facilities in Zambia;
- (v) formulating national policy proposals for the development of tourism, and drafting policy implementation plans;
- (vi) co-ordinating tourist realisation projects, such as the Luangwa Valley Tourist Project;
- (vii) operating tours out of Lusaka, Livingstone and the Copperbelt and organising wildlife safaris;
- (viii) preparing reports and statistical material for international, Government press and client use; and
- (ix) representing Zambia at international tourist conferences, conventions and exhibitions.

Founded in 1964, the Z.N.T.B. has established itself as a dynamic tourist organisation, selling a high quality product. In 1969, as a result of the withdrawal of the United Touring Company in the wake of Rhodesian U.D.I., the Z.N.T.B. set up its own Touring Company, now the agency's Tour Operations Department, with its own domestic and international booking office for Zambian hotels, wildlife lodges and safari tours.

Also in 1969, a Top Level Government Committee on Tourism was appointed by the President to review and make policy decisions on Zambian tourist development. The Government's decision to diversify the economy and reduce dependence on foreign exchange earnings from the copper mining industry led to allocation of increased funds for tourist infrastructure in 1971.

Accommodation for tourists in the Zambian national parks consists currently of small and secluded wildlife rest camps from which safari groups can best observe the life of the park with least disturbance.

To preserve the natural habitat of the national parks, a new conservation policy, unique in Africa, was declared in 1971, which determined that all new large-scale tourist construction should take place outside park boundaries, including service villages, support facilities and airfields. The objective is to retain the national parks as pristine sanctuaries of African wildlife, free from despoilation and over-exploitation.

In pursuit of this objective, the Z.N.T.B. is implementing an ambitious project for development in the Luangwa Valley. This involves the construction of a new 120 bed lodge, a bridge over the river and an airfield that is to be the access point of an intensive rural development zone.

3. Internal and Infrastructural Organisation

The National Hotels Corporation:

Zambia's National Hotels Corporation Ltd., was founded in 1971 as a parastatal organisation, out of the hotel interests of INDECO, the Industrial Development Corporation of Zambia Ltd. The objectives of the National Hotels Corporation are to manage those hotels taken over from INDECO, and where they are needed, to open new hotels, either alone, or in partnership with foreign or local investors.

As a holding company, the National Hotels Corporation owns 80 per cent of Zambian Hotel Properties Ltd., proprietors of Zambia's two Intercontinental hotels - at Lusaka, the capital, and Musi-o-Tunya in Livingstone, the nearest hotel to the Victoria Falls. The remaining 20 per cent share-holding is owned by Intercontinental Hotels Corporation of New York, which is, in the case of these two hotels, the management company.

The other National Hotels Corporation subsidiary company is Country Hotels Ltd., in which the National Hotels Corporation has a 100 per cent interest. This company owns and manages over 15 hotels, including the famous La Hacienda at Mumbwa, the Chalets Hotel at Livingstone, the colonial "Folly" at Lundazi, and many other hotels in Provincial and District headquarters. Recently, Country Hotels Ltd., has taken over the management of five lodges in Zambia's national parks from the Z.N.T.B: Mfuwe and Luamfwa Lodges in the Luangwa National Park, Ngoma Lodge in Kafue National Park, and Nkamba and Kasaba Bay on Lake Tanganyika in the Sumbu National Park. All these have full catering services, and all are served during their open season by Zambia Airways.

In its newly formulated development policies, the National Hotels Corporation aims neither at monopoly control of the Zambian hotel industry nor does it demand partnership in any hotel venture.

It is the affirmed policy of the Zambian Government to encourage overseas and local investment in the tourist industry. It is the task of the National Hotels Corporation as the agent of the Government to facilitate hotel development, and it provides all possible assistance to foreign or domestic investors who wish to invest capital in the Zambian industry.

Several international companies have already made preliminary investigations for investment in Zambia, but the opportunities for profitable investment are still countless, as much of Zambia is still without tourist accommodation.

The most promising "shell schemes" conceived by the National Hotels Corporation for hotel and lodge development are located in the zones of high tourist interest in the national park perimeters.

On the banks of the Luangwa River bordering the Luangwa National Park are sites for lodges from which a higher density of wildlife can be seen than in any other part of Africa. The river on one side of the park, and the Muchinga Escarpment on the other create a natural reserve for animals, and the complete absence of human habitation in this area means that poaching is rare.

On the Muchinga Escarpment itself, part of the Great Rift Valley, views over the wooded Luangwa Valley and its animal population have been described as "the most wonderful natural spectacle in Africa". Yet there is not a single lodge along its entire length of 200 miles bordering the park.

In the Kafue National Park, itself, half the size of Wales, Zambia's tourist industry has only 80 beds. The rest camps opened during the summer by the Wildlife Department, and Ngoma Lodge run by the National Hotels Corporation, enjoy an occupancy rate that sometimes exceed 100 per cent, such is the demand from local and international visitors. Any new accommodation created in this sector by private or public enterprise could expect a return of 30 per cent in the first years of operation.

On Lake Tanganyika in Zambia's far north, fishing, swimming and other water sports on the world's second deepest lake augment the attractions of elephant and other animal species in the Sumbu National Park. The National Hotels Corporation already has envolved outline plans for a hotel at Sumbu Bay fulcrum of what could one day be one of Africa's finest resorts.

In the south, the Victoria Falls at Livingstone is numbered among the Wonders of the World, and few visitors fail to gaze in awe at the spectacle of 15 million gallons of water gushing every minute over a cataract a mile long, crowned with at least two if not three rainbows.

The political turmoil and crises of conscience that are shaking Rhodesia and South Africa have stemmed the flow of tourists that used in Federation days to see the Falls from the eastern side of the Zambesi. Since U.D.I., the natural itinerary of American tourist groups through Africa have been impeded at the river frontier. This has had the effect of stemming tourist access to Livingstone, and inhibiting the growth of new hotels. Several international tour operators route groups from the south via the interline coach from Victoria Falls township on the Rhodesian side to Musi-o-Tunya Hotel on the Zambian side, and there is every expectation that this traffic will grow, providing the political situation in Rhodesia does not prevent it. The tourist pattern at Victoria Falls is currently for the bulk of tourists from the south to stop at that point instead of travelling further north, and for most tourists from the north to stop at that point instead of travelling further south. But the long term view must be that through-traffic will grow and will amplify the demand for the creation of a Zambesi Riviera on both sides of the river. This alone promises a great future for tourist accommodation in Livingstone, but on the Zambian side, the town is "gateway" in the south for the vast floodplain of the Zambesi, where the Barotse people have their home. This is one of the world's greatest living anthropological museums, with a special appeal for tourism of the more specialised kind now developing in other parts of Africa.

The possibilities for development would stretch the resources of a fully developed nation, and in a young country like Zambia, only a few can be expected to be explored fully through agencies like the National Hotels Corporation. The Government recognises the need in Zambia's development for external finance, and in the medium term at any rate, this is going to be the readiest source of progress in constructing new accommodation for tourism.

4. Government Participation

(i) Ownership or shares in hotels:

See National Hotel Corporation in Section 3 above.

The Intercontinental Hotels in Lusaka and at Livingstone are examples of joint financial participation between the Government and the Intercontinental Hotels Corporation of New York

- (ii) Financial assistance specifically available (e.g. Loans and guarantees):
See Section 3 above.
- (iii) Income tax and other concessions to hotel income:
Under a recent amendment to the Income Tax Laws hotels of a certain standard can, upon the recommendation of the Hotel Board, be classified as industrial buildings and become eligible for rebate on tax.
- (iv) Import duty concessions on material and equipment for hotel or other tourist construction:
None.
- (v) Provision of public funds for publicity purposes:
The Government financially supports the Z.N.T.B., which carried out promotional and publicity activities.
- (vi) Government expenditure on infrastructure:
The Government has spent £6 million on the new international airport at Lusaka, and supplied about £2 million of the expenditure on the new Intercontinental Hotels.
Over £500,000 has already been spent on opening game reserves to visitors and there has been considerable expenditure on the road system which links the various parts of Zambia. Holiday resorts have been developed on Lake Kariba and others are planned for Samfya on Lake Bangweulu. Both closed and open air museums have been situated at Livingstone.

5. Action Taken During the Current Year

A new unique conservation policy, was declared in 1971, which determined that all new large-scale tourist construction should take place outside park boundaries, including service villages, support facilities and airfields.

The Zambia National Hotels Corporation was also founded in 1971. See Section 3 above for a review of its activities.

6. Future Plans for the Industry

In Zambia's Second National Development Plan, 1972-6, public sector responsibility for providing Zambia's tourist industry with the necessary infrastructure is acknowledged as a pre-condition of private sector investment.

Accordingly, funds have been made available for the construction of the necessary facilities, to be spent in the first instance on developing the Luangwa National Park. A new airfield with roads and bridges was begun in 1972 and is planned to be ready for service in 1974 at a total cost of 10 million kwacha, or £5 million.

Overall expenditure in the tourist industry over the period 1972 to 1976 is expected to be in the order of 25 million kwacha or £12 million. Of this, about K 15 million or £7 million will be made available from Government funds for tourist development.

AMERICA

Antigua *

The tourist potential of Antigua lies in its pleasant climate, its unique scenery and excellent beaches. It is a tropical island near to the great concentration of population in the north eastern United States and Eastern Canada. It is accessible and can offer many of the unspoilt natural facilities required by the tourist.

1. Value and Extent of the Tourist Industry

Apart from a slight fall in the number of tourists visiting Antigua in 1968, there was a steady rise in their numbers during the 'sixties. (See Table 1). The average length of stay of tourists is 4.7 days and the majority of visitors (about 97 per cent) arrive by sea. The figures given in Table 1 exclude cruise-ship passengers because of the brevity of their stay; in recent years there have been substantial numbers of them evidenced by the fact that in 1970 alone approximately 70 cruise ships made calls to Antigua.

The tourist industry has been the main growth industry in Antigua in recent years, and has generated a very rapid growth in distribution services and construction.

Coolidge Airport is the only airport in the Lesser Antilles which is equipped to accommodate transatlantic jet aircraft. There are direct services to Europe, Canada and the United States, and daily scheduled flights to all the other islands in the Caribbean. Coolidge is served by Air Canada, Air France A.L.M., B.O.A.C., B.W.I.A., Caribair, LIAT, Pan American and Sea Green Air Charter Services.

2. Official Promotional Organisation

The Antigua Tourist Board, which operates on a budget of \$75,000, was set up by Government under the supervision of the Ministry of Trade, Production and Tourism to help promote and develop the tourist industry. It has endeavoured to advertise the industry in Britain, Europe, the United States and Canada; these activities are carried out with the support of the Hotel Association and the airlines serving the region. The Board operates an office in St. John's, as well as the Tourist Information Booth at Coolidge Airport. It is a member of the Association of Tourist Boards of the Eastern Caribbean, and the Caribbean Travel Association.

3. Internal and Infrastructural Organisation

(a) The Hotel Association and Employers Federation, (b) Travel Agents, (c) Airlines, (d) The Antigua Taxi Association.

* Information largely unrevised since December 1970 edition, as further information was not available at time of publication.

4. Government Participation

(i) Ownership or shares in hotels:

The proposed Hotel Dulcina in Barbuda.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel and other tourist income:

Hotel owners obtain tax free holidays for five years, and thereafter in each of any five years of the next eight years of operations, are allowed to set off against the income from the hotel, one fifth of the capital outlay.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

Any person who proposes to construct or equip a new hotel or extension to an existing hotel, intended to contain when completed no less than 10 bedrooms, may be granted a licence to import or purchase in the colony certain building materials and articles of hotel equipment free from customs duty and purchase tax.

(v) Provision of public funds for publicity purposes:

Government provides the funds used by the Tourist Board which covers the cost of operating the Tourist Information Office in St. John's, and the Tourist Information Booth at Coolidge Airport, postage, promotional material and literature, membership dues to the Caribbean Travel Association, fees for the British and Canadian Representatives and a small advertising budget.

(vi) Government expenditure on infrastructure:

Government assists indirectly by providing airfields, roads, dams for storage of water, and other services. A deep water harbour was recently constructed. A major rehabilitation programme for Coolidge Airport designed to strengthen the main runway, extend the parking aprons, and to improve lighting, aprons, taxi ways, approach and navigational aids has been completed. An extension to the Terminal Building to include 8 shops and a departure lounge has been constructed and a new fire station provided.

5. Future Plans for the Industry (as at December 1970)

The Government will continue to give high priority to the continued development of tourism and consideration will be given to the idea of treating it as a regional industry with regional promotion and development programmes. As regards promotion, greater effort will be put into the development of the summer traffic, so as to achieve a higher occupancy rate not only for this period but also for the year as a whole.

Bahamas

The tourist potential of the Bahamas lies in its excellent climate with a variation of temperatures of only 10° to 12° F throughout the year. Also, in its beaches, 700 islands, incredibly clear waters as well as many sporting activities such as deep sea fishing, sailing, golf, scuba diving and casinos. Superior hotels and a variety of types of holidays may be obtained depending on the island. There are also superb group and convention facilities.

1. Value and Extent of the Tourist Industry

The Bahamas have shown a phenomenal growth in tourism since the statistics were first recorded in 1949 when the visitor count was 32,000. In 1968 the 1,000,000 visitor mark was reached and by 1971 the total was almost 1½ million. It should be noted, however, that all figures include cruise-ship passengers and that they currently amount to almost half a million per annum.

Visitors come mainly from the U.S.A. (87 per cent in 1971), Canada (5 per cent) and Europe (3 per cent) and the current average length of stay for air visitors is 5.9 days.

An estimate based on a sample exit survey, put tourist expenditure in 1971 in excess of \$US 240 million. A study made by a group of consultants in 1969 showed that tourism accounts for 71 per cent of the Gross National Product and provides from direct and indirect sources, nearly 60 per cent of the total Government revenue.

2. Official Promotional Organisation

The Ministry of Tourism, headed by a Minister and administered by a Director of Tourism, is responsible for the development and promotion of tourism in the Bahamas. There is a statutory Tourist Board but with advisory functions. The Board, which meets some eight times a year, advises the Ministry on problems which impinge on tourist promotion and on local matters such as transport, hotels, shopping, educational facilities. There is also a Facilitation Committee which deals with immigration and customs controls, entry and departure procedures and facilities at port of entry. The Ministry maintains ten offices overseas, eight in the U.S.A., and one in Canada (Toronto) and one in London. There are also field representatives in Atlanta, Montreal and Frankfurt, Germany. All the offices in the U.S.A. and Canada are directly administered by a General Manager, stationed in Miami. The Ministry maintains in Nassau a News Bureau which provides information, photographs and editorial matter to foreign and local press and to travel magazines and writers in particular. The News Bureau also provides assistance to visiting travel writers,

photographers and members of the foreign press and T.V. and radio stations. The Ministry of Tourism is a member of the International Union of Official Travel Organisations and its Regional Travel Commission for the Americas and its representatives have been quite active in the deliberations of these two bodies. The Director of Tourism and senior officials of the Ministry and its overseas offices are also allied members of the American Society of Travel Agents.

3. Internal and Infrastructural Organisation

The majority of tourists who arrive by air (over 97,000 in 1971) stay in hotels or guest houses. There are over 10,000 hotel rooms available in the Bahamas, as follows:

New Providence and Paradise Island	5,097
Freeport and Grand Bahama Island	3,884
Out Islands	1,866

4. Government Participation

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

There is no income tax in the Bahamas.

(iv) Import duty concessions on material and equipment for hotels or other tourist construction:

A Hotels Encouragement Act makes provision for a refund of duty paid on the importation on materials, fixtures and furniture required for the construction of new hotels or, in some cases, for the renovation of existing facilities.

(v) Provision of public funds for publicity purposes:

The Ministry of Tourism is voted an annual budget for the administrative and promotion of tourism in the Bahamas. In 1971 the budget amounted to some 6,900,000 Bahamian dollars, the bulk of which is spent on promotion, public relations and advertising.

(vi) Government expenditure on infrastructure:

Considering the rapid increase in the number of visitors in a group of islands of which the total population is less than 180,000, the Government has had to spend considerable amounts of money on expanding facilities required by tourists as well as residents, such as roads, electric supply, telephone services, etc. However, the private sector has in many cases, particularly in the Out Islands, provided its own public utilities for resorts.

5. Action Taken During the Current Year

After the comparatively disappointing performance of the visitor arrivals in 1970, it was felt that a major promotional effort should be mounted for the summer or "off season" months of 1971. Accordingly, the "Bahamas Goombay Summer Festival" was developed with the co-sponsorship of the Nassau/Paradise Island Promotion Board, the Freeport/Lucaya Tourist and Convention Board, and other elements of the private sector which constitute the tourism industry in the Bahamas. In operation from June to September, the "Goombay Summer" quickly became a huge success, and involved not only all facets of the tourist industry, but gained the support of other businesses, Government Departments, and the general population as well.

In addition to its value as an external promotional effort, the "Goombay Summer" proved to be a valuable influence in increasing visitor satisfaction by virtue of the positive response to the programme by the community as a whole.

It is believed that the success of this promotion marked the major turning point in the pattern of visitor traffic flow to the Bahama Islands from the 1970 slump, and it is anticipated that it will become an annual event in the future.

A second major promotion during 1971 was the sponsorship by the Ministry of Tourism of the Bahamas National Open Golf Tournament in Freeport, a P.G.A. recognized event with a purse of over \$130,000.

6. Future Plans for the Tourist Industry

At the end of 1971, there were comparatively few development projects involving tourist amenities under construction. Over 1,000 luxury hotel rooms were opened in Nassau and Paradise Island in 1970, and the industry appeared to be going through a period of assessment by the year's end. Work was nearing completion, however, on the new 18-hole South Ocean Club Golf Course on New Providence by December, and the Company was expected to break ground for a 120-room hotel facility early in 1972.

On Eleuthera, work was also progressing on the first of several planned 18-hole golf courses and a new marina on a 5,000 acre recreational development project sponsored by the giant G.A.C. Corporation of the U.S.A.

Other projects on various islands were in the "talking stages" and, if 1972 brings a continuation of growth in tourist volume and expenditure, additional development will undoubtedly be announced.

Barbados

The tourist potential of Barbados consists largely of its equable climate with temperatures ranging between 78° and 86° F, with a high sunshine record; excellent beaches and ideal conditions for all aquatic sports; easy accessibility to and from the United States, Canada and South America; a wide range of hotels in every category and the friendliness of its people. Barbados also forms part of the chain of islands (Windward and Leeward Islands) which are particularly suitable for sailing, yachting and other aquatic sports.

1. Value and Extent of the Tourist Industry

Within the past twenty years tourism has come to play a major part in the economy of Barbados. With an average annual growth rate of 15 per cent the industry has been the most dynamic sector of the economy. It has been primarily responsible for the continued growth of the Gross Domestic Product. The industry currently provides direct employment for approximately 10,000 people and indirectly for approximately 13,000 on the island and foreign exchange receipts from tourism, shown in Table 2, p.(xv) amount to about one-quarter of the country's Gross National Product.

The number of visitors, the gross earnings of tourism and its contribution to the Gross Domestic Product have exhibited a remarkable rise in recent years. Table 1 on p. (xiv) gives the number of tourist arrivals to Barbados; these exclude cruise ship passengers, which have fluctuated around the 80,000 level since 1968.

Visitors to Barbados come mainly from the United States and Canada but there has been a steady increase from Britain and the Caribbean islands. As a result of promotional programmes in Europe, it is expected that more Europeans will visit Barbados in the summer.

The following table shows visitors' arrivals by country of residence:-

<u>Year</u>	<u>U.S.A.</u>	<u>Canada</u>	<u>Britain</u>	<u>W.I.</u>	<u>Others</u>
1967	29,813	18,293	6,622	23,732	10,105
1968	41,287	27,879	11,493	26,136	6,542
1969	52,689	31,617	10,168	27,338	12,491
1970	57,111	39,609	12,083	35,625	9,286

2. Official Promotional Organisation

The Barbados Tourist Board, established by statutory authority in 1958, is the island's official tourist promotion organisation. Apart from

its head office in Bridgetown, Barbados, the Board maintains offices in Toronto, Canada and New York.

The Board comprises a Chairman, a deputy Chairman, nine members from the private sector and one Government representative. Its functions are:-

- (a) to develop all aspects of the tourist industry of the island and to promote the efficiency of the industry;
- (b) to adopt all such measures as it may deem fit to advertise and publicise the island as a tourist resort throughout the year;
- (c) to promote and secure such increased shipping and airline facilities as will tend to increase tourist traffic to the island;
- (d) to secure the most favourable arrangements for the entry of tourists into Barbados;
- (e) to encourage by such measures as it may deem fit the development of such amenities in the island as may be calculated to enhance the attractiveness of the island to tourists;
- (f) to undertake such research, experiments and operations as may appear to it to be necessary to improve the basis of the tourist industry and to control and eliminate any undesirable factors that may affect the industry;
- (g) to foster an understanding within the island of the importance and economic benefit of the tourist industry;
- (h) to provide training facilities for hotel staff;
- (i) to classify hotels according to the standards of the amenities provided;
- (j) to make all such enquiries and to collect all such information as it may think necessary for the purpose of carrying out its duty under this section; and
- (k) generally to take all such other lawful measures as it may consider likely to assist it in carrying out most effectively the purposes of the Tourist Board Act.

The Tourist Board in co-operation with the Barbados Hotel Association, the Chamber of Commerce, the airlines serving the island, the local Ground Tour Operators and Water Sports Operators undertake yearly promotional tours of the United States, Canada, Venezuela and the Caribbean. These tours take the form of presentations to travel agents, the travel trade, travel press, and airline personnel as well as receptions for and calls on agents, and are supported by a special programme of advertising in leading newspapers, magazines and on radio and television.

3. Internal and Infrastructural Organisation

The Tourist Board includes representatives from the Barbados Hotel Association, Taxi Owners, the airlines serving the island, local businessmen and the Ministry of Tourism, Information and Public Relations.

The Board also issues information regarding hotel rates twice annually covering periods mid-December to mid-April and mid-April to mid-December.

Listed accommodation is classified Luxury, "A" Class, "B" Class, Guest Houses and Other Accommodation which includes furnished apartments and cottages.

The following table shows accommodation at the end of 1970:

<u>Luxury</u>	<u>"A" Class</u>	<u>"B" Class</u>	<u>Guest House</u>	<u>Other</u>
1,959	1,933	1,015	492	1,601

A Hotel Training School operated in collaboration with the Barbados Hotel Association was established in 1964 for training workers engaged in the industry. The Hotel Training School and the Institute of Management and Productivity also provide training at middle management, supervisory and departmental head levels. Scholarships for training at management level have also been awarded Barbadians under the Canadian Technical Assistance Programme.

Barbados has an international airport at Seawell which services the most modern jet aircraft. Further development and expansion of Seawell Airport is underway.

There is also a modern deep-water harbour dredged to a minimum depth of thirty-two feet. The harbour was opened in May 1961 and offers efficient docking and bunkering facilities. However, a development programme for the expansion of facilities at the harbour is currently under consideration.

A meteorological institute has also been established in the island to serve the Eastern Caribbean.

4. Government Participation

(i) Ownership or shares in hotels:

All hotels are privately owned with the exception of the Barbados Hilton which is owned by the Government and operated by Hilton International.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

The Barbados Development Bank is empowered to make or guarantee loans to hoteliers to assist in the development of the hotel industry.

(iii) Income tax and other concessions on hotel income:

The Hotel Aids Act allows for the writing off of capital expenditure over a period of ten years for income tax and trade tax purposes.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:

The Hotels Aids Act, 1967, provides for the duty-free importation of building materials, hotel equipment, hotel furnishings and furniture, provided that none of these items is at the time of importation being produced in Barbados. These benefits apply to the construction of new hotels and to the extension or renovation of existing ones.

- (v) Provision of public funds for publicity purposes:

Budget allocations to the Tourist Board for the development of the industry have been as follows:

1967-68	E.C.\$	877,000
1968-69		804,346
1969-70		966,000
1970-71		1,449,368
1971-72		1,317,524
1972-73		1,536,000

- (vi) Government expenditure on infrastructure:

A new Customs Hall, parking facilities and access roads were among the main improvements carried out at Seawell Airport.

Two beach facilities fitted with changing rooms and restaurants have been provided at Hometown and Gravesend beaches for the use of residents and cruise ship passengers.

Two national parks have been established. One at the new East Coast Road on lands made available by Barclays Bank and the other at Farley Hill, St. Peter.

5. Action Taken During the Current Year

The Barbados Government, conscious of the importance of the tourist industry to the island's economy, has created a Ministry with the responsibility for Tourism, Information and Public Relations.

The Tourist Board concentrated its efforts in the prime North American markets. The successful Barbados Bonanza promotion was repeated in Canada for the eighth year and in the United States for the fourth year with greater success. This promotion again incorporated a comprehensive and specialised programme of advertising and public relations with a sales tour undertaken by the Board in conjunction with its overseas offices, the Barbados Hotel Association and the Barbados Approved Wholesalers and certain of the airlines serving the island. The Chamber of Commerce participated in the promotion.

The Board, the Hotel Association and the Chamber of Commerce in conjunction with the Venezuelan Airline also offered, for the second time, a similar Bonanza package to Venezuelans during a promotional visit to the South American country.

There are also plans to undertake promotional visits to Britain and Europe this year.

The following table indicates the growth of summer business from 1964 when the Barbados Bonanza was introduced:

<u>Visitors</u>			
1964	: 36,266	1968	: 66,974
1965	: 43,013	1969	: 82,992
1966	: 50,414	1970	: 89,304
1967	: 54,898	1971	: 110,000

Visitor arrivals during the summer of 1971 increased by 23 per cent over the previous year and with the exception of September every month showed an increase over the same month of the preceding year.

In addition to the Bonanza promotion, the Board, through its local and overseas offices, participated in several co-operative advertising projects.

Sales promotion tours are undertaken in the spring in order to generate business through the summer months, 16 April to 16 December, which is the low season.

The Barbados registered airline, International Caribbean Airways, operated an air service between Barbados and Luxembourg at substantially lower fares than those currently prevailing, on normal scheduled flights, and contributed to the growth of tourism during the year.

6. Future Plans for the Industry

Projections for 1970 through 1973 are for an increase from 157,000 to approximately 235,000 visitors. Increased air services, larger aircraft, and the tendency towards charters and group travel will assist in reaching the projected increase.

The Board anticipates that the next five years will be a period of continuous growth for the industry. Every year the competition for the tourist dollar becomes greater with countries spending more and more of their national budgets to attract visitors, particularly from North America. The competition is made keener when air fares to a particular destination are increased, while cheaper fares, whether offered in the form of group fares or otherwise, are available to other destinations.

The United States market is vast and much business can be obtained. To stem the increasing competition and to make Barbados more competitive amongst resorts and especially those which have the advantage of lower air fares, it is planned to continue advertising in the United States market.

Insofar as Canada is concerned, the Board is satisfied that business from this country will continue to flow for some time on the momentum which has been built up provided there is a continuance of the present advertising and promotional efforts.

The Board looks to the new markets of continental Europe and South America as areas prime for development. The Board however, feels that to exploit these new areas to the fullest advantage substantial promotional funds will be necessary. At the moment tourist traffic from Venezuela is ready to be developed on a bigger scale and it is also expected that Europe will provide Barbados with a reasonable market particularly during the summer period.

The Caribbean area will continue to be promoted although the large-scale development in other Caribbean territories will offer more competition than in the past.

The provision of additional hotel accommodation will not in itself be sufficient. The Board recognises that greater attention must be paid to the provision of proper restaurant facilities; improvement of entertainment; proper control of beaches; the swift processing of passenger traffic both at Seawell Airport and the Bridgetown Harbour; and improvement of transport and shopping services. The Board looks with confidence to the future and to greater co-operation not only amongst those sectors directly involved but also in those areas which have indirect bearing on the development of the industry.

Despite the growth of the tourist industry, the major problem continues to be the differential in hotel occupancy between the winter and summer seasons, which results in seasonal employment for workers in most hotels. Although there has been much improvement in summer business, the additional accommodation constantly being provided mainly to meet the demands of peak winter months further aggravates the problem of low occupancy in hotels during the summer months and clearly supports the Tourist Board's efforts in this direction.

The main objective of the Board therefore, is to concentrate its financial and other resources almost entirely on the business during the summer months with a view to improving the occupancy in hotels and consequently to providing permanent employment for the workers.

Bermuda

The tourist potential of Bermuda lies in its excellent climate, its great scenic beauty, the hospitality and friendliness of the Bermudians and the close proximity to the eastern seaboard of the United States of America.

A wide choice of attractions, sporting activities and entertainment for visitors augurs well for continuing prosperity.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Bermuda exceeded 410,000 in 1971, nearly 50 per cent more than in 1967. (See Table 1). The majority of visitors, 85.41 per cent, come from the United States, 9.24 per cent from Canada and 2.94 per cent from Britain (1971). There are excellent facilities by air and sea linking Bermuda with Europe and America. Foreign exchange receipts from tourism totalled \$97.4 million in 1971, having risen from \$52 million in 1967. (See Table 2).

2. Official Promotional Organisation

The Department of Tourism, which is the responsibility of the Executive Council Member for Tourism, has a Director and supporting staff in Hamilton and branch offices in New York, Chicago, Toronto and London. It works in close liaison with the private sector of the industry in Bermuda.

The official publicity branch of the Department is the Bermuda News Bureau which supplies news and features stories to the overseas media and also covers special events for news distribution through its overseas branches.

3. Internal and Infrastructural Organisation

In 1969 there was a total of 6,245 beds, in 1970 a total of 7,000 beds and in 1971 a total of 7,846 beds available to visitors in recognised hotels, guest houses and cottage colonies. The average length of stay in 1969 was 5.9 nights, in 1970, 6.0 nights and in 1971, 5.7 nights.

Training - The Bermuda Hotel and Catering College is an institution of further education under the jurisdiction of the Department of Education. The college is fully equipped and staffed to provide training in every facet of the hotel operation leading to professional qualifications recognised and accepted everywhere.

Travel Agencies - In each of the last three years about a thousand agency personnel have visited Bermuda from the U.S.A., Canada and Britain plus a few from Europe.

4. Government Participation

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

There is no income tax in Bermuda.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

None.

(v) Provision of public funds for publicity purposes:

The majority of the budget of the Department of Tourism is expended on publicity and promotion of the Island. The budget in 1969 was £1,271,000, in 1970 \$ 3,173,228 and in 1971 \$ 3,509,939.

(vi) Government expenditure on infrastructure:

None.

5. Action Taken During the Current Year

The Hotels (Licensing and Control) Act 1969 was put into effect during the year 1970 resulting in a large number of smaller guest houses being licensed and included in the literature available about Bermuda.

Close liaison between the Department of Tourism and the hotels and carriers resulted in a co-ordinated programme of advertising in American and Canadian newspapers and a booklet to promote the off-season, "Rendezvous Time".

6. Future Plans for the Tourist Industry

To prevent overcrowding of the amenities and facilities of the Island, a control has been placed on the number of cruise vessels visiting the Island, thus ensuring good passenger service. The Hotel phasing and policy adopted four years ago, which aims to limit the growth of hotel accommodation to a rate when it can be more easily staffed by Bermudians, is in operation. The schedule is kept under annual review.

British Honduras^{*}

The tourist potential of British Honduras is centred around its temperate climate, Mayan archaeology and the excellent opportunities for sport fishing, and aquatic sports. Hunting, bird-watching and sightseeing also command a great deal of interest. The friendly cosmopolitan population presents an appealing diversity of culture, traditions and occupational preference.

1. Value and Extent of the Tourist Industry

Approximately 31,588 visitors (including business and official visitors) came to Belize in 1970. These were mainly from Mexico, the U.S.A., Canada and Central America. The great majority of these came by road.

2. Official Promotional Organisation

The Tourist Board, broadly representative of the interests directly involved in the industry, has day-to-day responsibility for carrying out promotion efforts authorised by the Ministry of Trade and Industry. Its Secretary liaises with the Ministry, conducts studies, correspondence, etc. and assists visiting travel writers and investors.

The Minister of Trade and Industry has final responsibility for all policy matters relating to tourism development, including development concessions.

Although the Board has no formal affiliation with any external organisation in the field of promotion, representation has been arranged at travel shows in the U.S.A. and there is an informal arrangement under which the West India Committee, London, acts in certain matters on behalf of the Government of British Honduras.

3. Internal and Infrastructural Organisation

With the development of tourism plant on the offshore islands and along the southern coast, tourists are tending to spend less time in Belize City where attractions and facilities are rather limited.

Countrywide, there are about 700 rooms, very few in the de-luxe or first-class range. There are three well established travel agencies with a few small ground-tour, boating and sports-fishing agencies.

Tourism development is a subject of great interest on the part of the local Chamber of Commerce. Although a formal Hotels Association does not exist, interest in constituting such a body and seeking affiliation with the Caribbean Hotels Association has been expressed by the management of the most important hotels.

The Taxi Drivers' Association is a strong and influential body. It has been instrumental in organising special capacitation courses for taxi guides.

* Information largely unrevised since December 1970 edition, as further information was not available at time of publication.

Training - The Tourist Board conducted an Official Guide Course for Taxi Drivers during 1970. Nine taxi drivers successfully completed the course and were awarded certificates.

The Board co-sponsored a Food Handlers Seminar which was organised and conducted by the Health Department the other sponsor.

Hotel Management was added to the list of subjects for which scholarships are granted but no award was made in 1970.

One scholarship in Hotel Catering was awarded during the year under British Technical Assistance and an application has been made for one award in 1971.

Possibilities of obtaining training in tourism marketing and other specialised subjects will be explored, and it is hoped to organise, conduct and sponsor local training in various fields allied to tourism during 1971.

4. Government Participation:

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Limited tourism plant financing under the Development Finance Corporation which has government participation in its equity capital.

(iii) Income tax and other concessions on hotel income:

The Development Incentives Ordinance, 1960, provides for tax holiday periods including the production period of up to thirteen years for approved hotel construction. This is accompanied by exemption from income tax on earnings.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

Approved projects may be exempted from import duty and income tax on capital goods.

(v) Provision of public funds for publicity purposes:

A small allocation was made for publicity and promotion activities under the tourism budget, a portion of which was expended on the embossing of aerogrammes depicting scenes of the country.

(vi) Government expenditure on infrastructure:

All visitor facilities at the major archaeological sites and popular tourism routes were maintained and new improvements added under the local budget.

5. Action Taken During 1970

Normal promotion and limited advertising abroad resulted in a steady and satisfactory flow of visitors. Overland visitors continued to be in a majority. Three tourism projects received development concessions during the year.

6. Future Plans for the Industry (as at December, 1970)

An application has been made under foreign technical assistance for the services of a consultancy firm to assess the country's tourism potential and the planning of its development. The terms of reference for the assignment are as follows:

- (i) To make an inventory of facilities and potentials - infrastructure - accommodation - services - capital.
- (ii) Evolve both a short-term (say 5 years) and master sectoral plan for the next 20 years and to advise on sources of financing.
- (iii) Identify and select specific projects in order of priority and to carry out the pre-investment studies as required.
- (iv) Advise on zonal concept for specific development areas and projects e.g.
 - (a) National Parks with an emphasis on recreational aspects including coral gardens.
 - (b) Beaches.
 - (c) Archaeological centres.
 - (d) Areas of special cultural and historical interest.
 - (e) Fishing (Sports).
- (v) Advise on an organisational structure and machinery to implement, monitor and promote the tourism plan.
- (vi) Advise on areas in which to concentrate on the promotional effort to attract tourists.

It is hoped that this assistance will be provided in 1971.

Funds have been approved for an extensive road improvement programme and it is hoped that with better roads the number of overland visitors will increase considerably.

English Caye a small island about 12 miles away from Belize City was declared a port of entry for the use of vessels which have obtained permission to bring passengers into the territorial waters of this country for recreational purposes only.

British Virgin Islands

The tourist potential of this group of more than 60 islands, islets, rocks and cays lies in the numerous natural endowments which include the pleasant sub-tropical climate, many secluded white sandy beaches, considerable beauty, safe anchorages for yachtsmen, waters teeming with game fish (the B.V.I. holds no less than four international world records) and the pleasures of exploring these comparatively undeveloped islands.

1. Value and Extent of the Tourist Industry

In spite of the recessions, in particular in the United States, the tourist industry continues to show a steady increase each year as seen by the figures for tourist arrivals in recent years; these are projected to double between 1968 and 1972, when an estimated 54,000 are expected to visit the islands. (See Table 1).

There are good communications to and from the islands connecting with the major airlines within the Western Hemisphere and Europe. Both Prinair and LIAT have maintained regular schedules and, shortly, Air B.V.I. will be flying a regular schedule. The ferry - Bomba Charger - has been running a reliable schedule between the British Virgin Islands and the U.S. Virgin Islands, and the tourist movement between the U.S. and British Virgin Islands is still improving.

The Tourist Board is preparing a programme directly aimed at raising the number of visitors during the summer months in the coming year. It is hoped to increase the number of visitors from both the U.S. Virgin Islands and particularly Puerto Rico.

The first year as a member of the Eastern Caribbean Tourist Association (ECTA) has proved to be useful for tourist promotion in Canada, the United States, Britain and Europe, but improvements in organisation are anticipated which will be even more effective. Both the C.T.A. (Caribbean Travel Association) and the West India Committee continue to represent the British Virgin Islands in the United States and Britain respectively.

2. Official Promotional Organisation

The Administrative Secretary for Development Planning and Tourism is responsible for the preparation and distribution of tourist information and assists Government in infrastructural development in the tourist field and the development of an overall plan for tourism. His responsibilities include the promotion of investment in both public and private sectors of the islands' economy.

The Statutory Tourist Board is responsible for the preparation and dissemination of tourist information. The bi-monthly newsletter, "Welcome", continues to be very successful and several thousand copies are distributed in Britain, Canada and the United States.

3. Internal and Infrastructural Organisation

During the year one new luxury hotel was opened - Peter Island Yacht Club - owned by Norwegian interests. There has also been a big increase in the charter boat industry. There are now more than 60 boats based in the British Virgin Islands and this number is expected to increase by about 20 per cent in the coming year.

The British Virgin Islands Hotel and Tourist Association is soundly based to include not only hotels and guest houses, but all businesses and individuals interested and involved in the tourist industry.

The Rotary Club of Tortola is very successful and contributes much to the community and receives many visitors during the year.

During the year the British Virgin Islands Anglers Club was formed and has a number of successful sportfishing tournaments drawing competitors from outside the Territory.

Plans are well advanced for a three-day regatta to be held in the spring of 1972. It is planned to make this an annual event.

During the year there have been several meetings between interested organisations of the British and U.S. Virgin Islands to improve relations and communications within the orbit of the tourist industry.

4. Government Participation

(i) Ownership or share in hotels:

None at present.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

The income arising from a newly erected hotel is exempt from income tax for a period of seven or ten years or in the case of an extension for a period of ten or twenty years.

Similarly, the Pioneer Services and Enterprises Ordinance provides that in certain circumstances an industry may be declared "Pioneer Enterprise" providing for exemption from income tax for a period of ten years.

- (iv) Import duty concessions on material and equipment for hotels or other tourist construction:

The present Hotels Aid Ordinance gives special concessions to persons who construct or extend hotels of not less than four bedrooms.

Specified building materials and equipment are allowed duty-free entry. Special duty-free concessions are granted to "Pioneer" manufacturers for the importation of equipment, plant and building materials for the establishment or extension of a "Pioneer" enterprise.

- (v) Provision of public funds for publicity purposes:

Government provides some financing for the activities of the Department of Tourism and also the Information Services.

- (vi) Government expenditure on infrastructure:

Government is involved in an ambitious programme for the provision of roads, electricity, water and sewerage systems and a deep water harbour. This is progressing satisfactorily.

5. Action Taken During the Current Year

The Tourist Department, in association with members of the Eastern Caribbean Tourist Association (ECTA) have carried out, successfully, promotional tours of Canada, the United States and Britain.

Beef Island Airport has an increasing number of flights arriving and leaving each day. Apart from the scheduled services of LIAT and Prinair, a large number of charter planes are being used to bring in visitors.

The owners of the new Peter Island Yacht Club have commissioned a film to be made of the British Virgin Islands and this is expected to be available for use in the coming year.

The Government, with financial assistance from the British Government, bought the Wickham's Cay reclamation and the Crown lease on a large part of Anegada. A feasibility study is now in progress.

6. Plans for the Future of the Industry

With the continued improvement of communications and in spite of the economic recessions, plans are progressing for the extension of hotels and the construction of new ones.

It is expected that the charter boat industry will continue to grow at a fairly high rate, particularly as the industry is experiencing a very high rate of charters.

Canada *

Canada's tourism potential has depended largely on its proximity to the United States and its many natural endowments such as the Canadian Rockies, the Great Lakes, Niagara Falls, and its vast National Parks and reserves. In recent years, however, the tourism potential from overseas countries has become increasingly important. Overseas visitors represent only about 1.5 per cent of the total visitors from abroad, but account for about 10 per cent of visitor expenditure. In 1970, overseas visitors numbered 535,000, an increase of 15.6 per cent over 1969.

1. Value and Extent of the Tourist Industry

The number of tourist arrivals to Canada, including those from the U.S.A., but excluding same-day excursionists, is shown in Table 1, p.(xiv). These reached a peak in 1967 when Expo '67 was held in Montreal, but that level is expected to be met again in 1971 following a steady growth in numbers since 1968.

The chief countries of origin for tourists^(a) were:-

	<u>1968</u>	<u>1969</u>	<u>1970</u> ^{(b)(e)}
United States ^(c)	34,775,772	35,765,659	37,152,944
United Kingdom	115,234	143,562	157,736
Germany	27,647	35,313	41,261
France	23,499	32,529	36,915
Netherlands	18,171	23,304	27,996
Japan	12,515	18,525	22,001
Italy	12,101	15,577	18,577
Australia	12,852	14,697	17,001
Mexico	7,261	10,019	10,682
Jamaica	6,907	9,422	11,417
All other countries	126,235	160,235	191,946
Total Number of Visitors	<u>35,138,194</u>	<u>36,228,842</u>	<u>37,688,476</u>

Note: (a) including same-day excursionists
 (b) 1970 figures subject to revision
 (c) includes overseas visitors direct and via United States
 (e) estimate

Foreign exchange receipts from tourism passed the \$1 billion mark in 1969. The importance of international visitors to the Canadian economy is exemplified by the fact that in 1970, receipts from international travel made it the second largest earner of export dollars, exceeded only by the sale of passenger automobiles and parts.

* Information largely unrevised since December 1970 edition as further information was not available at time of publication.

2. Official Tourism Organisation

Office of Tourism:

The Office of Tourism was established on January 1, 1968 as a new wing of the Department of Industry, Trade and Commerce, and was charged with the Tourism Programme: to ensure that travel and the travel industry make their optimum contribution to Canadian prosperity and nationhood, to provide and sustain a centre of information on tourism and to be the focus of federal leadership in the promotion of tourism in Canada. Headed by the General Directorate, in the person of the General Director, who advises the Deputy Minister on policy and operational matters related to tourism and travel in Canada, it gives executive direction to the activities of its two Branches: one of which is the well-established Canadian Government Travel Bureau, the federal promotional organisation established in 1934. In addition to the continuing Travel Bureau, the federal government established within the Office of Tourism, the Travel Industry Branch with the responsibility for giving concentrated and specialized attention to better definition of the industry, to identify its contribution to the economy and to the development of all aspects of the travel industry's facilities and services.

The Office of Tourism thus comprises three components - a General Directorate, the Canadian Government Travel Bureau (responsible for travel promotion - "demand") and the Travel Industry Branch (responsible for industry development - the "supply" aspects).

In addition to promoting travel to and within Canada and to further develop the travel industry in Canada, the Office serves as a centre of information and as a focal point for contact with the federal government on tourism matters, with Provincial Travel Bureaux and with the private sector which includes, carriers and the travel trade as well as national and international organisations concerned with tourism. It represents Canada at international conferences and is a member of a number of international organisations concerned with tourism (ASTA, PATA, O.E.C.D. Tourism Committee, I.U.O.T.O., etc.).

Canadian Government Travel Bureau:

The Canadian Government Travel Bureau continues to promote travel to Canada from other countries, and has the added task of promoting travel within Canada by Canadians, and co-ordinates its promotional activities with those of the provinces and private sector. Since 1966, the Bureau has substantially reoriented its methods of operation to adopt the total "marketing" approach. Specific activities of the Bureau include: operating 24 offices in eight foreign countries to promote travel to Canada; these offices are established at the following places: New York, Boston, Philadelphia, Washington, Rochester, Cleveland, Detroit, Cincinnati, Chicago, Pittsburg, Minneapolis, Seattle, San Francisco, Los Angeles, Mexico City, Sydney, London, Paris, Frankfurt, Amsterdam, Tokyo, and has three Regional General Managers located at London, San Francisco, and New York; a publicity programme involving editorial and photographic material, films, participation in travel shows, and "Visit Canada" tours for selected travel writers; print media and television advertising campaigns directed primarily at United States markets but also overseas; direct mail campaigns aimed at

special interest groups in the United States; market research, and project research to examine the effectiveness of advertising and promotional expenditures; a travel information service; a programme to promote tour business to and within Canada; a programme to stimulate convention business in Canada; an expanding programme of information exchange with the provinces and private sector to coordinate overall marketing and promotion strategy.

Travel Industry Branch:

The Travel Industry Branch works to delineate the industry - and all its heterogeneous parts - to quantify and evaluate it in realistic economic and social terms. By study and research it identifies industry problems, strengths and weaknesses, seeks solutions and establishes ways and means of inducing improvement activities to ensure growth and development. One of the tasks assuming increasing importance is the exchange of information and coordination of related activities by consultation and relations with other federal departments, provinces, associations and individual firms of the industry in the private sector. Significant among these contacts are several federal departments with major tourism content in their programmes, e.g. the Department of Indian Affairs and Northern Development, Department of Regional Economic Expansion, Ministry of Transport and such organisations as Travel Industry Association of Canada, hotel and restaurant associations, etc. The Travel Industry Branch also combs the international field for useful practices for application in Canada; and gives staff support to Canada's participation in major international travel/tourism organisations.

Budgets:

The total federal Office of Tourism budget for tourism during 1969/70 amounted to \$11,197 million and the same amount for 1970/71. The amount budgeted for 1971/72 was \$11,346 million. There was an additional amount of \$1,009 million for the Tourism Programme resources contained in the estimates of the Department of External Affairs for 1971/72 for expenditure on "Support Services" abroad, bringing the total for the federal budget to \$12,355 million for 1971/72.

In addition, many of the large transportation companies promote Canadian tourism. Air Canada and C.P. Air for example, have extensive advertising, publicity and promotional programmes in Canada, and in wide-spread areas of the world which they directly serve, as well as in certain areas where they are "off-line". The C.N. and C.P. Railways also engage in promotion abroad. Further, together, for the ten provinces and two territories in 1969, their travel promotion expenditures totalled approximately \$9.6 million.

3. Internal and Infrastructural Organisations

Federal/Provincial Conference on Tourism:

Certain machinery exists to harmonize aspects of federal tourism-related activity and to coordinate federal activity affecting tourism with like activity of the provinces and private sector.

The principal federal-provincial instrument of cooperation is the annual Federal/Provincial Conference on Tourism. Organised by the Office of Tourism, the Conference is convened by the Minister of Industry, Trade

and Commerce and is attended by federal and provincial ministers concerned with tourism plus their officials. Particular federal agencies such as Dominion Bureau of Statistics, the National Film Board are represented. Federal departments having indirect interest in tourism are invited to observe proceedings. Others invited to send representatives include the major carriers and other selected private sector interests. During the Conference, the provincial ministers concerned with tourism meet privately with the Federal Minister of Industry, Trade and Commerce, to consider policy matters.

Travel Research Planning Committee and Canadian Travel Film Committee:

The Federal/Provincial Conference on Tourism has established two standing committees to further federal-provincial cooperation. The first of these, the Travel Research Planning Committee, is composed of federal, provincial and private sector representatives and meets periodically to recommend priorities and coordinate travel research programmes.

Both this body and its technical Sub-Committee on Research, which meets quarterly, have initiated and advised on such important projects as the Canadian Travel Survey, the United States visitor surveys and the formulation of standard definitions for use in tourist surveys. The second, the Canadian Travel Film Committee, and its sub-committee, the Canadian Travel Film Evaluation Committee also have federal, provincial and private sector representation. Their function is to ensure that the most efficient use is made of Canadian travel films in promoting Canada abroad and at home.

Office of Promotional Services:

The Office of Promotional Services, a branch of the Department of Industry, Trade and Commerce, has as one of its four sub-branches, a World Exposition Liaison Branch. This Branch is concerned primarily with administrative matters between Canada's participation in World Expositions and the federal government level.

Marketing Meetings:

To coordinate travel marketing strategy, the Office of Tourism holds a series of meetings quarterly with the provinces that comprise each marketing region of Canada. Separate marketing planning meetings are held with the major carriers and from time to time with accommodation interests. The Office of Tourism also maintains continual liaison with the provincial tourism authorities on an ad hoc basis.

Federal/Provincial Parks and Wildlife Conference:

Coordination of many aspects of federal and provincial activity affecting the use of natural resources and outdoor recreation is achieved by such formal means as the annual Federal/Provincial Parks and Wildlife Conferences, the annual Canadian Conference on Historical Resources and the Canada-Ontario Rideau-Trent-Severn Study Committee. The Office of Tourism is asked to attend these Conferences as an observer.

The operation and maintenance of national and historic parks in Canada during 1969/70 resulted in an expenditure of \$25.378 million while the capital expenditure for the same year amounted to \$17.039 million. The 5-year forecast programme for national historic parks initiated in 1969, provides for substantial growth.

Canadian Council of Resource Ministers:

The Canadian Council of Resource Ministers, which is composed of the federal and provincial ministers concerned with resource development, meets annually to review renewable resource problems. The Council has published a study on the Administration of Outdoor Recreation in Canada and Recreation Problems Analysis, and is preparing a conference for 1973 on the multiple use of resources with particular reference to outdoor recreation. The Office of Tourism serves in one of the organising sub-committees.

Provincial and Territorial Governments' Tourism Organisations:

Six provincial governments and one territorial government have established ministries or departments of tourism (British Columbia, Manitoba, Ontario, Quebec, New Brunswick, Prince Edward Island, the Yukon). The remaining five provincial and territorial tourism authorities are located in departments whose main responsibility is industry, trade or economic development.

All these tourism authorities are actively engaged in travel promotion, and the majority play a major role in the development of tourism facilities and services, particularly accommodation.

Private Sector Organisations

Travel Industry Association of Canada (TIAC):

The Travel Industry Association of Canada (TIAC), formerly the Canadian Tourist Association (C.T.A.), is the official voice of the private sector in matters affecting tourism. Because of the involvement of government at every level in tourism, municipal and provincial and federal tourism authorities hold membership and participate actively in cooperation with the private sector members as the five operational Councils of TIAC (Explore Canada - travel marketing; Hospitality - community awareness of tourism vocational training and management education; Keep Canada Beautiful - environmental control and protection; Travel Research; and Membership and Public Relations). Government members serve the Executive Committee, but not the Policy Committee, being entitled to disassociate themselves from policy decisions. Some 40 federal departments are engaged in over 100 different programmes and activities that have a bearing - direct, indirect, or incidental - on tourism in Canada. Close links also exist between the Office of Tourism and other organisations representing specific interests within the private sector. The various components of Canada's travel industry have, in most cases, formed national organisations to represent their interests. Some examples are the Hotel Association of Canada, the Canadian Restaurant Association and the Canadian Motor Coach Association. Similar organisations exist within individual provinces, such as the Association of Tourist Resorts of Ontario and the Alberta Travel Industry Association. These associations make presentations to governments, operate educational and training programmes, participate in national exhibitions, publish magazines or bulletins, and liaise with government and other private sector interests.

The only trade association catering to the needs of Canadian tour operators, tour wholesalers and travel agents is the American Society of Travel Agents (ASTA), which is largely under United States influence. A new arm of the organisation, ASTA-Canada, has now set up a secretariat in Ottawa to handle specifically Canadian interests.

Government Participation

Other considerations:

(i) Ownership or shares in hotels:

The only significantly governmental involvement in hotels is through the federal government-owned crown corporation: The Canadian National Railways which owns nine large hotels in Canada, known as Canadian National Hotels, seven of which are operated by the Canadian National Railways and two by management contract.

In the Province of Newfoundland there are four hotels in which the Government of Newfoundland own an equity interest and all are operated by management contract.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

At the federal government level as well as in several provinces there are loan provisions which either include or were created specifically for the tourist industry. A significant study as to the problems and needs of the accommodation sector was undertaken by the Travel Industry Branch of Office of Tourism during 1970. (However the outcome of this study was not known at time of publication.)

(iii) Income tax and other concessions on hotel income:

There are no special tax or other concessions specifically directed at the tourist industry.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

There are no such concessions limited to the travel industry.

(v) Government expenditure on infrastructure:

The Office of Tourism contributes financially to the Travel Industry Association of Canada (TIAC). These funds support a training programme "Project Hospitality" and other projects. Significant was a re-orientation conducted by TIAC, launching itself on enlarged programmes directed to development of the travel industry and all its sectors.

The Canadian Government Travel Bureau sponsors convention seminars. The purpose of these seminars is to study and evaluate the convention business as an aspect of tourism in Canada. In February 1970, the Office of Tourism and the Canadian Tourist Association held the first Travel Trade Congress in Canada. The prime objective of the Congress was "to improve Canada's competitive position in the world tour market with particular attention to package tours".

The Department of Regional Economic Expansion, formed on April 1, 1969, was the culmination of a process which started in July of the previous year, and announced the Government's intention of establishing a new department to deal with the problem of regional economic disparities.

The first step in the establishment of the new department was the consolidation under a single Minister of all the existing federal agencies and programmes active in the field of regional development and social adjustment. Under the Regional Development Incentives Act, DREE will provide loan guarantees in designated regions for commercial enterprises including convention facilities, hotel accommodation and recreation facilities. Such guarantees will include the establishment of a new facility or the modernisation and improvement of an existing facility. To be eligible it must be established that the loan required could not have been obtained through convention lending channels on reasonable terms and conditions without a guarantee. In the case of a new enterprise it must be brought into production by December 31, 1976. To be eligible for the guarantee the loan must not exceed 80% of the capital costs required for the project. A maximum of 90% of the loan may be guaranteed by the Department, however, at this time in the development of the programme, the loan guarantees will be limited to 50% of the loan. The loan guarantee at the moment represents the first 50% of the loss. This is under negotiation and may be changed to a straight guarantee of a dollar amount.

The Government Organisation Act 1969, that created the Department permits the designation of Special Areas. Special areas are created for specific industrial developments and through this act funds can be provided to the Provinces for the development of infrastructure such as sewage and water systems, roads, etc., that may be essential to encourage an industry to locate in a specific area. Infrastructure renovation and development could be an essential pre-requisite to a commercial hotel or recreation development. A special area could also permit a grant to be given for the development of a travel industry project. A grant, for example, was provided for the construction of a hotel in the Lesser Slave Lake area in Alberta.

The Agricultural Rural Development Act (ARDA):-

While ARDA agreements have been signed with two provinces, Ontario and British Columbia, new ARDA agreements are being negotiated with the other provinces excluding Prince Edward Island which is completely covered by a FRED Agreement (Fund for Rural Economic Development Act).

The ARDA agreements are expected to be signed by the end of June. These agreements permit the Federal Government to participate in projects and programmes designed, initiated and managed by the Provinces on a 50/50 cost sharing basis. The Department of Regional Economic Expansion intends to place more emphasis on other aspects of rural development other than agriculture through the new agreement.

Part IV of the new agreements will allow the provinces to develop programmes related to tourism and the travel industry. The type and scope of such programmes depend largely on the conceptual capability of the provinces and their specific needs. Programmes will likely include Travel Industry research, planning, feasibility, design, development, and operational programmes. The provinces will be able to give greater emphasis to the travel industry through the new ARDA agreements in rural development. It should be noted that programmes under ARDA are administered by the provinces. After the programmes are approved federal involvement is usually at the regional level.

The Office of Tourism also contributes to other organisations in the field of tourism by supporting and co-sponsoring on an ad hoc basis, employees training programmes for management in the accommodation, food and beverage sectors of the industry. A major project, the Travel Trade Congress, a cooperation of the Office of Tourism and private sector (TIAC) was to study the competitive problems in the industry over the next 10 years and the needs particularly as to its plant facilities and services. Its many recommendations are having a significant effect upon current industry activities.

Important benefits in infrastructure accrue to the tourism industry by governmental participation in contributing to major transportation systems and facilities, by a very extensive series of national parks, recreational waterways, the development, preservation and maintenance of historic sites. Additional extensive resource planning is seeing many side benefits in designating prime tourism attractions.

5. Action Taken During 1970

A new federal initiative will be undertaken in April 1971, when for the first time, the Federal Government will become active in the direct promotion of travel by Canadians in Canada. The programme to cost \$600,000 in the calendar year 1971/72, is designed to interest and encourage Canadians, generally, to travel more within their own country. The task of selling specific areas within Canada will continue to be largely the responsibility of the provinces and territories, but the new programme will compliment this activity and emphasize a "total Canada" vacation projection. One part of this new programme seeks the assistance of national corporations in developing

promotional programmes of their own to support in-Canada tourism. This project develops still further the theme of "Explore Canada" established by TIAC.

Of major significance are the two Office of Tourism research projects. The Canadian Travel Survey, 1971 is the most extensive survey of in-Canada travel by Canadians ever undertaken. Its purpose is to determine the patterns and values of travel by Canadians; especially sought are better indicators of the economic contribution of the travel industry. This information is considered of high priority to facilitate decision-making by governments and the priorities sector on major programmes, policies and legislation in aid of the industry.

During 1970 also, the Travel Industry Branch commenced a major study of the capital needs in the Accommodation Sector of the travel enquiry. The study endeavours to identify what sectors of the industry, if any, require financing assistance and what form this might take. Some 22,000 questionnaires were sent out to all accommodation establishments in Canada. In light of the response, a further sample of about 1,000 accommodation operators have been personally interviewed in order to obtain an "in-depth" view of the situation. These have been followed up with detailed interviews with about 100 institutional lenders to obtain their point of view. It is still too early to speculate whether a special programme will be recommended. However, the implications for the industry are significant.

6. Future Plans of the Industry (as at December, 1970)

Basically, Canada's income from foreign visitors has about tripled in the last decade, and current industry thinking is that there will be a further doubling of the industry's receipts from foreign visitors in the period between 1970 and 1977. This will mean, in effect, moving from something just in excess of \$1 billion to total receipts of \$2 billion in 1977. During 1970, this income represented approximately \$5.7 billion from domestic travel. To achieve this goal, the key priorities guiding the 1971 programmes are as follows:

1. More emphasis on work with the travel trade at home and abroad.
2. Initiation, on an as yet limited scale, of the direct promotion of domestic travel by Canadians.
3. Continued expansion of the Travel Industry Branch, and its major research projects (for example, Canadian Travel Survey and study of capital requirements of the accommodation sector) and industry evaluation and improvement.
4. Strengthening of cooperation within the industry.
5. Some added emphasis of promotion to broaden the tourist seasons (and still holding down promotion in the face of increased costs).
6. Intensified participation in international tourism developments.

Cayman Islands

The tourist potential of the Cayman Islands lies in its delightful climate; beaches which compare with the best in the Caribbean; exceptionally clear water for scuba diving, water sports, game fishing and sailing; good hotels and close proximity to the American continent.

1. Value and Extent of the Tourist Industry

There has been a strong rise in the number of tourists visiting the Cayman Islands in recent years (see Table 1). Most of these arrive by air (99%), coming mainly from the United States (70%) and Canada (17%) (1971). About three-quarters of these spend their whole holidays in the Caymans and the remainder spend at least five days combined with visits to other Caribbean holiday centres.

Foreign exchange earned by tourism amounted to over US\$4.9 million in 1970 and the industry accounts for over half the territory's foreign exchange earnings.

2. Official Promotional Organisation

The Cayman Islands Tourist Board was formed on 1st January 1966; an office was opened in Miami in January, 1968 with a Director, Sales Manager and Secretary, and an agency operates in New York. In London, the Board is represented by the West India Committee. As a member of the Caribbean Travel Association, the Cayman Islands send representatives to all meetings concerned with tourism in the Caribbean. The local Hotels Association is also represented on the Caribbean Hotels Association.

3. Internal and Infrastructural Organisation

Tourists stay in hotels, residential clubs or rented cottages. In 1971 there were approximately 900 beds available on the islands.

4. Government Participation

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

- (iii) Income tax and other concessions on hotel income:
There is no income, company or profits tax.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
Reduced duty concessions on building materials, furniture and equipment.
- (v) The provision of public funds for publicity purposes:
Government maintains the local Tourist Board which covers publicity. The budget for 1971 was J\$ 152,000.
- (vi) Government expenditure on infrastructure:
The Government of the Cayman Islands finances the local Tourist Board and, within the limits of its financial resources, does all it can to encourage the tourist industry.

5. Action Taken During the Current Year

In 1970 Samuel B. Crispin and Associates of Coral Gables, Florida, were appointed as advertising agents to the Cayman Islands Tourist Board. Since then they have been responsible for all advertising campaigns and collateral material.

Plans were approved and construction commenced on the new Holiday Inn which is expected to open in 1972 with 125 rooms and providing facilities for small conventions.

The Executive Director of the Caribbean Travel Association conducted a one-day Seminar on Tourism in Grand Cayman in October.

Cruise shipping business has not been a significant factor to date due to the inadequate harbour facilities. However, during 1971 surveys were made of possible sites for a new harbour. Government maintains the airports in Cayman Brac and Grand Cayman.

6. Future Plans for the Tourist Industry

Government is making arrangements for a consultant on tourism to visit the islands early in 1972 with a view to making recommendations for the future development of the tourist industry.

Dominica

The tourist potential of the island lies in the extent and scenic value of its tropical forests which cannot be equalled in any area so accessible to visitors from Europe and North America. Complementing the forests are impressive mountains, many rivers, waterfalls, lakes and hot and cold springs. The coastal scenery has many good swimming beaches and is fringed with palms and lush tropical vegetation.

1. Value and Extent of the Tourist Industry

Dominica's tourist industry is still very young, but there is a considerable potential which remains to be tapped. The number of tourist arrivals has been rising rapidly, having doubled from 7,200 in 1967 to 14,400 in 1971. (See Table 1).

Approximately 85 per cent of the visitors arrive by air and the majority come from North America and other Caribbean countries.

Dominica is served daily by both Leeward Islands Air Transport and Caribair from the other islands in the Caribbean, and by British West Indian Airways from New York and Miami through connections at either Antigua or Barbados; by B.O.A.C. from London, Bermuda and New York, by Air Canada from Montreal and Toronto with similar connections.

2. Official Promotional Organisation

There is a Tourist Board supported by the Government to the extent of \$ 12,000 EC in 1968. Development plans envisage an office and reception building costing \$ 40,000 and an annual expenditure on promotion of \$ 25,000.

3. Internal and Infrastructural Organisation

There are about 220 first-class hotel beds available in the hotels catering for tourists and some 60 first-class guest house beds (1971). There is an airport of adequate standard for the reception of Avro 748 type aircraft.

4. Government Participation

(i) Ownership or shares in hotels:

470 Government shares valued at \$ 46,996 EC in the Fort Young Hotel.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

The Development Incentives Ordinance provides for the granting of certain relief from income tax to companies in development enterprises which include the construction etc. of hotels and other tourist accommodation.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

The Hotels Ordinance provides for the importation of certain building materials and articles of hotel equipment free from customs duties.

(v) Provision of public funds for publicity purposes:

See Section 2 above.

(vi) Government expenditure on infrastructure:

Government participates indirectly by the provision of roads, airports and the installation of electricity and water.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Tourist Industry

As the tourist industry begins to assume growing significance for Dominica, the outlook will inevitably become more progressive. The Government is not unmindful of the manner in which the potential for tourism is highlighted in the Tripartite Economic Survey of the Eastern Caribbean Territories. However, any comprehensive proposal for overall development in Dominica awaits specific and detailed studies of the existing possibilities.

Grenada

The tourist industry in Grenada is in its infancy but real potential for the industry lies in the development of Carriacou in the Grenadines. With its pleasing climate, excellent beaches, attractive scenery and considerable potential for the development of yachting facilities the prospects for the tourist industry are good as soon as the airstrip, at present planned, is built.

Grenada continues to be one of the yachting centres of the Eastern Caribbean, and the well-established Yacht Regattas continue to attract yachtsmen from all over the world.

1. Value and Extent of the Tourist Industry

The number of visitors to Grenada, shown in Table 1, includes cruise-ship passengers. Normally these would not be included as the passengers usually remain under twenty-four hours, however as separate figures are not available, these short-stay visitors have been included. A large proportion of the visitors to Grenada come by air from the United States, Canada and Britain, and their average length of stay is 10.4 days.

The number of visitors has risen appreciably in recent years as has the amount of foreign exchange earned from tourism, which has increased from EC\$ 16.3 million in 1968 to EC\$ 25.7 million in 1971 (see Table 2).

Grenada is served by Leeward Islands Air Transport from Puerto Rico through the Leeward and Windward Islands, Trinidad and Tobago; by Caribair from Puerto Rico; by B.W.I.A. from New York and Miami; B.O.A.C. from London, Bermuda and New York, and by Air Canada from Montreal and Toronto with connections at Barbados or Trinidad. The flying time from Barbados or Trinidad is 35 or 45 minutes by LIAT or Caribair.

Limited passenger services by sea are available from London, New York, Miami and Montreal. West Indies shipping services call at Grenada fortnightly.

2. Official Promotional Organisation

There is a small Tourist Board but this is used primarily for tourist promotion such as advertising, publicity, etc.

3. Internal and Infrastructural Organisation

In 1968 there were nine resort hotels in Grenada, the largest had 60 rooms, and others ranged from 12 to 30 rooms. Most of them were owner-managed. Since then, additional tourist accommodation has been constructed (see Section 5). The average occupancy rate, estimated recently, was between 55% and 60%, which is quite high by Caribbean standards.

4. Government Participation

- (i) Ownership or shares in hotels:
None.
- (ii) Financial assistance specifically available (e.g. loans and guarantees):
None.
- (iii) Income tax and other concessions on hotel income:
Relief in respect of customs duties, income tax and real property tax is granted to persons who expend moneys upon construction and equipment of hotels under the Hotels Aid Ordinance.
- (iv) Import duty concessions on material and equipment for hotels or other tourist construction:
See (iii) above.
- (v) Provision of public funds for publicity purposes:
The Tourist Board is granted approximately \$35,000 per annum by the Government, part of which is used for promotional purposes.
- (vi) Government expenditure on infrastructure:
Government participates indirectly by the provision of roads etc., and the installation of electricity and other services.

5. Action Taken During the Current Year

In addition to considerable increases in the construction of cottages and apartments, three new establishments have added 38 rooms to the tourist accommodation plant - the Hamilton Inn in St. George's, Plainview Guest House in St. Andrew's and the Secret Harbour resort hotel at L'Ance Aux Epines. Spice Island Inn has also added a further 10 suites complete with individual mini swimming pools.

Several new restaurants were also opened and there are now specialised eating places catering for various nationalities and tastes including Chinese, Italian and local refreshment centres in addition to the usual North American and European cuisine, while a quaint little French restaurant has opened at St. George's.

The demand for after-dinner entertainment is now provided for by several attractive discotheques offering evening entertainment.

Promotion -

In its efforts to promote the tourist industry, the Government established the State's first overseas Tourist Information Office in New York which has been effectively channelling both individual and group business to Grenada.

6. Future Plans for the Tourist Industry

Not available at time of publication.

Guyana

Guyana's tourist potential lies in its accessibility to other countries in South and North America, its equable climate with sub-tropical temperatures and its beaches and scenic interior, including the Kaieteur Falls.

1. Value and Extent of the Tourist Industry

The number of tourists arriving in Guyana shown in Table 1, excludes intransit passengers; these have been substantial, rising from 25,000 in 1968 and 1969 to 28,000 in 1970 and 30,000 in 1971. Although the number of actual tourists has also risen steadily by just over 2,000 per annum since 1968, and foreign exchange receipts from tourism have increased by about W.I.\$0.5 million per annum, nevertheless, the contribution made by these receipts to total foreign exchange earnings has fallen slightly since 1968.

2. Official Promotional Organisation

The official promotional tourism organisation is the Guyana Development Corporation. The Tourist Development Committee (under the jurisdiction of the Ministry of Trade, and the Guyana Development Corporation - a subsidiary of the Guyana State Corporation) represents both the Government and the private sector of the industry.

Government's Tourism Policy:

- (a) To foster, promote and develop the tourist industry as an instrument for the economic advancement of the people of Guyana;
- (b) to encourage Guyanese and foreigners to know Guyana and to appreciate its resources by spending their holidays at places of interest within Guyana;
- (c) to survey, identify and develop historical sites, monuments and objects, and to recognise their importance and value as tourist attractions;
- (d) to foster and promote such appropriate cultural and national activities as may attract tourists to the country;
- (e) to encourage those industries, services and agricultural pursuits which can contribute to the development of tourism;

- (f) to train the people in the skills required for the development of tourism;
- (g) to encourage the private sector by appropriate fiscal and other means, so that it may make the maximum contribution to the development of the industry; and
- (h) to participate in regional and international programmes for the promotion of the tourist industry.

3. Internal and Infrastructural Organisation

Transport:

Guyana Airways Corporation and a number of private tours agencies operate organised tours to tourist sites. The Government operates up-to-date motor transport services on the 69 mile East Coast Demerara roadway linking the county of Demerara and the county of Berbice. A public Motor Transport Corporation has been established by the Government. This Corporation provides a very high standard of service to all its users.

Roads:

The capital Georgetown is now linked with the mining town of Linden (formerly known as Mackenzie) by a 50 mile modern highway, from Soesdyke, East Bank Demerara.

Another important road (approx. 250 miles) is now under construction through self-help methods. This road will connect Georgetown with the border cattle-town Lethem, in the Rupununi District on the Brazilian border. Most of the country's coastal roads have been re-surfaced to accommodate motor transport vehicles.

4. Government Participation

(i) Ownership or shares in hotels:

All hotels are privately owned. However, a 109-room hotel costing \$5 million has been completed at Kingston, Georgetown and the Government has a 5 per cent equity of the hotel company. The Government is represented on the Board of Directors.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Not available at time of publication.

(iii) Income tax and other concessions on hotel income:

The Hotel Development Law, part of the Industrial Development Law, allows certain tax concessions on hotel income.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

The same law grants duty concessions on necessary articles for construction of hotels.

(v) Provision of public funds for publicity purposes:

Not available at time of publication.

(vi) Government expenditure on infrastructure:

A budget of \$1.1 million was allocated to the tourist industry development during Guyana's 7-year plan period (1966-1972).

5. Action Taken During 1970 (latest information available)

A five million dollar (\$5m.) tourist hotel was established in Georgetown at the end of 1969. The international-class hotel - Pegasus - has over 100 rooms. Many hotels and guest houses throughout the country are engaged in a programme of expansion.

A holiday camp site was established in the Timehri area, some 25 miles from Georgetown. This has proved to be popular for weekend picnics.

An airstrip, to accommodate light aircraft, was laid down on the Kaieteur Top, and Guyana Airways Corporation operated one-day weekly excursions into the area. A blue-print for the development of Kaieteur Top is now on the drawing board.

6. Future Plans for the Industry

Fifteen beauty spots in various parts of the country have been identified by the Guyana Development Corporation for the establishment of tourist amenities and facilities. It is estimated that the fixed cost for the development of these beauty spots will amount to approximately \$1 million.

Government is favourably disposed to the joint participation (Government and private enterprise) in the development and promotion of the tourist industry.

Jamaica

Jamaica's tourist potential lies in its ready accessibility to both North and South America, its many natural endowments such as beaches, scenic interior including tropical plantations and mountains, and its tropical, though equable, climate.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Jamaica is shown in Table 1, p.(xiv). However, these figures include armed forces personnel on shore leave; excluding these, the number of tourists for the four years were: 1968 - 352,481; 1969 - 374,306; 1970 - 395,369 and 1971 - 425,689. The tourists came mainly from the United States of America, Canada and Britain.

Foreign exchange receipts from tourism have risen steadily from J\$73.2 million in 1968 to J\$90.8 million in 1971. This represents a massive 19 per cent of the country's total foreign exchange earnings. (See Table 2, p(xv)) Tourism is the second largest earner of foreign exchange. It ranks after bauxite and alumina, having exceeded sugar since 1965.

2. Official Promotional Organisation

The Jamaica Tourist Board is a statutory body established and maintained by Government funds. The Jamaica Tourist Board Law provides for a maximum of eight and a minimum of five members to be directly appointed by Government, not for the representation of sectional interests, but on the basis of their knowledge of the tourist industry.

The present composition of the Board is the Director (Chairman) and Assistant Director of Tourism, the Director of Marketing of the Board, the Board's North Coast General Manager, a representative of the Ministry of Industry and Tourism and the Executive Director of the Jamaica Industrial Development Corporation. There is also a full-time Secretary. The Board's sales offices are situated in New York, Washington, Chicago, Miami, Los Angeles, San Francisco, Toronto, Montreal and London. The Sales Section within the Board also works through an advertising firm with offices in New York, Los Angeles and London for promotional purposes. It also works with travel agents and through commercial enterprises in the United States, Canada and Britain and is heavily involved in encouraging group travel to the island.

Its Public Relations Department maintains a flow of information through various media: press, radio and television in the United States, Canada and Britain.

The Board works in close liaison with organisations from the private sector of the industry in Jamaica. It represents Jamaica at international and regional tourist conferences and, in co-operation with other national tourist organisations in the area, is interested in developing the region as a whole.

3. Internal and Infrastructural Organisation

The Jamaica Hotel and Tourist Association represents most of the hotel interests in the private sector.

The Jamaica Association of Villas and Apartments represents the majority of the owners of resort cottages and tourist apartment homes. Close liaison is maintained with the Tourist Board by both these organisations.

Jamaica Air Services operates and promotes flights between all major resort areas in the island, while the "U-Drive" Association represents the firms engaged in renting cars to tourists.

4. Government Participation

(i) Ownership or shares in hotels:

Apart from the Sheraton Kingston and the Ocho Rios Hilton in which Government corporations have interests, all the hotels are privately owned.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Government is prepared to consider, subject to certain conditions, the guaranteeing of loans up to two-thirds of the total cost, including land, of hotels with not less than 350 rooms, which may be specifically declared as convention hotels. The Jamaica Development Bank will also offer medium-term loans for hotels and other types of tourist developments.

(iii) Income tax and other concessions on hotel income:

The Hotels (Incentives) Act, 1968 was passed in March 1968. Under this Law approved hotels will enjoy an income-tax-free holiday from ten to fifteen years depending on type and location of hotels. All convention type hotels (minimum 350 rooms) will benefit from the fifteen year tax holiday. Due to double taxation reliefs this law is especially beneficial to those countries which have agreements with Jamaica for the exemption of their citizens from double taxation.

The Resort Cottages (Incentives) Act was passed in November 1971. Under this Act approved resort cottages will get an income tax holiday of seven years.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

Under the Hotels (Incentives) Act 1968, almost all building materials and most items of equipment for new hotels or extensions to old hotels (of 10 rooms or 30 per cent of existing capacity whichever is greater) which are not locally

produced and need to be imported, may be imported free of duty and tonnage tax.

Similar benefits are also available under the Resort Cottages (Incentives) Act 1971 for two or more resort cottages with an aggregate of ten or more bedrooms located in the same district, village or town and owned by the same person, which are approved as a recognised group of cottages.

(v) Provision of public funds for publicity purposes:

The following data indicate the way in which public funds allocated to the Jamaica Tourist Board and used mostly for publicity and promotion, have grown over the last few years:

Fiscal	1967/68	(£1,132,000)	J\$2,264,000
Fiscal	1968/69	(£1,360,000)	J\$2,720,000
Fiscal	1969/70	(£1,650,000)	J\$3,300,000
Fiscal	1970/71	(£2,150,000)	J\$4,300,000
Fiscal	1971/72	(£2,500,000)	J\$5,000,000

(vi) Government expenditure on infrastructure:

There has been substantial investment in the two international airports at Kingston and Montego Bay and work is now proceeding on the reconstruction of the buildings and their facilities at these two airports to make them suitable for the jumbo jet age. Additionally, Government has built two airfields at Ocho Rios and Port Antonio and a third at Kingston to take care of the needs of local air traffic. Three other airstrips are planned for Black River in the south-west and for Braco and Lucea in the north-west.

Considerable expenditure has been undertaken in the improvement of roads in the tourist areas and encouragement has been given to private enterprises for the building of new docks for ships. The Government has built a cruise-ship pier and ancillary facilities to provide better access to the developing area of Port Antonio.

5. Action Taken During the Current Year

As indicated earlier, the Resort Cottages (Incentives) Act 1971 was passed.

The Planning, Research and Statistics Department conducted a survey to fill gaps in available statistical data on the type of tourist who visit Jamaica, what made them visit Jamaica and what they like and dislike about Jamaica.

New marketing programmes were launched. The success of the programmes can be seen in the 16.2 per cent increase over 1970 for visitors staying one night and longer in Jamaica during 1971.

The Special Projects Department extended its programme for providing new visitor attractions to include Ocho Rios in addition to Montego Bay.

6. Future Plans for the Industry

The continuing aim of the Jamaica Tourist Board is to increase the number of visitors to the island. The number of visitors requiring bed accommodation rose by 16.2 per cent in 1971 while the number of rooms offered for visitor accommodation went up by 15.7 per cent. As the length of stay was unchanged, hotel occupancy rose marginally above 1970. With the high rate of growth of visitor accommodation over the past three years, and the number of rooms planned for the next three years, it is important to maintain a relatively high growth in visitor traffic.

Montserrat *

Montserrat possesses a sunny, invigorating and equitable climate. Its lush tropical vegetation, its unmatched scenic beauty, its picturesque and enchanting landscapes, its peace and tranquility and the charm and friendliness of its hospitable people make it an ideal tourist resort. Among other attractions are boiling springs at the Soufriere, relics and romantic towers and chimneys of old sugar mills, the Great Alps Waterfall, a first class 9-hole golf course, and facilities for tennis, fishing, sailing and mountaineering.

The Montserrat National Trust constituted under the Montserrat National Trust Ordinance, 1969, has been actively engaged in the preservation of places of historic and architectural interest and of natural beauty, all of which provide added attractions for the visitor.

1. Value and Extent of the Tourist Industry

Tourist arrivals are estimated to have shown a marked increase in recent years (see Table 1) and it seems likely that foreign exchange earnings have also risen.

Montserrat is served by B.W.I.A., B.O.A.C., PANAM, and Air Canada from New York, Miami, Toronto, Montreal and London through connections with Leeward Islands Air Transport at Antigua. It is also linked with the other Caribbean islands by LIAT which operates two regular scheduled flights to and from Montserrat daily.

2. Official Promotional Organisation

The Tourist Board, which is the official tourist organisation, is a voluntary organisation. The members are appointed by the Government on the basis of their knowledge of and interest in the tourist industry. The Board operates an office and information service with a full-time paid Secretary in Plymouth. Its activities include distribution of information folders, publicity and promotional tours, co-operation with photographic groups, travel writers, freelance journalists and travel agents. The Board is a member of the Caribbean Travel Association and of the Association of Tourist Boards of the Eastern Caribbean, an organisation which operates offices in Britain, Canada and the United States.

* Information largely unrevised since December 1970 edition, as further information was not available at time of publication.

3. Internal and Infrastructural Organisation

The airlines, shipping lines, Taxi Drivers Association and hotels are represented on the Tourist Board. There are 5 classified hotels (28 single cottages, 15 double cottages, 38 double rooms, 20 single rooms, 5 self-contained sufficiency units and 3 guest houses). Furnished houses and cottages with modern installations and furnishings are also available for rental.

4. Government Participation

- (i) Ownership or shares in hotels:
None.
- (ii) Financial assistance specifically available (e.g. loans or guarantees):
None.
- (iii) Income tax and other concessions on hotel income:
Under the Hotels Aid Ordinance, 1954, provision is made for exemption from Customs Duty on construction materials and equipment and allows for tax exemption for the first five years and for write-off of capital expenditure against profits in any 5 of the succeeding 8 years.
- (iv) Import duty concessions on materials and equipment for hotel or other tourist construction:
The Development Incentives Ordinance, 1964, also encourages the establishment, conduct and expansion of any development enterprise in the Territory, by providing exemption from Customs Duty on articles imported for the construction, alteration, reconstruction or extension of the development premises or the equipment for such premises. It also grants exemption from Income Tax or Company Tax for a period of 7 years.
- (v) Provision of public funds for publicity purposes:
Government finances the Tourist Advisory Board which is responsible for promotional publicity. To boost promotional publicity in the field of tourism the sum of \$30,000 was provided for 1971.
- (vi) Government expenditure on infrastructure:
The only airstrip has recently been resurfaced, widened and lengthened to provide adequate accommodation for the Avro 748 and larger aircraft.

A revised study of a project to provide deep water berthing to facilitate cruise ships and an accompanying yacht marina to afford shelter to pleasure craft and yachts is in the advanced stages. On the

completion of this study it is expected that funds will become available for the project. A Road Development Programme including access roads and the opening of new areas for the delight of tourists is in progress. A water development scheme began in April 1970 and an electricity supply is provided throughout the island.

5. Action Taken During the Current Year

See Section 4 (vi) above.

6. Future Plans for the Industry (as at December, 1970)

The Government is expecting to obtain this year the services of an adviser under the British Government Technical Assistance Scheme to assist in the preparation of a comprehensive plan for the promotion of tourism and to give necessary training to the Secretary of the Tourist Board.

The immediate aim is:

- (a) to expand and upgrade hotel accommodation and ancillary services;
- (b) to accelerate the preservation and enhancement of places of historic and scenic interest;
- (c) to introduce such other activities as may be conducive or incidental to the attraction and comfort of the holiday-maker or tourist. Reorganisation and reorientation of overseas publicity and advertisement avenues are being actively pursued.

Dialogue is going on between Government, C.D.C. and other interested agencies with a view to building a condominium. A suitable site has already been earmarked.

St Kitts - Nevis - Anguilla *

The tourist potential of these islands lies in the sites of considerable historical interest, palm fringed beaches backed by mountain peaks and miles of the finest white sand beaches. Of all the Leeward and Windward Islands they are the nearest to North America and Puerto Rico, which many visitors use as their starting points for visits further south and east.

1. Value and Extent of the Tourist Industry

The number of tourist arrivals to St. Kitts-Nevis-Anguilla, shown in Table 1, includes cruise-ship passengers. Actual numbers arriving in these islands have not increased to any great extent over the past five years, although the estimated expenditure by tourists more than doubled between 1967 and 1969.

The visitors come mainly from the United States, other Caribbean countries, Canada and Britain, and their average length of stay is about 9 days. The majority arrive by air as St. Kitts - Nevis - Anguilla is served by LIAT, which connects with international airlines at Antigua and Puerto Rico. Other airlines which serve St. Kitts are Caribair which operates a daily schedule, and Winair which runs six flights a week, and A.L.M. with one flight weekly.

2. Official Promotional Organisation

There is a Tourist Board whose function is primarily to advise Government on all aspects of tourism.

3. Internal and Infrastructural Organisation

Visitors usually stay at hotels which operate on the American Plan (A.P.), i.e. rates include all meals. In 1968, there were 210 hotel rooms in the three island State with a total of 380 beds.

The Government is actively participating in tourist development prospects, especially at the Frigate Bay development on the island of St. Kitts, which is a planned tourist and residential complex. In addition, the Government is actively concerned with the construction of the new Liamuiga Hotel which is expected to be soon operational.

* Information largely unrevised since December 1970 edition as further information was not available at time of publication.

4. Government Participation

(i) Ownership or shares in hotels:

The Government is a majority shareholder in the Liamuiga Hotel and is participating in the Frigate Bay complex.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

Under the Hotel Aid Ordinance, a hotel of ten rooms is able to import all building materials and articles of hotel equipment free of customs duty and pier dues, and enjoys a tax holiday for a period of five years. A hotel of thirty rooms and over gets in addition to duty free importation of building materials and equipment, a tax holiday of ten years.

(iv) Import duty concessions on materials and equipment for hotel or other tourist construction:

See (iii) above.

(v) Provision of public funds for publicity purposes:

A modest allocation is provided.

(vi) Government expenditure on infrastructure:

See Section 3 above.

5. Action Taken During the Current Year.

Not available at time of publication.

6. Future Plans for the Tourist Industry (as at December, 1970)

A development plan has recently been prepared which includes:

(a) extension of Golden Rock Airport to take medium range jet aircraft.

(b) development of an 850 acre estate (Frigate Bay). Golf course, hotels, housing, marina etc., are provided for.

(c) a road to the southeast peninsular which is ideal for tourist development.

(d) water improvement; and

(e) deep water harbour.

St Lucia *

The tourist potential of St. Lucia lies in its superb beaches and fine tropical scenery.

1. Value and Extent of the Tourist Industry

As with many of the Caribbean islands, there has been a strong growth in tourist traffic in recent years, in fact, tourist numbers doubled between 1967 and 1971 to reach 33,200. The majority of visitors came from other West Indian countries, the United States, Britain and Canada and most arrive by air. British West India Airways and/or Leeward Islands Air Transport, call at St. Lucia daily, and link this territory with the other islands in the Caribbean. Direct connections to the United States and Canada can be made from St. Lucia via Barbados or Antigua.

Caribair calls at St. Lucia daily, providing direct flights to and from Puerto Rico. A.L.M., which is based in Curacao, calls at St. Lucia once per week. Pan American and Air France call at Martinique, which is only a short hop from St. Lucia.

Foreign exchange earned by tourism (excluding expenditure by intransit visitors) has increased in line with tourist numbers, having risen from WI\$3.8 million in 1968 to WI\$7.4 million in 1971.

2. Official Promotional Organisation

The St. Lucia Tourist Board is concerned with promotional development and publicity. It is an active and energetic body, and operates with a grant from Government which was \$80,000 in 1968 (latest figure available).

3. Internal and Infrastructural Organisation

The number of rooms available in hotels totalled 520 in 1970 and during that year, approximately 200 additional rooms were added to 24 apartments. Hotel growth is indicated by the fact that the number of rooms available has grown from 286 in 1968.

Training - To cope with the increasing demand for trained personnel to fill the growing number of vacancies in the expanding tourist industry the Government has started a series of courses in the newly established Morne Technical College. In addition, a number of hotels are co-operating on an individual basis with the provision of training.

* Information largely unrevised since December 1970 edition as further information was not available at time of publication.

4. Government Participation

- (i) Ownership or shares in hotels:

None.

- (ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

- (iii) Income tax and other concessions on hotel income:

The Development Incentives Ordinance provides for the granting of certain relief from income tax to companies in development enterprises, which includes the construction etc., of hotels and other tourist accommodation.

- (iv) Import duty concessions on materials and equipment for hotels or other tourist construction:

Special concessions are allowed in connection with the hotels industry under the Hotel Aid Ordinance, for the importation of certain building materials and articles of hotel equipment free from customs duties.

- (v) Provision of public funds for publicity purposes:

\$80,000 was granted to the tourist board in 1968. (Latest figure available)

- (vi) Government expenditure in infrastructure:

None.

5. Action Taken during the Current Year

Not available at time of publication.

6. Future Plans for the Tourist Industry (as at December 1970)

Improvements have been carried out to the runway at Vigie Airport, and plans for the reconstruction of the terminal building are on the way. The development plan also proposed that one of the runways at Beane Field airport be lengthened to 8,000 feet, and subsequently resurfaced so as to provide overall runway length and strength for the largest jet aircraft.

St Vincent *

The prospects for tourist development in St. Vincent and particularly in the Grenadines are excellent. The Grenadines form a unique feature of the Eastern Caribbean area, a string of small islands of great beauty, ideal for all forms of sailing, fishing and swimming with a plentiful supply of beaches and excellent climate. On the main island of St. Vincent there is a much less plentiful supply of good beaches, but no shortage of potential hotel sites in areas of great beauty.

1. Value and Extent of the Tourist Industry

Tourists to St. Vincent (excluding cruise-ship passengers) increased by 5,000 or 41 per cent between 1968 and 1970. (See Table 1). The majority of visitors (approximately 80 per cent) arrive by air. St. Vincent is served by British West Indian Airways from New York and Miami, and throughout the entire Caribbean by Leeward Islands Air Transport under contract with B.W.I.A., by Caribair, by B.O.A.C. from London with connections at Barbados, Antigua or Trinidad, and by Air Canada from Montreal or Toronto with similar connections.

In 1970, tourism was responsible for \$5.5 million of the country's revenue and now ranks second only to agriculture in importance to the economy.

2. Official Promotional Organisation

The St. Vincent Tourist Board is fully financed by the Government of St. Vincent and is an advisory body to the Minister of Tourism. The board is represented overseas by agents situated in New York, London and Toronto.

3. Internal and Infrastructural Organisation

There are 21 hotels in St. Vincent and the Grenadines, and one guest house. Altogether there is a total of 449 beds. All of the hotels are small, none has more than 20 rooms. (These figures relate to 1968).

4. Government Participation

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans or guarantees):

None.

* Information largely unrevised since December 1970 edition as further information was not available at time of publication.

- (iii) Income tax and other concessions on hotel income:
There is a Hotel Aids Ordinance providing for a relief from Income Tax.
- (iv) Import duty concessions on material and equipment for hotel or other tourist construction:
Concessions are given on material and equipment for the construction and equipment of new hotels or other tourist accommodation.
- (v) Provision of public funds for publicity purposes:
Government provides funds for the small Tourist Board.
- (vi) Government expenditure on infrastructure:
Government provides public services essential for hotel development such as electricity, water, telephones and roads.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Tourist Industry (as at June, 1968)

The 1966-70 Development Plan made provision for the reconstitution of the Tourist Board as a statutory board, for strengthening its finances and staff, and for representation abroad. The Development Plan also proposed that tourist development should concentrate on attracting the cruise ship business. A recommendation was also included in the Development Plan for expenditure of \$900,000 for a surfaced runway in Bequia, as well as \$300,000 for an airstrip on Union Island, and \$300,000 for a similar facility on Canouan Island. An airstrip on Prune Island has been licensed in the Southern Grenadines.

Trinidad and Tobago

The tourist potential of Trinidad and Tobago lies in its accessibility to both North and South America, its tropical climate, beaches, the scenic beauty of its mountains and plantation areas, annual carnivals and other religious festivals, fauna and flora, unique multi-racial society as well as its calypso, steelband and limbo, all of which originated there.

1. Value and Extent of the Tourist Industry

The number of tourist arrivals shown in Table 1 (p.xiv) excludes intransit and temporary visitors; since 1968 these have numbered:

	<u>Intransit</u>	<u>Temporary Visitors</u>
1968	24,110	142,090
1969	22,550	166,180
1970	30,110	166,560
1971	28,310	166,740

Tourists came mainly from North America, the Commonwealth Caribbean, Central and South America and Europe.

There was a drop in visitor arrivals and foreign exchange earnings from tourism in 1970, but the upward trend was resumed in 1971.

2. Official Promotional Organisation

Trinidad and Tobago Tourist Board, a statutory authority under the jurisdiction of the Ministry of Industry and Commerce, is responsible for tourist promotion, both local and overseas. The Board maintains and finances a local tourist office in Port of Spain, bureaux at Pairco Airport, King's Wharf and in Scarborough, Tobago, and co-operates with the private sector in promotional and development programmes.

The Board also maintains overseas offices at New York and Toronto and obtains the co-operation of the diplomatic and consular representatives and the High Commission in London for distribution of tourist information and material.

Publicity Visits - several photographic groups, travel writers and freelance journalists received the Board's co-operation during their visits in 1970 and 1971.

Familiarisation Tours - there were also two familiarisation tours by overseas travel agents in 1970 and ten in 1971.

The Board represents Trinidad and Tobago at international and tourist conferences and is a member of the American Society of Travel Agents and I.U.O.T.O.

Trinidad Chamber of Commerce is also active in promoting tourism both domestically and overseas and is concerned with improving tourist facilities within Trinidad and Tobago. The Chamber takes a keen interest in the tourist industry making representations to Government and giving publicity to any matters affecting its development. Its Travel and Tourism Trade Section deals with a wide variety of subjects coming within its broad terms of reference which are, "To consider all matters relating to travel and tourism and to make recommendations". This section, which comprises representatives of travel agents, airlines, shipping agents, tour operators, taxicab owners, hotels, real estate agents, the Tourist Board and shops catering for tourists, is very active and holds monthly meetings. Among the many matters which it has considered and taken up with Government of the interest concerned are the following: Token Import Duty Scheme, In-Bond shopping facilities, reactivation of historical sites, removal of purchase tax on tourist taxis, beautification of roundabouts, etc., and a survey of club facilities for tourists.

In 1967, the Chamber organised a highly successful Tourism Seminar covering all aspects of the industry and the section took necessary follow-up action with a view to the implementations of recommendations.

The only tourist facility provided by the Chamber is the publication of a Tourist Shopping Guide which is circulated free of charge to airlines, shipping agents, travel agents, hotels, etc., for distribution to visitors. This Guide does not involve the Chamber in any financial outlay as the advertising and printing are given out on contract.

The Chamber does not otherwise participate financially in events and schemes relating to tourism but there have been a few occasions when members of the Travel and Tourism Trade Section have jointly made personal financial contributions to tourism projects such as the promotion of a publicity campaign overseas and the entertainment of visiting travel agents.

3. Internal and Infrastructural Organisation

Hotels - at the present time, there are approximately 8 new hotel projects - comprising 662 rooms - contemplated for construction in Trinidad and Tobago within the four years 1973-1976. These include:

Trinidad	600 rooms (six projects)
Tobago	62 rooms (two projects)
	<hr/>
	662 rooms (eight projects)

The estimated capital expenditure involved totals \$TT 27.8 million.

The Industrial Development Corporation is concerned with industrial development in particular, but also assists the tourist industry by its efforts in the development of the hotel industry. Small business loans up to \$50,000 are made available to guest house operators. These loans are administered through the Small Business Unit, Industrial Development Corporation, and only nationals of Trinidad and Tobago are eligible for consideration under this programme.

Hotel loans for amounts exceeding \$50,000 are processed by the Trinidad and Tobago Development Finance Company.

There are several associations representing the different sectors of the industry, e.g. hotel and restaurants, airlines, shipping companies, taxi owners, entertainments industry and travel agents. However, most of these are represented on the Tourist Board.

4. Government Participation

(i) Ownership or shares in hotels:

All hotels are privately owned except for the Hilton in which the Government holds shares through the Corporation.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

See - Hotel Loans Fund and Hotel Investments Fund above.

(iii) Income tax and other concessions on hotel income:

The Hotel Development Act allows income tax exemption for a period of 10 years in respect of profits accruing from the hotel.

An accelerated depreciation of depreciable equipment owned by the hotel operator and used in the hotel, at a rate of 20 per cent per annum.

A capital allowance in respect of approved capital expenditure incurred by the hotel operator in erecting or improving the hotel, at a rate of 20 per cent of the approved capital expenditure in each of any 5 years of the 8 years initially following the tax exemption period.

In addition to tax exemption in respect of dividends distributed to shareholders, tax exemption is granted in respect of interest on an approved loan used for an approved hotel purpose.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

The same Act gives five years and up to ten years exemption from duty on imports of building materials and other equipment to the hotel industry.

(v) Provision of public funds for publicity purposes:

Budget allocations are made to the Tourist Board for example, in 1967 the allocation was \$1,935,717 of which \$400,000 was spent on advertising while a further \$263,775 was spent on overseas representation.

(vi) Government expenditure on infrastructure:

In addition to money made available for the Hilton Hotel, the Government has provided loans to hoteliers through the Hotel Loans Fund and Hotel Investment Fund (see Infrastructural Organisation). The Government has also constructed many

roads in Trinidad and Tobago to make beaches, sites for hotels, restaurants and other facilities more accessible.

Expansion of electricity and water resources have been connected to these areas. The Government also provides liberal incentives. The Government owns the British West Indian Airways. A new air terminal building has been constructed and runways have been improved.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Tourist Industry

Not available at time of publication.

Turks and Caicos Islands

The tourist potential of these islands depends on the excellent climate, superb beaches, crystal clear sea and abundance of fish. Attractions for diving are exceptional due to the clarity of the sea and the extent of reefs and ancient wrecks. All the major islands have good airstrips, three of which have refuelling facilities. Providenciales and South Caicos have good natural harbours for yachts. The islands abound in unspoilt natural beauty.

1. Value and Extent of the Tourist Industry

The tourist industry is in its infancy but there are now small hotels on Providenciales, South Caicos, Salt Cay and Grand Turk and new hotels are due to be started soon on North and Middle Caicos. There are signs that tourism will become a major industry within the next five years. Already small numbers of tourists are visiting the islands from the United States, Canada, England and Scandinavia. They come mostly by air either by scheduled flights or by private plane and a few by yacht. An internal airline provides frequent services between the islands.

2. Official Promotional Organisation

A Tourist Board, which has recently been appointed to answer enquiries, has issued a publicity brochure.

3. Internal and Infrastructural Organisation

There are now seven hotels operating in the islands with accommodation for 122 visitors.

Grand Turk and South Caicos have paved airfields of 5,500 and 6,500 feet respectively. Providenciales has a gravel strip 4,500 feet long with customs and immigration facilities. There are also 3,000 feet gravel strips on North Caicos, Middle Caicos and Salt Cay. See also Section 5.

4. Government Participation

- (i) Ownership or shares in hotels:
Nil.
- (ii) Financial assistance specifically available:
None.

- (iii) Income tax and other concessions on hotel income:
There is no income tax in the islands.
- (iv) Import duty concessions on materials and equipment for hotel and other tourist construction:
Under a Hotels Aid Law, materials and many items of equipment are exempt from duty. Plant and machinery for hotel construction are also exempt from duty.
- (v) Provision of public funds for publicity purposes:
£5,000 was made available in 1971. A brochure has been produced and advertisements placed in specialised North American travel magazines.
- (vi) Government expenditure on infrastructure:
The territory is grant-aided by the British Government and has very limited resources. Capital development is however being undertaken in the form of schools, roads, airfields, power and water supplies. Wherever possible infrastructure has been provided by private developers in payment for Crown Land.

5. Action Taken During the Current Year

Shankland Cox Overseas were engaged by the Overseas Development Administration to prepare an overall development plan. Due to unforeseen delays the report had still not been completed at the end of 1971. Meanwhile development continued on Providenciales and North Caicos and a new 4,000 feet airstrip was built by Cays Development Co., on Pine Cay and a 3,000 feet strip on West Caicos by West Caicos Development Co.

6. Future Plans for the Industry

Negotiations have been started with Esso Inter-America for the construction of a 250 million dollar oil refinery on West Caicos or Providenciales. If successful the project will result in a permanent additional population of some 2,000 people on the island.

Government will take action during 1972 on the recommendations put forward by Shankland Cox, for infrastructural development in the other islands.

It is also hoped that Caicos Dredging Company will be able to start work on the causeway linking South and East Caicos before the end of 1972.

ASIA

Hong Kong

Hong Kong's tourist industry results from its position at the hub of the Orient, the wide variety of its attractions and its excellent amenities. Out-of-town scenic vistas, sandy beaches and outlying islands are within minutes of a modern, exciting city. An age-old rural way of life in the peaceful New Territories is in complete contrast to the bustling shoppers paradise of down-town Kowloon. Cosmopolitan Hong Kong, easily accessible by air or sea, enjoys free port status, a warm, semi-tropical climate, top-class tourist facilities and one of the world's most beautiful harbours.

1. Value and Extent of the Tourist Industry

The number of tourists arriving in Hong Kong, (excluding service personnel and servicemen arriving on rest and recreation) is shown in Table 1. The numbers have risen dramatically over recent years, from just over half a million in 1967 to close to a million in 1970. However, a slight fall was recorded in 1971, when 907,000 visited the country.

Foreign exchange earned from tourism has risen correspondingly, having increased by almost 140 per cent between 1967 and 1970, but fell by some £15 million in 1971 to a level of about £108.9 million. This represents over 9 per cent of the country's total foreign exchange receipts.

2. Official Promotional Organisation

Hong Kong Tourist Association - This statutory body, created by Government ordinance in 1957, is an independent organisation representative of all sections of the industry and appointed by the Government as the official tourist body.

The Hong Kong Tourist Association is responsible to H.E. the Governor. Its affairs are governed by a Board of Management consisting of eleven members, six members of whom are selected by the Governor and five are recommended to represent international carriers by sea, international carriers by air, hotels, recognised travel agents, and tourist agents.

The objects of the Association are:

- a. To endeavour to increase the number of visitors to the Colony.
- b. To further the development of the Colony as a holiday resort.
- c. To promote the improvement of facilities for visitors.

- d. To secure overseas publicity for the tourist attractions of the Colony.
- e. To co-ordinate the activities of persons providing services for visitors to the Colony.
- f. To make recommendations to and advise the Governor in relation to any measures which may be taken to further any of the foregoing matters.

There are offices of the Hong Kong Tourist Association in Britain, Switzerland, West Germany, France, Australia, the United States of America, Canada and Japan. In addition, the Tourist Association is represented by Cathay Pacific Airways in Malaysia, Indonesia, Singapore, Thailand, South Vietnam, West Australia, Korea and the Philippines.

The Association is a member of the International Union of Official Travel Organisations, the Pacific Area Travel Association, the East Asia Travel Association and the American Society of Travel Agents and represents Hong Kong at any of the meetings of these associations.

3. Internal and Infrastructural Organisation

The headquarters of the Association is in the Central District on Hong Kong Island. Three information offices have been established to assist and advise visitors in the Colony.

The Association had a membership of 946 in 1970 and 963 in 1971. Full members who are entitled to vote at the Annual General Meeting of the Association are drawn from organisations who are active in the travel business in five categories, namely: airlines, shipping lines, hotels, travel agents and tour operators. Associate members are drawn from other organisations with interests in tourism. These members do not have the right to vote on Association affairs. The annual subscription for both types of membership is \$250 or approximately £17. Only members of the Association are entitled to advertise in the Association's publications and to receive the benefits of the Association's decal, membership signs and recommendation by its staff.

The system of affiliated guides has been set up by the Hong Kong Tourist Association. Tour operators who are members are obliged to use only those guides who have passed exams set by the Association. In this way a high standard of guiding is ensured.

Within Hong Kong, the Association is represented on the Air Advisory Board, the Airport Facilitation Committee, the Airport Terminal Planning Board and the Trade Development Council. In addition, it is frequently called upon to take part in other ad hoc committees set up from time to time to deal with various matters impinging on the tourist industry.

The Association also assembles and disseminates detailed statistics of all visitors to Hong Kong and from time to time undertakes technical surveys to establish the position of the tourist industry in the local economy and to investigate various potential tourism development projects so that potential investors may have accurate technical information on such subjects.

Internal public relations is undertaken to inform citizens of Hong Kong of the importance of the tourist industry in their daily lives and to canvass support for the Association and its activities.

The number of hotels catering for tourists in 1971 was 57 with a total of 9,047 rooms. Many hotels are publicly owned although the majority are still privately owned and there is at present no star rating system. With effect from July 1966, Government has imposed a 2% accommodation tax on occupied hotel rooms.

Excluding charter flights and armed service planes, Hong Kong during 1971 was served by 24,441 flights operated by 28 international airlines on scheduled services of which Cathay Pacific Airways, a privately-owned company with its headquarters in Hong Kong, operated the most frequent service. A total of 233 passenger ships called during the same period.

4. Government Participation

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

None.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

None.

(v) Provision of public funds for publicity purposes:

The Hong Kong Tourist Association receives an annual subvention from Government. To this figure is added a nominal revenue from membership subscriptions amounting to 3% of the total subvention in 1971/72. Funds provided by Government amounted to:

1967 - 8	£357,143
1968 - 9	£397,959
1969 - 70	£453,608
1970 - 71	£537,671
1971 - 72	£539,520

5. Action Taken During the Current Year

The scope of work undertaken by the Hong Kong Tourist Association was further expanded during 1971 and a representative office was opened in Paris.

Marketing activities were aimed less at the consumer but more at the industry and culminated in the introduction of a merchandising kit distributed to travel agents, tour wholesalers and airlines around the world.

Central theme of all promotional activity was "More than you'll bargain for.... Hong Kong" and this phrase was heavily emphasised throughout all material. Promotional material also focused attention on the lesser known aspects of Hong Kong (beaches, scenic beauty-spots, traditional Chinese ways) rather than the obvious (shopping, eating out, the view of the harbour from the Peak); distribution of twin brochures entitled "Out-of-Town" and "Down-Town" gave wide coverage to all Hong Kong's varied tourist attractions.

As a result of more thorough visitor surveys attention was paid to encouraging the local industry to cater for younger tourists. Japan outstripped the U.S.A. as Hong Kong's largest market and efforts were concentrated upon improving facilities for Japanese visitors.

Throughout the year the Tourist Association played host to increasing numbers of travel agents, travel writers, photographers and T.V. and film units.

A weekly tourist newspaper, The Hong Kong World, containing news and useful information, was introduced for distribution free of charge to all arrivals.

Hong Kong was well represented at major international conferences of the tourist industry, hosted the EATA (East Asia Travel Association) Annual General Meeting and organised a successful Hospitality Suite at the ASTA (American Society of Travel Agents) Convention at Sydney.

6. Future Plans for the Industry

- a. development of new attractions and facilities, particularly integrated tourist resort areas;
- b. improvement of existing facilities and amenities;
- c. expansion of promotion activity in main markets and development of new markets;
- d. increased market and product research activity;
- e. continuation of sophisticated joint marketing activities with the industry; and
- f. improved overseas representative structure.

India

India's tourist potential lies in her cultural and historic monuments, variety of climate and landscape, warm and friendly people with a tradition of festivals, music and dance as alive today as centuries ago, beautiful natural scenery from the mountains to the beaches and the interesting spectacle of a nation striving to attain a harmonious blend of ancient glory and modern achievements.

1. Value and Extent of the Tourist Industry

The number of tourists visiting India has risen appreciably in recent years. Between 1968 and 1971, their numbers rose from 188,820 to 300,995, an increase of almost 60 per cent. (See Table 1, p.(xiv)). Foreign exchange earned from tourism reflects this rise and the industry's contribution to total foreign exchange earnings has risen from 2.0 per cent to 2.5 per cent over this period. (See Table 2, p.(xv)).

2. Official Promotional Organisation

A Department of Tourism within the Ministry of Tourism and Civil Aviation in the Central Government under a Cabinet Minister is the national tourist organisation. A Cabinet Committee on Tourism gives decisions on matters of the highest importance. A Committee of Permanent Secretaries of the Ministries of Foreign Trade, Transport and Shipping, Railways, Finance, Defence, Education and Youth Services, and Tourism and Civil Aviation under the Chairmanship of the Cabinet Secretary has also been set up.

The Tourist Development Council is an advisory body at the national level. It is presided over by the Cabinet Minister of Tourism and Civil Aviation. Its members are officers of the Central Government connected with the various aspects of tourism, Ministers dealing with tourism in the State Governments, nine Members of Parliament, representatives of the hotel and travel industry and persons distinguished in public life. The Council meets once a year.

The Department of Tourism is headed by a Director-General. He is assisted by an Additional Director-General, a Joint Director-General, one Deputy Secretary, three Deputy Directors-General, one Special Officer (Wild Life) and several Directors and Assistant Directors who oversee Administration, Planning, Research, Training, Publicity, Conferences, Travel Trade, Hospitality, Accommodation and Tourist Recreation and Entertainment including wildlife sanctuaries.

Sections of the Department: Besides the Headquarters, there are sixteen offices abroad (London, Paris, Frankfurt, Geneva, Brussels, Stockholm, Vienna and Milan in Europe); New York, Mexico, San Francisco, Chicago and Toronto in North America; Sydney in Australia; Tokyo in Japan;

Singapore; and eleven offices within the country at key centres viz. Delhi, Bombay, Calcutta, Madras, Agra, Varanasi (Banaras), Jaipur, Aurangabad, Cochin, Khajuraho and Jammu. In addition, State Governments also have tourist information services.

India is a member of the International Union of Official Travel Organisations, the South Asia Travel Commission, and the Pacific Area Travel Association.

3. Internal and Infrastructural Organisation

Airlines: Both Air India (external) and the India Air-lines (internal) are autonomous corporations set up in the public sector under the Ministry of Tourism and Civil Aviation.

Railways: The largest system in Asia, are run by the Ministry of Railways; Classes - Air conditioned, First, Second and Third.

Roads: About 55 national highways with a length of about 18,012 miles connect the important cities in the four corners of India. These roads are metalled throughout spanning small and large rivers. About 185 major bridges have been constructed in the last twenty years alone. Two other categories of roads viz. state highways and district roads provide links to towns and villages in remote areas. The Federation of Automobile Association of India has its headquarters in Bombay.

Buses: Coaches, metered taxis and tourist taxis without meters are available at most tourist centres. In view of the Indian Government's ban on the import of luxury cars, the approved parties in the tourist trade are given special priority in the allocation of secondhand luxury cars under arrangements with the State Trading Corporation. A scheme to provide financial assistance on easy terms to approved parties in the tourist trade for purchase of tourist transport vehicles has been introduced.

Inland Waterways: The backwaters of Kerala are served well with motor launches and country boats for sight-seeing.

Travel Agencies and Wildlife Outfitters: The Travel Agents Association of India and the Wildlife Outfitters Association maintain close links with the Tourist Department and accept its regulatory conditions for official recognition of its members who individually belong to international organisations such as ASTA, PATA, WATA, etc.

Guides and Excursion Agents: trained and approved by the Tourist Department, English speaking - and in some cases French, German, Spanish, Italian, Japanese and Russian speaking guides - can be engaged at key tourist centres. There are also Excursion Agents who confine their activities to providing sight-seeing facilities.

Hotels and Restaurants: there are at present 181 approved hotels in India, with a room capacity of 10,046, out of which 158 have been classified according to the internationally accepted star system in categories ranging from 5 star for luxury hotels down to 1 star which offer only essential facilities. The number of approved restaurants is 56.

4. Government Participation

(i) Ownership or shares in hotels:

While the hotel industry falls basically in the private sector, Government has undertaken construction and management of hotels to fill the gap and to accelerate the pace of development. This is being done through the India Tourism Development Corporation with an authorised capital of Rupees 100 million. By March 1973, the Corporation hopes to be able to utilise about 72.25 million rupees on the construction/renovation of hotels, motels and travellers' lodges.

In addition to providing accommodation in retiring rooms at railway stations, the Indian Railways run three hotels at Aurangabad, Puri and Ranchi.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Loans are available under the Hotel Development Loans Scheme set up in 1968 for:

- (a) Construction of hotels and motels of the standard suitable for occupancy by foreign tourists, and
- (b) Renovation and expansion of existing hotels on the approved list of the Department of Tourism to improve existing standards and/or to provide additional facilities.

(iii) Income tax and other concessions on hotel income:

- (a) Subject to certain conditions approved hotels will be exempted from tax on profits up to 6% of the share capital employed for a period of 5 years commencing from the year in which the hotel starts functioning. The dividends in the hands of shareholders for new hotels will also be eligible for similar tax concessions.
- (b) Development rebate: 25% of the actual cost of new machinery installed in the new premises used as a hotel.
- (c) Depreciation: When assessing income tax, subject to certain conditions, a depreciation of 25% of the actual cost of erection has been allowed for the first year on new buildings completed after 31st March, 1967.

(iv) Import duty concessions on material and equipment for hotels or other tourist construction:

None.

(v) Provision of public funds for publicity purposes:

A sum of Rs.10,089,815 was spent on tourist publicity during the financial year 1971-72 (ending March 31 1972). This included an amount of Rs.4,835,815 for advertising and allied publicity through overseas offices located in U.S.A., Canada, Mexico, Japan and Australia. Besides these offices, seven tourist offices in Europe also undertake tourist

publicity in joint collaboration with Air-India, for which a separate allocation is made. During 1971-72, a provision of Rs.5,000,000 was made to cover administrative and publicity expenditure in continental Europe - of this Rs.4,000,000 was contributed by the Department of Tourism and Rs.1,000,000 by Air-India. In Britain, under a similar arrangement a total contribution of Rs.1,364,000 was made by the Department of Tourism for administrative and publicity expenditure with Air-India contributing Rs.341,000.

A wide range of tourist literature in the form of colourful folders, posters, guide books, picture postcards, inserts, maps, etc. is produced.

Credible motivational publicity is also obtained by arranging special tours for overseas journalists, travel writers, travel agents and the like. A publicity campaign has been launched to create a bias for tourism among the general public in India.

The Department of Tourism participates to a limited extent in fairs and exhibitions. Window displays are arranged in various centres overseas using Indian handicrafts and other display material. Photographs, colour slides and tourist documentary films are supplied to tourist offices and Indian Missions.

(vi) Government expenditure on infrastructure (years ending 31 March):

1966-67	Rs. 2,349,000
1967-68	Rs. 2,892,000
1968-69	Rs. 4,904,360
1969-70	Rs. 9,161,600
1970-71	Rs. 21,406,000
1971-72	Rs. 25,961,000 (Estimated)

5.

Action Taken During the Current Year

- (i) Eighty new hotel projects in the private sector, which have been approved at the planning stage are under varying stages of construction. These include two luxury hotel complexes in Bombay being set up by Indian parties in collaboration with Intercontinental Hotels Corporation, U.S.A., and Sheraton International Inc., U.S.A., which are due to open in the latter half of 1972.
- (ii) An amount of Rs.42,054,000 was distributed for the construction of new hotel projects and for renovation and expansion of the existing hotels as detailed below:

1968-69	Rs. 2,000,000
1969-70	Rs. 4,654,000
1970-71	Rs. 15,100,000
1971-72	Rs. 20,300,000
Total:	<u>Rs. 42,054,000</u>

(iii) Development of Resorts:

The Development of Gulmarg as a winter sports resort has made encouraging progress. A Ski Instructors' Training School has been established; a road from Tangmarg to Gulmarg has been built; top quality ski equipment and snow clearing equipment has been imported from Austria and West Germany and an indigenously manufactured practice ski-lift and a five-hundred metre chair-lift have been installed.

The project for setting up a Beach Resort at Kovalam is being implemented. The main components of the scheme are:

- (a) A Beach Service Centre, comprising Administrative Office, Information Office, shops and a restaurant.
- (b) A Yoga-cum massage centre.
- (c) A Jetty with boat house and recreational facilities.
- (d) An open-air theatre.
- (e) A 100-room hotel.
- (f) Forty cottages.

Work on the Kovalam project is in progress. The construction of cottages taken up by the India Tourism Development Corporation is expected to be completed by September 1972. The foundation work of the hotel has begun. The Kovalam Palace Hotel has been operated by India Tourism Development Corporation since 24 October 1970.

(iv) Facilitation:

The Government of India has abolished visas on a reciprocal basis with the Scandinavian countries (Denmark, Norway, Sweden and Finland), Yugoslavia and West Germany. The validity of the Temporary Landing Permit has been extended from 7 days to 21 days. Ceiling on the number of charters has been removed and tourists arriving by charters are now permitted to disembark at an Indian airport and they can now be picked up from an airport outside India and vice versa. The international airports of Bombay, Delhi, Calcutta and Madras are being expanded and remodelled to cope with the jumbo jets. An entirely new terminal building is being constructed at Calcutta airport.

(v) Operation Europe/ Britain/America:

Europe: The arrangement with Air-India for joint promotion of tourism was remarkably successful in 1969 inasmuch as an increase of 45 per cent in tourist arrivals was registered during the year as compared to 1968. An increase of 17 per cent and 3.8 per cent was registered in 1970 and 1971 as compared to 1969 and 1970 respectively. Under this operation all Air-India offices in Europe have been entrusted with promotion of tourist traffic to India.

Britain/America: Britain and North America have been brought under this arrangement since 1 April 1970 and 1 July 1971 respectively.

With effect from 1 April 1971, Australia and South Asia will also begin to function under this arrangement.

6. Future Plans for the Industry

- (i) The Department of Tourism has the following short and long-term objectives:
 - (a) improvement of facilities at airports;
 - (b) improvement of reception and facilitation procedures;
 - (c) construction of new hotels or increasing the accommodation in existing hotels and other units providing board and lodging facilities;
 - (d) provision for loans for hotel construction under the Hotel Development Loans Scheme;
 - (e) facilities for hotel reservation on arrival at airport;
 - (f) better co-ordination between travel agents, hoteliers and the transport agencies and the Tourist Department of the Centre and the States;
 - (g) promotion of indigenous entertainment programmes;
 - (h) publicity campaigns;
 - (i) integrated development of areas of tourist interest;
 - (j) development of resorts for attracting destination traffic; and
 - (k) improvement of transport arrangements - rail, road and air.

- (ii) Fourth Five Year Plan on Tourism is based on the following broad criteria:
 - (a) Concentration of resources on the integrated development of selected areas/resorts and routes which have the highest potential for tourist promotion and are capable of yielding quick returns.
 - (b) Development of tourist infrastructure and strengthening and expansion of the tourist plant through public sector investment.
 - (c) Incentives to the private sector for improvement and expansion of the existing tourist plant.

- (iii) Integrated Projects:

The Fourth Five Year Plan on Tourism includes a number of major projects. These are the winter sports resort at Gulmarg; beach resorts at Kovalam and Goa; mountaineering and trekking facilities in Kulu-Manali; development of selected Buddhist Centres; promotion of wild life tourism; a net-work of youth hostels and son-et-lumiere spectacles at selected places. The object is to develop India into a coveted destination.

Malaysia

Malaysia's tourist potential lies in its position on most of the main round-the-world and around the Pacific sea and air travel routes and in its variety of scenery that ranges from eternal greenery, mountains, beaches, holiday islands, hill resorts and game parks to historic and refreshingly modern architecture.

1. Value and Extent of the Tourist Industry

The number of tourists arriving in Malaysia, shown in Table 1, p.(xiv), includes only those entering by air and sea at Kuala Lumpur, Penang and Port Klang. However, the introduction of exit formalities for all visitors to Malaysia in the middle of 1971, will enable the Department of Tourism to have more comprehensive statistics on the numbers of tourists arriving in the country. Against making head-counts at the entry points referred to above, statistics are now being processed for twelve entry points in West Malaysia alone. Preliminary statistical returns for the month of August last year show that West Malaysia received a total of 72,000 visitors. These figures are now being further processed in order to ascertain how many of these visitors are tourists and how many are excursionists who come for only a day's tour.

Most of the tourists come from the United States, Britain, Japan, Australia and India.

Foreign exchange receipts from tourism, shown in Table 2, include only the records of travellers' cheques cashed in West Malaysian banks, and this excludes the amount of foreign currencies brought into Malaysia by visitors and the expenditure pre-paid in their countries of origin.

2. Official Promotional Organisation

The Department of Tourism within the Ministry of Trade and Industry is the national tourist organisation of Malaysia.

Promotion - the Department serves as the national organ for publicising Malaysia abroad. Its marketing activities include advertising in magazines and newspapers mainly in the United States, Australia, Europe and the North Pacific; press publicity and public relations agencies in these markets; production and world-wide distribution of information publicity and merchandising publications and materials including films; participation in national and international fairs and displays and organising familiarisation tours for overseas wholesale tour operators and travel writers. Malaysia has an overseas tourist office in Singapore and the same functions are

performed by Malaysian trade missions, the Department's publicity and public relations agencies as well as Malaysia/Singapore Airlines offices abroad.

Development - the activities of the Department extend to the planning, programming and management of development projects undertaken by the Federal Government and provision of technical assistance and advice on the facilities and amenities undertaken by State Governments and private sectors.

Liaison and Co-ordination - the Department maintains active liaison within the public sector in matters of facilitation, legislation, development projects and surveys that are likely to contribute to the development of tourism. At the same time it works in an advisory capacity in co-ordinating all tourist activities of State Governments and the private sector, and in ensuring that high standards of tourist services are maintained.

Assistance and Co-operation - both financial and other support is rendered by the Department to the private sector in encouraging the establishment of tourist associations and in assisting the private sector in their local tourist promotional efforts and organisation of training courses for tourist guides and hotel and catering staff. The tourist associations co-operate with the Department in providing, where required, reception and sightseeing tours for groups of important travel personnel.

Malaysia is a member of I.U.O.T.O., PATA and ASEAN.

3. Internal and Infrastructural Organisation

At State level - nine of the thirteen states have established State Tourism Committees to assist in developing and improving tourist facilities in their respective States. Three maintain their own tourism bureaux with State Tourist Promotion Officers.

In the private sector - there are twelve regional Tourist Associations, two Tourist Guide Associations, three Hotels and Restaurants Associations, one Tour Operators Association and a Federation of Malaysian Tourist Associations (FOMTA) to which the regional tourist associations are affiliated. All are private organisations established by the travel trade circle in co-operation with the regional or local authorities. Six Tourist Associations maintain their own information centres. There are, at present, 133 tour operators/travel agents.

Hotels - there are eighty-four international class tourist hotels with a total of 8,118 beds. Hotels are regulated by local authorities.

Malayan Railway - Malaysia's national railway services West Malaysia as well as extension services to as far south as Singapore and as far north as Bangkok.

Malaysia-Singapore Airlines services both domestic and international air flights. M.S.A. connects Malaysia to Singapore, Brunei, Colombo, Madras, Manila, Taipei, Bangkok, Hong Kong, Tokyo, Jakarta, Phnom Penh, Denpasar, Darwin, Perth, Brisbane, Sydney, Bahrain and London.

4. Government Participation

- (i) Ownership or shares in hotels :
All hotels and restaurants are privately owned, the Government is in the process of constructing, for the first time, two motels under the Five-Year Development Plan.
- (ii) Financial assistance specially available (e.g. loans and guarantees):
Direct financial assistance is not available. However, the Malaysian Industrial Development Finance Ltd., which is a financing body set up by the Government to help in the development of industries, provides loans for the development of hotels and tourist resort complexes.
- (iii) Income tax and other concessions on hotel income:
Government has offered incentives to investors in luxury first and second class hotels. This includes the granting of pioneer status; abatement of chargeable income for a period of twelve years; accelerated depreciation allowance and industrial building allowance.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
No concessions are available at the moment.
- (v) Provision of public funds for publicity purposes:
The Department of Tourism has been allocated M\$700,000 for marketing activities for 1971. Another M\$35,000 have been provided to assist local tourist associations and other organisations connected with tourism.
- (vi) Government expenditure on infrastructure:
Under the Second Malaysia Plan (1971-1975), M\$9,800,000 have been allocated to the Department of Tourism to implement several tourist projects.

5. Action Taken During the Current Year

In marketing, the Department of Tourist intensified its activities by:

- (a) Inviting wholesale tour operators and prominent travel writers to Malaysia on familiarisation tours.
- (b) The four publicity and public relations agencies appointed in 1970 in the United States, London, Sydney and Tokyo to service the Department's activities in the American, European, Australian and Japanese markets continued their promotional activity.
- (c) The production of a special news and feature folio for distribution to editors, travel trade and carrier journals to assist them with supplies of editorial copy.

- (d) Setting up a Tourist Information Office in Singapore as the first step towards the Department's objective of facilitating and servicing foreign tourists in their own countries.

In the development of Malaysia's visitor plant, work on the building of the Department's motel in Kuala Trengganu is almost completed. Plans for several of the other projects approved under the current Five-Year Plan were also finalised. Private sector development of hotels and resort areas was given a boost by Government's declaration of incentives.

Nine of the twelve tourist associations, which formed a Federation of Malaysian Tourist Associations (FOMTA) in 1970, as a central forum for the private sector of the tourist industry, continued to meet to consider further development.

In the effort to host the 1972 Pacific Area Travel Association (PATA) Workshop in Penang and Conference in Kuala Lumpur, a PATA Host Committee was formed to draw up a master plan. Members of the Committee are working actively to make the Conference a real success.

6. Future Plans for the Tourist Industry

In order to cope with its future responsibilities the Department of Tourism will be re-organised, besides the Directorate, into three sections:

- (i) Marketing Section which will intensify and expand the Department's marketing programme particularly in the Japanese, Australian and European markets.
- (ii) International and Regional Organisation and Training Section which will work closely with international organisations such as the I.U.O.T.O. in producing inventories on visitor plant development requirements and will provide more comprehensive technical information to the private sector in Malaysia to assist the sector in the development of visitor facilities and amenities, and institute courses of training to be accorded to the travel trade personnel.
- (iii) Planning and Services Section which will be responsible for the implementations of Government policies such as those connected with the granting of incentives; the proper management and control of Government funds and oversee the many organisations that have been established within the last twelve years such as the State Tourist Associations, Transportation Associations, Historical and Cultural Societies and advise Government in evolving policies as well as in implementing their various programmes.

The functions of the former Development Section of the Department will be undertaken by the Tourism Development Corporation which will be established in 1972. The Corporation will take over the Federal Government's development projects, establish new projects as well as manage them.

This Corporation will investigate and find ways and means of improving tourist resorts and facilities; the registration, supervision and control of hotels and other accommodation and tour operators; the preservation and utilisation of tourist resources to the best advantage. It will also look into the organisation of cultural and sporting events for tourists and the improvement of the quality of souvenirs.

Government's new industrial policy of stimulating all types of industries to create additional employment opportunities will greatly assist in the development of the tourist industry in the coming years.

Singapore

Singapore's primary tourist potential lies in the exotic mixture of many races and cultures. On this one island, 225 square miles, the visitor can sample practically every culture of Asia, in the comfort of a modern city. Singapore's location on international air and sea and regional land and rail routes make her a natural stop-over point. While her luxurious hotels, duty-free shopping and entertainment facilities, year-round sunshine and attractive garden city atmosphere are inducing more and more visitors to stay over.

A recent important development in Singapore has been the city's emergence as a centre for international conventions and conferences. Singapore's crossroads position served by 24 international airlines and over 200 major shipping lines makes it an ideal venue. The availability of modern convention facilities, first-class hotel accommodation as well as an efficient network of telecommunications are added advantages. Singapore has also had the necessary experience in organising several large regional and international conferences including the 1971 Commonwealth Heads of Government Conference held for the first time in an Asian country.

1. Value and Extent of the Tourist Industry

In 1971, visitor arrivals to Singapore by air and sea (excluding Malaysian visitors embarking from West Malaysia) totalled 632,149 representing an increase of 21.2 per cent over the corresponding total of 521,654 in 1970. The 1971 total is about six times the 1965 total.

The total value of travellers' cheques encashed in Singapore amounted to more than \$106 million. This represents an increase of 19.1 per cent over the \$89 million of 1970. (However, the total value of travellers' cheques encashed in Singapore does not include the amount of foreign currencies brought into Singapore by visitors and the amount of visitor expenditures that were pre-paid in the countries of origin of the visitors.)

Chief countries of origin for tourists were U.S.A. (14.5%), Britain (14.1%), Indonesia (13.6%), Australia (12.2%), Malaysia (9.5%) and Japan (7.1%).

Of these top six markets, Britain registered the highest growth rate of 39.6 per cent followed by Japan 37.6 per cent and Australia 25.2 per cent. On the whole, there were increases for all countries except India which declined by 3.9 per cent.

Just over 60 per cent of visitors came on pleasure/vacation, while about 15 per cent and 9 per cent respectively came on business and business-cum-pleasure; 64.2 per cent of the visitors intended to stay in hotels. The minimum average intended length of stay was 5 days.

2. Official Promotional Organisation

The national tourist organisation in Singapore is the Singapore Tourist Promotion Board, a statutory board which comes under the jurisdiction of the Ministry of Finance. It consists of a Chairman, a Deputy Chairman, a Director and seven members from both government and the private sector.

The Board's finances are obtained from a cess on tourist hotels, tourist food establishments and tourist public houses. No government subvention was necessary.

Functions of the Board include:

Overseas promotion - the board has power to secure overseas publicity for the tourist attractions of Singapore.

Development of facilities and attractions - it is also empowered to engage in, assist or promote the improvement of Singapore as a holiday resort.

Relationship with the private sector - the Board maintains close liaison with the private establishments in the tourist industry and has on its Board some members representing the private sector. It is empowered to co-ordinate the activities of persons providing services for visitors to Singapore and to regulate, with the approval of the Minister, standards to be maintained by tourist enterprises.

The Tourist Promotion (Certification and Control of Guides) Regulations 1964 empowers the Board to control the tourist guides in Singapore. The Tourist Promotion (Licensing and Control of Tourist Agencies) Regulations 1970 empowers the Board to license and control tourist agencies in Singapore. Under the Regulations, the Board can regulate the conduct and activities of tourist agencies to ensure that a high standard of service is provided by them. As from 1st July 1971, only licensed tourist agencies were allowed to operate.

The Board can also license any class or classes of tourist enterprises. It makes recommendations to the Ministry of Finance in the gazetting of tourist hotels, tourist food establishments and tourist public houses.

Relationship with the Government - the Board is empowered to act as agent for the Government or, with the approval of the Government, for any person or body or organisation for the transaction of any business connected with any tourist enterprise. The Board can make recommendations to the Government in relation to any measures which may be taken with a view to increasing the number of visitors to Singapore.

Overseas promotion, advertising, public relations and information offices - the Tourist Promotion Board evaluates potential attractions and determines the best way of promoting and projecting the tourist attractions of Singapore mainly through media advertising to Singapore's main tourist markets as well as through editorial publicity in international publications. Promotion and publicity schemes are mounted overseas as and when the opportunity or need arises, as at travel conventions, fairs and exhibitions.

The Board also maintains information offices in the U.S.A., Australia, Japan and Germany to assist in its overseas promotion and projection of the Republic's tourist attractions.

3. Internal and Infrastructural Organisation

There are a number of associations connected with the tourist industry. The ones that the Board maintains constant contact with are (i) the Hotels and Restaurants Association; (ii) the Singapore Travel Agents Association, which is an association of those travel agents accredited with IATA and/or recognised by the F.E.P.C. (Far East Passenger Conference); (iii) Singapore Tour Operators Association; and (iv) Singapore Society of Tourist Agents.

These associations complement the Board in its endeavour to promote the tourist attractions of Singapore. It is also through these associations that it exhorts the tourist servicing industry to raise standards and provide better services.

4. Government Participation

(i) Ownership or shares in hotels:

The Government went into equity participation in some hotels either directly or through the Development Bank of Singapore.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

The Development Bank of Singapore gave loans to selected hotel projects.

(iii) Income tax and other concessions on hotel income:

There is no tax holiday but the Government granted concessional rates of property tax for selected hotel projects in certain designated areas in 1969. However, from 1970, these concessional rates were withdrawn.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

Singapore is to a large extent a free port though a number of protective duties have recently been imposed to foster local industry.

(v) Government expenditure on infrastructure:

The Government undertakes the cleaning and landscaping of the beach areas, but in the encouragement of beach resort schemes, the Government will provide the necessary infrastructure in roads and public utilities.

5. Action Taken During the Current Year

(i) In addition to its four established departments, i.e. Marketing, Research, Facilities and Secretariat, the Tourist Promotion Board set up a special Convention

Unit to work closely with local hotels, restaurants, travel agents, retail stores and transport operators in servicing conventions. The Unit would provide specialised assistance/advice to the convention organiser in five main areas:

- a. Housing of delegates;
 - b. Processing manpower for conventions;
 - c. Advice and planning of Ladies and Family Programmes;
 - d. Promoting greater attendance; and
 - e. Finding appropriate facilities/services.
- (ii) At the end of 1971 there were 70 gazetted hotels with 7,250 rooms ensuring suitable accommodation for both the jet-set money spending traveller and the tourist with an eye on budget.
- (iii) The establishment of the \$3 million Hotel and Catering Training School has enhanced the development of the hotel industry in Singapore. When it is fully developed it can serve as a centre where the fertilisation of ideas and exchange of information can take place for the hoteliers in the region. The government will then be prepared to offer the excellent facilities of the school for the establishment of a regional training centre for the hotel and allied service industry.
- (iv) The Board formed a Special Committee for Conversion of Selective Historic Sites into Tourist Attractions. Since its formation in December 1970 the Committee has undertaken with the assistance of the Urban Renewal Department two major tourist projects, i.e. Landing Site of Sir Thomas Stamford Raffles in North Boat Quay and the Merlion Statue located at the mouth of the Singapore River. It is hoped that the 25 foot high Merlion will in time to come take its place among the other famous landmarks associated with various cities of the world.
- (v) The 8th Tourist Guide Course was organised to meet the travel industry's demand for foreign-language-speaking registered tourist guides. Japanese, French, German and Italian are some of the foreign languages spoken by the guides.
- (vi) The Board has designed map location boards to be set up in various public places throughout the island. These maps would show the main roads of the Republic, places of interest, landmarks, important government buildings and historic sites, for the benefit of the visitor.
- (vii) A representative of the Tourist Promotion Board was nominated to the Baharuddin Vocational Institute's Industrial Promotion Committee. The Institute offers various courses in local handicrafts such as ceramics, wood carving, shellcraft, etc. The Committee is to

provide avenues of communication between the Institute and the industrial sector so as to ensure that training programmes are realistically orientated.

- (viii) An island-wide campaign to Keep Singapore Pollution-Free was launched. The Board was actively involved in organising three competitions namely: "The Cleanest and Most Attractive Tourist Shop"; "The Cleanest and Most Attractive Travel Establishment" and "The Cleanest and Most Attractive Shop in Change Alley". The Board also assisted the Registrar of Vehicles in judging their competitions for the cleanest buses and taxis.
- (ix) The Board continued to render assistance to the "Instant Asia" Cultures Shows Ptd. Ltd. operated by tourist agencies to provide daily morning cultural shows for tourists. Special performances were also staged in hotels and tourist ships.
- (x) Two surveys were completed by the Board in 1971 namely the "Through-Air Passenger Survey" and "Survey of Hotel Guests in Singapore". The findings of the former survey will be published in 1972 and should help to tap the vast reservoir of potential visitors (60 per cent of the annual visitor arrivals) and provide guidelines in the Board's marketing and promotion programme. The findings of the Survey of Hotel Guests which will be published in 1972 should help to demonstrate the strength and weakness of Singapore in terms of visitor satisfaction as well as give broad indications of means of reaching potential visitors.
- (xi) The Board produced quarterly Statistical Reports on Visitor Arrivals which include analysis of data on visitor arrivals by country of origin, mode of transport, travel arrangement, purpose of visit, type of accommodation, length of stay, sex ratio, frequency of visit, age group and occupation for use by the tourist industry.
- (xii) A "Visitor Expenditure Survey" was started in May 1971 to assess the amount that visitor expenditures contribute to Singapore's revenue; to indicate the average expenditure of visitors from various countries of origin and also their spending patterns with special reference to shopping.
- (xiii) In November 1971 the Tourist Promotion Board hosted the 3rd Pacific-Wide PATA Travel Research Seminar attended by 128 delegates from 28 countries. The theme of the Seminar was "Pacific Destination Areas of the Eighties: Researching then Development". The Seminar also devoted some time to exploring the possibility of designing a standardised Pacific-Wide Basic Data Programme and a PATA Comprehensive Analysis and Reporting System.
- (xiv) Among the major efforts to promote the Republic's tourism during the year were:

- a. The "Mission Commission" sales and promotional project in which the Board's representative in the U.S.A. worked jointly with Philippine Air Lines, Malaysia-Singapore Airlines, Philippine Travel Association and Intercontinental Hotels. Starting in May, the presentation covered 12 cities on the West Coast area.
 - b. International Trade and Travel Week, Arkansas on March 15. Organisations from 27 foreign governments and international airlines participated. It was attended by some 12,000 local civic leaders, businessmen and travel industry people. Singapore's participation was highlighted in the press, radio and television.
 - c. The Joint Orient Promotion directed at tour wholesalers and travel agents in Brisbane, Sydney, Melbourne, Adelaide and Perth. The Board's representative in Australia worked in conjunction with the national tourist organisations of Japan and Hong Kong, QANTAS, B.O.A.C. and T.A.A.
- (xv) The Board participated in the following conferences and conventions with the aim of publicising Singapore's tourism:
- a. Rocky Mountain ASTA conference, held in March 1971. The Board's representative spoke at the invitation of the ASTA president, on the latest developments in Singapore.
 - b. PATA - Seattle Chapter. The Board's representative made an hour-long "Singapore Night" presentation.
 - c. 41st ASTA World Travel Congress held in Sydney in November 1971. The Board had specially designed giveaway briefcases containing publicity material for the 2,700 delegates.
 - d. AFTA convention held in Perth.
 - e. TAANZ Annual Convention held in Teanaus, South Island of New Zealand from 30 September to 3 October 1971.
 - f. Singapore also took part in the ASEAN Pavilion of the Jakarta Trade Fair, July 1971 and the Singapore Trade Exhibition, Tokyo and Kobe in May 1971.

6. Future Plans for the Industry

Future plans are mainly for the improvement and development of facilities and attractions, the most important being the \$200 million Sentosa island holiday resort to be linked to the mainland by cable car. Among the resort's many attractions will be an 18-hole golf course, a swimming/boating lagoon with purified sand beach, coralarium, gun museum, marineland, hotels and restaurants. No automobiles will be allowed on the island, only

horse-drawn buggies and trishaws.

Regional Co-operation

The full scope of regional co-operation in the promotion of the tourism is being studied by the ASEAN (Association of Southeast Asian Nations comprising Indonesia, Malaysia, Philippines, Singapore, Thailand) Permanent Committee on Tourism of which the Tourist Promotion Board's Director is a member.

Entry requirements are being liberalised and plans are being made for the standardisation and development of hotel facilities. In pursuit of one of ASEAN's objectives, i.e. marketing the ASEAN countries as a single package destination area, national tourist organisations have been urged to persuade their respective Civil Aeronautic Boards and Flag Carriers to evolve through the Orient Airlines Association as ASEAN "Circle Trip Fare" which would eliminate the current disparity between South East Asian and Atlantic airfare structures that is largely responsible for the slow growth of tourist traffic from North America, Europe, Japan and Australia to the ASEAN region. Standardized rates for land arrangements within each country in the ASEAN region have also been recommended.

Sri Lanka (Ceylon)

The development of tourism in Sri Lanka (Ceylon) is assisted by a number of favourable factors including the strategic location of the island on round-the-world flights routes. Visitor attractions are varied ranging from beach and mountain resorts to historic archaeological sites, such as the mountain fortress of Sigiriya and the ancient cities of Anuradhapura and Polonnaruwa. Recreational potentials include beach and sea sports as well as golf and wildlife photography. For entertainment there are the traditional festivals, modern theatre and the wonderful traditions of dancing with special forms that have been developed in the different regions and schools. Shopping opportunities range from the well-known gems to the products of indigenous arts and crafts. Recent developments that have attained international distinction are high-grade handloom cloths and beautiful batiks. There is an extensive road and rail network with suitable accommodation both in the cities and in places of archaeological and other interest. The Government is encouraging the growth of tourism on the basis of planned development.

1. Value and Extent of the Tourist Industry

Statistics of tourist arrivals to Sri Lanka (Ceylon) during recent years are shown in Table 1 (pxiv).

After remaining static for some years, an upward trend in tourist traffic became apparent in 1967 when the activities of the Ceylon Tourist Board, which had been set up by an Act of Parliament in May 1966, began to take effect. The total of arrivals reached 46,250 by 1970, approaching two and a half times the 1966 figure, or an average annual rate of increase of 24.9 per cent. However, this upward trend was checked in 1971, when the total fell to around 39,650, due to internal disturbances created by the insurrectionist movement in that year.

Foreign exchange earnings from tourism as shown in the Balance of Payments Account for the period 1968-1971 are given in Table 2, (pxv). These figures do not reflect the actual visitor-expenditure in Sri Lanka as a proportion of it is lost to legitimate banking channels through illicit trafficking in foreign currencies. The introduction in 1968 of a scheme whereby tourists received an enhanced rate of exchange for their foreign currency helped in large measure to curb this loss and it is now estimated that the drain into illicit traffic has been reduced from around 70 per cent to about 40 per cent in 1971.

Earnings from tourism in actual foreign exchange terms, increased at an average annual rate of 29.5 per cent from US\$ 1.3 million in 1966 to US\$ 3.6 million in 1970. The year 1971, however, recorded a total of US\$ 3.4 million - a drop of 5.7 per cent over the previous year.

2. Official Promotional Organisation

The Ceylon Tourist Board which is a statutory public corporation is the authority responsible for the promotion and development of tourism in Sri Lanka. It is subject to the general and special directions of the Minister in Charge of Tourism.

The functions of the Board include the establishment, maintenance and operation of adequate and attractive tourist services and the making of such services available to those engaged in tourist travel promotion; the provision of financial assistance to local authorities, corporations and bodies of persons operating or maintaining tourist services; encouragement and co-operation with any tourist travel or other agencies in the promotion and publicising of the attractions of the island; assistance in the training of persons in work connected with tourist travel and tourist services; preparation of general or special tourist schemes as necessary for the establishment, development and control of tourist resorts, tourist services and employment of persons in such services.

Promotional activities - The Board's policy has been to gradually build up publicity overseas in its principal markets so as to make its full impact when more and better hotels would be ready and other facilities and services will also be available in greater measure. The Board's advertising campaign in 1968 was confined to trade advertising, but since 1969 has included limited consumer advertising in the U.S.A., Britain, Germany, Japan and Australia. The activities undertaken by the Board, apart from advertising, have included publicity through visits of foreign travel writers, photographers, television and film producers, educational tours for foreign travel agents and editorial publicity through a monthly newsletter, quarterly magazine and regular feature releases. A number of publications in the form of booklets, brochures, folders, posters and maps are produced and distributed on a regular mailing list to persons interested in promotion traffic to Sri Lanka.

Representation abroad - The Board is represented on international travel and tourist bodies. It has its own Information Offices in New York (to cover North America), Frankfurt and Rome (to cover the European region) and plans to open other such offices in its principal markets. At present, public relations activities, the supplying of tourist information and the distribution of publicity material, is undertaken through Sri Lanka's Missions abroad and professional firms employed for this purpose. The Director of the office in Frankfurt co-ordinates and supervises the entire promotional campaigns in Britain and the Continent.

The main professional organisations associated with the work of tourism are as follows: the Ceylon Tourist Hotels Association (serving the hotel and catering industry; the Association for the Promotion of Tourism (consisting of members of business establishments engaged in the travel trade and those interested in promoting all features of tourism); the Board of Airline Representatives; the Ceylon Steamer Agents' Association; and the Sri Lanka Chapter of the Pacific Area Travel Association. These bodies work closely with the Tourist Board.

The Board assists the trade in matters of tourist promotion, advertising and travel abroad for participation at international conferences and familiarisation tours and secures from Government the release of foreign exchange for the importation of hotel requirements, transport requirements and other items required for the provision of facilities to tourists.

Vocational training - The Ceylon Hotel School and School of Tourism run by the Ceylon Tourist Board has a three-year General Catering Course for the training of hotel personnel. Under technical training aid agreements, the services of foreign experts have been obtained for the School and a panel of qualified Ceylonese lecturers assist them. The School is well-equipped and provides practical training for students in a 10-roomed hotel, a modern restaurant, bar and banquet hall. Outstanding students are awarded scholarships for further 'in-service' training abroad in five-star hotels and recognised hotel schools.

Craft courses - A series of part-time Craft and Refresher Courses in Cookery, Restaurant Service, Bar Service and Hotel Reception were conducted for those employed in the hotel trade and also for new entrants to the industry. Courses have been held for railway, and hospital catering personnel.

Guides - Fourteen guide-lecturers trained by the Tourist Board in 1967 were available to the trade to serve as qualified guides. A second course for guide lecturers in mid'70 where persons fluent in foreign languages, in addition to their fluency in English, were given preference when being selected for training. Licensed guides are available who cater mostly for passengers aboard ships calling at Colombo, and their services are limited to city tours in Colombo.

Facilitation - Accepted and in force is the international definition of 'Tourist' by all government departments, a simplified procedure for the issue of visas, the principle of 'oral' baggage declaration, the allowance of importation into the country of a duty-free quota under personal effects in keeping with the area of allowances allowed internationally, the abolition of the practice of medical surveillance, the reduction by 50 per cent of landing and delivery charges on duty and shipping charges on departure of motor vehicles temporarily imported on Carnet d'Passage.

At the insistence of the National Facilitation Committee, the Controller of Exchange has allowed that both transit passengers and bona fide tourists be allowed to reconvert into foreign currency unexpended Sri Lanka rupees to the equivalent of Rs. 300 plus F.E.E.C.'s (Foreign Exchange Entitlement Certificates) which amount to Rs. 165 approximately.

A new Embarkation/Disembarkation Card which conforms with I.U.O.T.O. specifications, is now in use.

3. Internal and Infrastructural Organisation

Tourist Transportation - Air:

In 1971 the number of international scheduled flights operated through Colombo amounted to 24 per week (12 east-bound and 12 west-bound). These international flights were operated by the following airlines:

Air Ceylon (International)	2	Garuda	2
U.T.A.	6	P.I.A.	4
B.O.A.C.	4	Aeroflot	2
Qantas	2	Swissair	2

T.W.A. and M.S.A. which were operating to Sri Lanka during 1970, withdrew their services in 1971 for economic reasons. The national carrier, Air Ceylon, operates regional flights to Karachi, Bombay, Madras

in the neighbouring sub-continent and to the Far East - Kuala Lumpur, Singapore and Bangkok. These services, together with those offered by Indian Airlines who operate regional flights from Madras to Colombo, bring the total number of regional flights to and from Colombo to 32 per week. Sri Lanka's national carrier also operates 42 domestic flights to the north and east of the country to and from Colombo. The aircraft could also be chartered for groups visiting the historic ancient cities region. The Sri Lanka Air Force and a private airline provide air transport service on a charter basis to places of touristic importance. This service is, however, at present limited to the north, east and south of Sri Lanka.

Tourist Transportation - Road and Rail:

The railway provides special transport facilities for tourists while special vehicles for road transport are also available. As a direct contribution to the expansion of tourism, two luxury air-conditioned trains have been acquired by the C.G.R. The present fleet of tourist vehicles in the travel trade which is made up of 12 cars, 46 station wagons (20 air-conditioned), 10 micro-buses (13-15 passengers), 11 mini buses (18-28 passengers) of which 3 are air-conditioned, and 11 coaches (30-40 passengers) of which 3 are air-conditioned, will be further strengthened before the end of 1972 tourist season by the import of another 78 cars and 9 air-conditioned coaches. Also, 500 new taxis are available for use.

National Parks:

The two National Parks, namely, the one in Yala off the South Coast and the other in Wilpattu in the North Central region serve as a lure to both the wildlife enthusiast and the photographer. The Wild Life Department administers these parks where comfortable accommodation is provided for visitors staying overnight. In addition, there are the rich bird sanctuaries of Kumana and Weerawila in the south while Manampitiya and Lahugala are more the reserve of big herds of wild elephants. The animal population here includes the elephant, bear, leopard, sambhur, deer, pig and buffalo. The rolling hills of the Horton Plains Tableland, close to Nuwara Eliya, and over 7,000 ft. in elevation, contains interesting varieties of flora, fauna and bird life. This area which is also one of Sri Lanka's best fishing grounds has been declared a Nature Reserve.

4. Government Participation

(i) Ownership or shares in hotels:

The Ceylon Hotels Corporation, a statutory body, has been established for the chief purpose of providing and operating efficient and attractive tourist services, living accommodation, transportation, entertainment and recreation. Government holds a minimum of 20 per cent of the issued capital of the Corporation. The Corporation is presently in charge of 13 of the small accommodation units - resthouses - on the island and the Lihiniya Surf Hotel at Bentota. A major project of the Corporation is the construction of a 250-roomed hotel in collaboration with the Inter-continental Hotels Corporation of the United States of America.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

A loan fund for hotel construction has been established.

- (iii) Income tax and other concessions on hotel and other tourist income:

There are substantial tax concessions for investment in new hotel undertakings and renovations to existing hotels and in operating new hotels and employing foreign personnel in management. The tax concessions include a five-year tax holiday thereafter fifteen years at half the usual rate, lump sum depreciation, development rebates, investment relief to tax exemption of emoluments of foreign personnel employed in hotels. These concessions are subject to approval by the Minister of Finance on the recommendations of the Ceylon Tourist Board.

- (iv) Customs duty concessions on material and equipment for hotel and other tourist construction:

Customs duty concessions for essential items to be imported from abroad for the construction and equipping of hotels have been approved by Government. The items have been classified into 3 categories - a no-duty category, 5 per cent preferential and 15 per cent general duty category, and a 25 per cent preferential and 35 per cent general duty category. A variety of items have been included in this revenue order ranging from essential material for construction to equipment.

- (v) Provision of public funds for publicity purposes:

The allocation of foreign exchange is controlled by the Government which has made special allocations to the Ceylon Tourist Board for its promotional activities as well as to the local travel trade for promotion and advertising abroad. A sum of approximately Rs. 4,270,500 was provided by the Government as the budget for publicity and promotion for the period 1.10.1971 to 31.12.1972.

- (vi) Government expenditure on infrastructure:

Special foreign exchange allocations have been made for the maintenance and improvements of existing hotels and for the import of material and equipment for new hotel constructions. Foreign exchange has also been allocated for the import of motor vehicles for tourist transport. Public buildings and public utilities in the resort centres to be developed will be provided by the Board, while hotel construction and operation, the management of commercial and shipping centres, restaurants and entertainment are the responsibility of the private sector.

5. Action Taken During 1971

As 1971 was the fifth year of the Sri Lanka Tourism Plan - 1967-76, it was considered appropriate to undertake an implementation review so as to identify the problems faced in the first four years of the Plan period and to make any revisions necessary for the purpose of the Government's Five Year National Economic Plan. The revised Medium-Term Plan was prepared substantially in line with the original Tourism Plan to cover the five year period 1972-76. For details see Section 6 below.

Investment Guide:

An Investment Guide was issued in early 1971 giving an outline of the areas of investment for the development of the tourist industry, incentives provided, facilities available for foreign investment and other background information. The response to the issue of the Investment Guide and invitation for applications for the provision of tourist facilities was satisfactory. The applications approved will result in an addition of 1,200 rooms during the period 1972 to 1976.

Incentives:

With regard to income tax concessions, the last date prescribed for some of the tax concessions of April 1, 1970 was further extended to April 1, 1973. Customs duty concessions on essential items for new hotel construction and equipment as well as for renovation of existing plant continue.

Accommodation:

For a picture of the future growth in accommodation, see Section 6 below.

Holiday Resorts:

The Tourist Development Act of 1968 provides for the establishment of national holiday resorts. The first holiday resort of the Board at Bentota on the west coast is already in operation. This resort, which is sited 38 miles from the capital city of Colombo, covers 100 acres and contains three hotels with 150 rooms, ten cottages, a commercial and shopping complex, a restaurant, an art gallery, an open air theatre for local shows and dances and public buildings - police station, post office, telecommunication and tourist information office.

The second stage of the resort is under finalisation including another hotel of 200 rooms and additions to existing hotels, a bank, a public swimming pool and extensive picnic area facilities. At final operation by 1974 the resort will contain 450 to 500 rooms.

Other resorts which are nearing completion are Sigiriya, Giritale and Polonnaruwa in the ancient cities region. The first stage of a camping complex at Sigiriya will be opened shortly. These resorts will have a total of 250 rooms as supplementary plant to the plant under development in Colombo City and the beaches of the west and south coasts.

Planning briefs have been completed in respect of two more holiday resorts - Kalkudah/Passekudah on the east coast and village in the jungle off the national park on the south coast. The required land has been finalised and water and other engineering studies are in progress.

Tourist Development Fund:

Applications received for loan assistance from the Tourist Development Fund were processed and five projects of the Ceylon Hotels Corporation are being financed from the Fund. All projects are located outside Colombo and are on the south coast and in the ancient cities region where priority developments are necessary.

Protection of highways, places of scenic beauty and control of junkyards:

Part III of the Tourist Development Act established a set of regulations called the Protection of Highways and Places of Scenic Beauty and the Control of Junkyards Code for promoting the safety and recreational value of public travel, and for the preservation of natural and scenic beauty. Power was taken under these regulations for the Minister to declare particular areas of scenic beauty bordering highways which were being marred by the erection of hoardings, advertisements and unsightly structures and the denudation of valuable trees and foliage to be declared "protected highways".

Boards indicating the highways declared under the regulations as protected highways have been affixed at selected scenic stretches of the principal roads falling within the tourist circuits. The declaration of other highways and scenic areas is under examination.

6. Future Plans for the Tourist Industry

The revised Medium-Term Plan, referred to in Section 5, projects 88,000 visitors in 1973 with 1,735 hotel rooms increasing to 220,000 visitors in 1976 with 4,320 hotel rooms. In 1970, the latest year for which information was available, the composition of the traffic was as follows:

Non-Indian Traffic -			
Pleasure - Independent	21,895		
Pleasure - Charter	8,828		
Business and Others	<u>4,838</u>	35,561	
Indian Traffic -			
Pleasure	4,907		
Business and Others	<u>5,779</u>		<u>10,686</u>
			<u>46,247</u>

Accommodation:

The growth in accommodation has been as follows:

	1968 <u>Existing</u>	1969/70 <u>New rooms</u>	1971 <u>New rooms</u>	<u>Total</u>
Colombo Resort Region	383	209	238	830
South Coast Resort Region	88	198	32	318
Ancient Cities Resort Region	142	105	38	285
Hill Country Resort Region	150	-	34	184
East Coast Resort Region	35	-	17	52
	<u>798</u>	<u>512</u>	<u>359</u>	<u>1,669</u>

Eight projects with a room strength of 538 are under construction. With the rooms under construction the total number of rooms in 1973 would be 2,707.

The room requirements projected in the revised Medium-Term Plan for 1973 and 1976 are as follows:

Beginning 1971 - Existing Rooms:

	<u>Luxury</u>		<u>Medium</u>		<u>Economy</u>		<u>Total Rooms</u>
	<u>Units</u>	<u>Rooms</u>	<u>Units</u>	<u>Rooms</u>	<u>Units</u>	<u>Rooms</u>	
Colombo city	-	-	3	242	5	120	362
Beaches	1	150	4	281	13	355	786
Ancient cities, Hill country, etc.	-	-	-	-	10	397	397
	1	150	7	523	28	872	1,545

1973 - Rooms (Projection):

	<u>Luxury</u>	<u>Medium</u>	<u>Economy</u>	<u>Total Rooms</u>
Colombo City	201	291	73	565
Beaches	102	288	386	776
Ancient cities Hill country, etc.	-	167	227	394
	303	746	686	1,735

1967 - Rooms (Projection):

	<u>Luxury</u>	<u>Medium</u>	<u>Economy</u>	<u>Total Rooms</u>
Colombo City	579	635	126	1,340
Beaches	262	867	871	2,000
Ancient cities, Hill country, etc.	-	506	474	980
	841	2,008	1,471	4,320

Three areas were selected for pre-investment study for the establishment of resorts on a larger scale. The areas selected were at Hendala on the west coast situated between the Bandaranaike International Airport and the capital city of Colombo, off Trincomalee on the east coast and another on the south coast. The study team after its field survey decided against the area selected on the south coast. The pre-investment study on the other two areas has been completed and reports received.

An outline of the study recommendations is given below:-

Hendala Development:

The land area for development recommended is 330 acres consisting of a beach front on relatively flat land and an inland swamp area capable of being inexpensively filled and reclaimed. The development recommended is in 3 phases being - Phase I - three hotels of 560 rooms and an inn facility of 150 units, large lagoon and protective beach, main commercial complex, central arrival facility and service facility, common park and recreational

facilities, landscaped treatment, public utilities, roadway system, re-location of existing residences and school, village housing; Phase II - two hotels of 400 rooms and village cabanas of 400 units, expansion of commercial and entertainment complex, completion of roadway system, sewage treatment plant and expansion of utilities; Phase III - development of entire village housing area and additional 300 rooms if warranted.

The above densities by 1981 includes 1,730 rooms with potential to expand to a total 2,020 rooms.

The capital requirements schedule for land, public utilities, landscaping is estimated at Rs. 10 million and phased into two stages.

Trincomalee Development:

The land area recommended is 1,000 acres in extent of the promontory, running southwards from Deadman's Cove to Marble Bay and extending up to Kinnya Ferry. The development is phased in 3 stages - Phase I - three hotels of 650 rooms and vacation cabanas of 75 units, partial development of commercial area, employee housing, project nursery, access roads and public utilities, public beach park; Phase II - three hotels of 750 rooms, two 25-roomed guesthouses, vacation cabanas of 78 units, commercial area, aviary and animal park, water park and small boat marina, golf course, employee housing and community facilities, expansion of public utilities; Phase III - two hotels of 400 rooms, vacation cabanas of 80 units, expansion of public utilities and employee housing, public boat marina, botanical garden with observation pavilion and specialty restaurant.

The total room strength by 1981 is estimated at 1,850.

The capital requirements schedule for public utilities, fees and additional studies have been estimated at Rs. 20 million and phased into three stages. The cost for the golf-course is separately estimated at Rs. 3.3 million.

These studies are under evaluation by the Board for purposes of detailed workouts and programmes. A further pre-investment study was also undertaken under the auspices of the Federal Republic of Germany. The study was in respect of five hotel projects. The advance copies of these reports have been received and the recommendations are as follows:

1. City/airport hotel in the proposed resort at Hendala - 150 rooms to 250 rooms - Rs. 19 million to Rs. 23 million.
2. Bungalow hotel in the proposed Trincomalee resort - 160 rooms to 320 rooms - Rs. 13 million to Rs. 18 million.
3. Beach hotel in the next stage of the Bentota resort - 150 rooms to 200 rooms - Rs. 18 million to Rs. 21 million.
4. Resthouse in the Giritale resort under establishment - 60 rooms to 100 rooms - Rs. 4 million to Rs. 5 million.
5. Resthouse in Amaduwa on the south coast - 50 rooms to 100 rooms - Rs. 4 million to Rs. 5 million.

EUROPE

Britain

Britain's tourist attractions lie in its places of historical and cultural interest, the variety of its scenery and its unique traditions contrasting with the modern British image. Britain also has the advantage of intensive ethnic and cultural links with many overseas countries, particularly those of the Commonwealth.

1. Value and Extent of the Tourist Industry

Tourists to Britain (see Table 1, p.(xiv)) have increased substantially in recent years - from 4.3 million and 4.8 million in 1967 and 1968 to about 7 million in 1971. The visitors came mainly from the U.S.A., the Commonwealth, France, the Federal Republic of Germany and the Irish Republic.

Tourism receipts (excluding fares) have almost doubled since 1967, when they totalled some £236 million compared to £469 million in 1971 and their contribution to total foreign exchange earnings has risen from 2.9 per cent in 1967 to 3.4 per cent in 1970. A fuller picture of these receipts may be gained from Table 2, p.(xv).

2. Official Promotional Organisation

Great Britain has a statutory tourist organisation which is composed of four co-equal boards, the British Tourist Authority, which is the body responsible for all overseas tourist promotion, and the English, Scottish and Wales Tourist Boards each responsible for tourism in their respective countries. The Government Department responsible for tourism at national level is the Department of Trade and Industry, although the Secretaries of State for Scotland and Wales have responsibility for tourism development in their respective countries.

The British Tourist Authority consists of a Chairman and not more than five other members appointed by the Department of Trade and Industry, together with the Chairmen of the English, Scottish and Wales Tourist Boards, who serve as ex officio members. The English, Scottish and Wales Tourist Boards each consist of a Chairman and not more than six other members appointed by the Department of Trade and Industry and the Secretaries of State for Scotland and Wales respectively. The functions of the British Tourist Authority are to encourage people to visit Great Britain and people living in Great Britain to take their holidays there, and to encourage the provision and improvement of tourist amenities and facilities in Great Britain. The English, Scottish and Wales Tourist Boards have similar functions with regard to their own countries.

The Authority's and Boards' activities include:

- (i) Publicity and advertising - the British Tourist Authority is responsible for promoting Britain overseas and maintains offices in the United States of America, Canada, France, Federal Republic of Germany, Argentina, Australia, Belgium, Brazil, Denmark, Holland, Italy, Japan, Mexico, South Africa, Sweden, Switzerland and New Zealand. The English, Scottish and Wales Tourist Boards are responsible for promoting their own areas within Great Britain;
- (ii) the provision of advisory and information services for the benefit of tourists;
- (iii) research into the needs of tourists and forecasting future trends in tourism;
- (iv) providing assistance to and co-operating with other organisations or individuals carrying out any similar work. Financial assistance may also be given by the Authority and Boards for particular projects to increase tourist facilities and amenities (see Section 5);
- (v) the English, Scottish and Wales Tourist Boards have, in addition, the responsibility for administering a scheme of financial assistance to hotels provided for under the Development of Tourism Act 1969 (see Section 4).

Northern Ireland has a separate statutory Board and Jersey, Guernsey and the Isle of Man also have Tourism Committees established under their own legislation.

3. Internal and Infrastructural Organisation

The English, Scottish and Wales Tourist Boards have a special responsibility for encouraging the development of voluntary regional tourist organisations and a number of regional bodies have been set up to promote the tourist attractions of their areas and to publicise these within Britain.

4. Government Participation

- (i) Ownership or shares in hotels:
Some hotels are wholly or partly owned by nationalised undertakings (e.g. British Transport hotels and hotels owned by the national airlines, B.O.A.C. and B.E.A.).
- (ii) Financial assistance specifically available (grants and loans):
Part II of the Development of Tourism Act, 1969, provides for a scheme of financial assistance to hotels. Grants (and in certain cases, loans) are available towards the capital cost of new hotels and certain extensions and improvements to existing hotels which satisfy the provisions of the Act. Eligible projects qualify for grants of 20 per cent (25 per cent in Development Areas, i.e. designated areas having a

higher than average level of unemployment and other economic difficulties). The grants are subject to a ceiling of £1,000 (£1,250 in Development Areas) for each new letting bedroom. Loan assistance of up to 30 per cent (in exceptional circumstances 40 per cent) for new hotels and 50 per cent for extensions and improvements is also available in certain cases. These incentives were designed specifically as a short-term measure in order to stimulate a rapid increase in hotel building to overcome a threatened shortage of hotel accommodation. To qualify for grant, work must have started on the site between 1 April 1968 and 31 March 1971 and must have been completed by 31 March 1973.

(iii) Income tax and other concessions on hotel income:

Employers in certain, mainly rural, parts of Development Areas are eligible for a refund of their payments of selective employment tax, the rates of which were halved during 1971. Hotels qualify for a new first year allowance of 60 per cent (80 per cent until 31 July, 1973) and an annual writing down allowance of 25 per cent of the reducing balance of expenditure on machinery and plant. In Development Areas, hotels qualify for free depreciation on expenditure on new machinery and plant and companies may carry back unused free depreciation allowances against profits of the previous three years.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

None.

(v) Provision of public funds for publicity purposes:

The British Tourist Authority and the English, Scottish and Wales Tourist Boards are financed mainly by Government grants-in-aid. In the financial year 1971/72, the British Tourist Authority received a grant-in-aid of £3.55 million for its general activities including publicity. The English Tourist Board's general grant-in-aid for the same period was £1 million. The grant-in-aid to the Scottish Tourist Board was £335,000 and to the Wales Tourist Board £254,000.

(vi) Government expenditure on infrastructure:

Government Departments assist tourism indirectly through the provision of communications and social, sporting, cultural and recreational activities. Local Authorities have powers to provide amenities and facilities for sport and recreation. A number of statutory bodies, e.g. British Waterways Board, the Countryside Commissions and the Forestry Commission have also been charged with safeguarding or developing amenities. Certain statutory bodies set up to carry out

regional development (e.g. Highlands and Islands Development Board) have powers to provide facilities for tourists.

5. Action Taken During the Current Year

The British Tourist Authority and national Tourist Boards have continued to promote and develop tourism to, and within, Britain. An increasing number of grants and loans has been paid out by the English, Scottish and Wales Tourist Boards under the short-term scheme of assistance to hotels (see Section 4(ii)). Much progress has been made in establishing or reconstituting regional tourist associations. From 1 April 1971, £1 million has been made available annually to the Tourist Boards for selective assistance to individual tourist projects in the Development Areas. This assistance is generally by grant or loan or a mixture of both.

6. Future Plans for the Industry

The Government will continue to assist the development of the tourism industry through the statutory Tourist Boards. The question of registration and classification of hotels is under consideration by the Government who are awaiting the study commissioned by the English Tourist Board, which is expected to be available early in 1972.

Cyprus

The location of Cyprus in the Eastern Mediterranean, its climate, variety of landscape and places of historical and cultural interest make up the island's tourist potential.

1. Value and Extent of the Tourist Industry

Tourism has been a major growth industry in Cyprus over recent years. The number of tourists visiting Cyprus (excluding one-day visitors) is shown in Table 1, p.(xiv); these have risen by about 50 per cent between 1968 and 1971, while foreign exchange earned by the industry has increased at an impressively faster rate of some 130 per cent over the same period and the industry now contributes almost $11\frac{1}{2}$ per cent of the country's total foreign exchange earnings (see Table 2, p.(xv)). The main countries of origin for tourists in 1971 were Britain (44 per cent), the United States of America (8 per cent), Greece (7 per cent), the Lebanon (6 per cent) and the Federal Republic of Germany (6 per cent).

The number of one-day visitors to the island (not included in Table 1) were:-

1967	:	72,109
1968	:	110,183
1969	:	110,522
1970	:	109,113
1971	:	129,301

2. Official Promotional Organisation

The Cyprus Tourism Organisation, established according to the Cyprus Tourism Organisation Law No. 54 of 1969, is a public corporation responsible to the Minister of Commerce and Industry. As from 22 February, 1971, it has taken overall responsibility for the tourist development and promotion of the island. In order to achieve its objective, the Organisation is concerned with:

- (a) the preparation and implementation of programmes for tourist development, as well as the submission of suggestions regarding legislative or institutional changes;
- (b) the attraction of tourists to the island, the increase of the length of their stay and the extension of the tourist season;
- (c) the development of tourist regions; and

- (d) the promotion of domestic tourism.

The functions of the Cyprus Tourism Organisation further include:

- (a) improvement of tourist services;
- (b) development of tourist facilities, i.e. hotels, restaurants, sport and recreation amenities;
- (c) organisation of international conferences and congresses;
- (d) organisation of festivals;
- (e) promotion of folk art; and
- (f) creation of tourism consciousness among the population.

The Cyprus Tourism Organisation is also responsible for the control of hotels, tourist associations and clubs, and other establishments related to tourism, as well as the training of tourist guides.

During 1971 eight tourist information offices were in operation, one in each of the six main towns, one in the mountain resorts, which was only seasonally operated, and one in Nicosia International Airport operating 24 hours a day. Further, two tourist offices were in operation abroad, one in London and the other in Frankfurt.

3. Internal and Infrastructural Organisation

According to the Hotels Guide, 1971, Cyprus had 141 hotels with a capacity of 9,413 beds. Hotels have been reclassified in accordance with the new Hotels Law of 1969, which is based on international standards and criteria, making provision for five categories, 5 to 1 star. The new hotel classification will be put in force in 1973; the year 1972 will be a period of adjustment for the hotelkeepers.

Hotelkeepers are represented by the Cyprus Hotelkeepers' Association. In 1971 there were some ninety travel agencies in Cyprus, members of two Travel Agents' Associations. The Cyprus Tourism Organisation is in close co-operation with these associations.

In matters of road, port and airport construction, as well as other infrastructure, the C.T.O. is closely co-operating with the related Ministries or Government Departments.

4. Government Participation

- (i) Ownership or shares in hotels:

Hotels are usually privately owned. There are, however, two cases of Government participation; the Cyprus Hilton which was financed to a large extent by Government, and a major tourist complex

at Golden Sands, Famagusta, which is at present under construction, involving a Government expenditure of about £3 million.

- (ii) Financial assistance specifically available (e.g. loans and guarantees):

The Government is granting long-term loans at low interest rates, for the erection or extension of hotels, varying up to 70 per cent of total construction cost (except land cost).

- (iii) Income tax and other concessions on hotel income:

In respect of new plant and machinery or new buildings specifically for hotel enterprises, a 25 per cent allowance is granted in the "basic year" on the capital expenditure incurred in their construction, in addition to the annual allowances (wear and tear).

The Income Tax Law provides also for an exemption from tax, for a certain period and under certain conditions, of interest on foreign capital imported or invested in Cyprus.

The Government encourages foreign investments for tourist development. The Government leases land for tourist development at concessional rates under certain conditions.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:

Articles of hotel furniture and appliances may be imported free of duty. The list of such articles has recently been enlarged.

- (v) Provision of public funds for publicity purposes:

The allocation of funds for tourist publicity increases from year to year. The funds allocated are spent mainly on public relations, production and distribution of tourist publicity material, press advertisements, publications, etc.

During 1971 some 630 tour operators, travel agents and journalists were invited to Cyprus for educational tours. Publicity campaigns in co-operation with Cyprus Airways and B.E.A. were carried out in Britain and the Federal Republic of Germany. Further, the C.T.O. has carried out publicity campaigns in Scandinavia and Greece.

The C.T.O. has participated in many exhibitions for tourism abroad, the most important of which were in Stuttgart, Berlin and Stockholm.

(vi) Government expenditure on infrastructure:

The construction of new roads or the improvement of existing ones is mainly the responsibility of the Government as part of its infrastructural programme. Total Government expenditure on development of roads, ports and airports during 1970 is estimated at about £3 million.

5. Action Taken During the Current Year

Hotel construction has continued during 1971; nineteen new hotels are under construction with a capacity of approximately 3,500 beds. Existing hotels have been inspected by a special committee for the purpose of reclassifying them according to the new law.

Owing to the intensive publicity of the C.T.O. in Germany and Scandinavia, a considerable increase in the number of arrivals of German and Scandinavian tourists has been registered.

6. Future Plans for the Tourist Industry

The Third Five-Year Plan for 1972-76 has been completed. The specific targets for the Tourism Sector for the next five years will be:

- (a) a substantial increase in the tourist traffic to Cyprus;
- (b) the diversification of the composition of this traffic;
- (c) the tackling of the seasonality problem in tourist arrivals; and
- (d) the provision of the necessary incentives to facilitate the smooth supply of tourist services.

Gibraltar

Gibraltar's tourist potential stems from the historic and cultural associations with Britain extending over 268 years, the benefits Gibraltar has to offer as a Mediterranean resort with sun, sea, beaches and competitive shopping and its geographic position both as gateway to North Africa and at the entrance to the Mediterranean. In recent years there has been a strong swing in emphasis from transit tourism to development as a resort.

1. Value and Extent of the Tourist Industry

The number of visitors to Gibraltar, shown in Table 1, has declined since 1968, following the closure of the land frontier with Spain during May that year, and the cessation of the ferry operations between Spain and Gibraltar, in the following June. The table below gives a breakdown of visitor numbers and indicates the changes in the mode of travel of incoming visitors:

	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Arrivals by air	45,952	46,204	47,774	48,255
by sea	206,135	173,967	92,943	83,754
(of which by ferry from Spain)	(99,446) ^a	(64,640) ^b	-	-
by land	53,923 ^a	-	-	-
	<u>306,010</u>	<u>220,171</u>	<u>140,690</u>	<u>132,009</u>

a Land frontier with Spain closed to tourists 20.5.68.

b Ferry link with Spain ceased operations on 26.6.69.

The estimated net contribution of tourism to G.D.P. was £1.2 million, in 1971.

2. Official Promotional Organisation

The Gibraltar Tourist Office is a department of the Government of Gibraltar and the Minister for Tourism and Municipal Services is responsible for policy.

The functions of the Gibraltar Tourist Office are:

- (i) Promotion of Tourism - including advertising, point of

sale, public relations and other promotional activities such as the organisation of facility visits by members of the press, travel writers and travel agents.

- (ii) Welcome Services - operation of tourist information centres at arrival points in Gibraltar and from an office in Britain.
- (iii) Special Activities - management of sites of touristic and historic interest in Gibraltar, and organisation of Festivals and other functions of cultural value to attract the tourist.
- (iv) Liaison - maintenance of regular contact with all organisations connected with the tourist trade in Gibraltar and in Britain who may promote travel to Gibraltar, development of tourism consciousness in Gibraltar by stimulating activities designed to improve the image of the resort, and promotion of Gibraltar to potential developers, cruise ship operators and other investors in the tourist field.
- (v) Research and Development - preparation and distribution of statistical data, participation in comparative studies of tourism in different resorts, and attendance at appropriate meetings of international and regional organisations.

3. Internal and Infrastructural Organisation

The Gibraltar Tourist Office operates from Administrative Headquarters in Gibraltar. Information offices are centrally situated in ideal premises in Main Street and at the various points of entry. To deal direct with British enquiries - the main market for tourism to Gibraltar - a small office is maintained in London.

The representative body responsible for putting the views of the travel and tourist industry to Government is the Gibraltar Travel Association. The Director of Tourism is an ex-officio member of the Board of this body and acts as the link through which contact with Government is maintained.

As at 31st December 1971, there were 12 hotels - 1,752 beds. Seven of the establishments - 1,476 beds are of a standard acceptable to tour operators, remaining establishments being of the small private hotel type.

There has been very little development of supplementary accommodation suitable for tourists in recent years as conditions for the growth of boarding houses and pensions have never been appropriate. With a density of 300 persons to the acre, pressure on housing to meet the needs of the local population has always been extremely high.

The following table shows arrivals in hotels, sleeper nights, percentage occupancy and average length of stay in days for the past four years:

	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u> (a)
Arrivals in hotels	55,160	48,753	41,774	36,204
Sleeper nights	211,501	235,235	231,785	246,461
Percentage occupancy	57.2	57.6	48.8	45.6
Average length of stay (days)	3.8	4.8	5.5	6.8

(a) Calculations based on 9 units, 1,576 beds, as opposed to 12 units in 1970. The other three units are basically catering for non-tourist long lets.

Gibraltar has five beaches, all accessible to the general public. Three situated on the East side of the peninsula are sandy, while two facing West into the Bay of Algeciras are of pebbles and stone. Over the past few years considerable improvement has been made to all beaches and to the on-the-spot amenities they provide the tourist and the resident.

Training -

A comprehensive report on industrial training needs in the Hotel and Catering Industry has been submitted to the Gibraltar Industrial Training Board. Industrial Training Orders in respect of instructor and on-job trainer courses were enacted with the Ministry for Overseas Administration providing the two lecturers under technical assistance arrangements.

Because of the limited size of the labour force, 700/800 in the hotel, restaurant and travel business it is considered that these methods are the best suited to the current situation.

4. Government Participation

(i) Ownership or share in hotels:

Government has no ownership of hotels nor does it participate in equity of publicly or privately owned organisations.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

In 1967 a hotel programme was initiated by the Government of Gibraltar. Under this programme, loan finance for approved projects was made available by the British Government to the Gibraltar Government for on-lending to developers at rates of interest varying in accordance with the magnitude and nature of the project. Extensions to the Rock and Caleta Palace Hotels as well as the construction of the Parcar Hotel have qualified for aid under these arrangements.

(iii) Income tax and other concessions on hotel income:

The Development Aid Ordinance (Cap 44), provides that in the case of investments in excess of £25,000 in any one year, a developer is granted relief from income tax up to the amount of capital expenditure incurred on approved

development projects (excluding any loan or other assistance forthcoming either from Britain or the Government of Gibraltar). The Public Health Ordinance also provides for a five year period of graduated rating relief.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:

No special concessions are made on the import of material and equipment for hotels and other tourist construction. Basic building materials are however exempt from payment of duty. Current rate of duty on other imports stands at 10 per cent ad valorem.

- (v) Provision of public funds for publicity purposes:

The 1971/72 (April 1 - March 31) Budget for the Gibraltar Tourist Office - £106,000 - included a sum of £68,000 available for marketing activities and the operation of an Information Centre in London. In 1972/73, the budget of £118,000 will include £72,000 for such activities.

- (vi) Government expenditure on infrastructure:

The Government of Gibraltar, with assistance of funds made available by the British Government, has pursued a consistent policy of improvement to touristic facilities over the past years. This has been designed to strengthen the appeal of Gibraltar for the resort stay tourist. The current programme has been concentrated upon improvements in the town area, to the beaches, and to general beautification works.

5. Action Taken During the Current Year

Messrs P.A. Management Consultants, a company engaged initially by Overseas Development Administration and retained by the Gibraltar Government for a further year presented a report, including a profile of visitors to Gibraltar, to the Minister for Tourism and Municipal Services. Action is being taken on the recommendations made.

A co-operative advertising campaign with specialist tour operators and air carriers to Gibraltar was undertaken. Air traffic trends for winter (November 71/March 72) show improvements.

The result in the yearly overall figures shows that air arrivals to Gibraltar from all sources showed a marginal increase of only 1.1 per cent. In cruise traffic the number of vessels calling at Gibraltar showed a decrease (- 20 per cent) leading to a drop of 10 per cent in the number of passengers visiting the resort.

In terms of guest nights sold both winter and shoulder months 1971 showed increases (6.9 per cent and 2.0 per cent respectively) over the previous year. Summer months (July/September) guest nights sold did not show an increase over the previous year and the final yearly figure revealed a marginal decrease in guest nights over the whole year (0.7 per cent). However the five principal hotels together showed an increase of 8.1 per cent in the guest nights sold.

6. Future Plans for the Industry

With the construction of a new Holiday Inns Hotel (250 beds) and the Parcar Hotel (500 beds), Gibraltar's bed capacity will increase by 40 per cent as from Spring 1973. The construction of hotels at two sites on the western seaboard would add a further 500/600 beds.

Active steps are being taken by the appropriate Ministry to develop and encourage conference, cruise and incentive travel to Gibraltar to correct the imbalance of traffic in the off-season. A conference brochure and a comprehensive cruise manual have been printed and published. Trade Promotions in provincial cities in Britain mainly designed to present the product to leading travel agents were successfully undertaken and a continuing programme is intended.

New office premises in London are being sought and this will enable, with an addition to the staff, increasing contacts with tour operators and travel agencies to be achieved.

Improvement in the product through training of catering hotel staff and beautifying Gibraltar continues to exercise the minds of the Developments concerned and plans are well in hand for improvements to Gibraltar generally. A Clean City Campaign is under way and the results are encouraging.

Malta

The Maltese islands (Malta-Gozo-Comino) derive their major tourist potential from: (a) an advantageous geographical position, situated as they are virtually in the centre of the Mediterranean; (b) their easy accessibility by air or sea from a vast European tourist market; (c) a very equable climate, with very warm summers and mild winters; (d) the attraction of the sea with the multifarious activities it provides; (e) the wealth of archaeological remains; and (f) their renowned history.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Malta rose significantly during the sixties, reaching a peak in 1969, when over 186,000 tourists were recorded. Numbers have fallen off slightly since then, although they have remained at a high level with 179,000 arriving in 1971. The tourists come mainly from Britain, Italy, the United States, Germany and Scandinavia.

Foreign exchange earned from tourism has shown an even more remarkable rise than the increase in tourist arrivals, having risen from £4.9 million in 1967 to £12.8 million in 1971, an increase of 160 per cent, and earnings from tourism now contribute over 17 per cent of the country's total foreign exchange earnings. (See Table 2).

2. Official Promotional Organisation

The Malta Government Tourist Board, under the jurisdiction of the Ministry of Trade, Industry, Agriculture and Tourism, is the organisation responsible for the promotion of tourism in Malta.

The main functions of the Board are to do all things necessary to encourage tourists to visit Malta and to investigate, formulate and carry out schemes, by means of advertising or otherwise, which are calculated to bring the attractions of Malta as a tourist resort to the notice of people in other countries.

Tourist development activities, previously falling under the competence of the Tourist Board, became the responsibility of the Malta Development Corporation with effect from 1st May, 1968.

Maltese diplomatic missions and consular representatives abroad co-operate with the Tourist Board in the diffusion of tourist information in their respective regions or areas.

Facilitation:

(a) Citizens of Austria, Belgium, Cyprus, Denmark, France,

West Germany, Greece, Iceland, Ireland, Italy, Luxembourg, the Netherlands, Norway, Sweden, Switzerland, Turkey and Britain require only a valid passport or a valid official identity card to enter Malta for a stay not exceeding three months.

(b) Citizens of the Commonwealth countries, Finland, Libya, Liechtenstein, Monaco, Portugal, Spain, the United States of America, Uruguay and Vatican City require a valid passport for a stay not exceeding three months.

(c) For nationals of countries not included in (a) or (b) above a valid passport with visa is required. Visas are obtainable from all the Maltese diplomatic missions abroad. However, for countries where there is no Maltese diplomatic representation, visas can be obtained from the nearest Consulate of the United Kingdom.

Entry and departure formalities in Malta are very simple. It is the Tourist Board's policy, however, to continue to advise on the streamlining of procedures as suggested from time to time by the International Union of Official Travel Organisations (I.U.O.T.O.).

3. Internal and Infrastructural Organisation

Accommodation:

During 1971, three new hotels, comprising 420 beds, were opened, bringing the total of hotel beds available at the end of 1971 to 8,512. Accommodation in serviced villas and flats is estimated at 6,000 beds. During 1971, the Malta tourism plant has been further augmented by the establishment of more restaurants, night-spots, sports centres and other entertainment facilities.

Resorts:

Malta's Yachting Centre continued to increase in importance and size. The quays can now accommodate 320 yachts and basic facilities were improved.

4. Government Participation

(In relation to this Section, it should be noted that, at the moment the Government's policy towards incentives to hotels as well as industry in general is being reviewed.)

(i) Ownership or shares in hotels:

Nil.

(ii) Financial assistance specifically available (e.g. loans and grants):

Grants were made by the Malta Government from funds provided by British aid. These sums (to nearest thousand) were:

1966:	£557,000
1967:	£650,000
1968:	£650,000
1969:	£600,000
1970:	£202,000

Grants are awarded as follows:

- (a) For hotels with over 300 beds at $33\frac{1}{3}\%$ on capital investment costs or £580 per bed whichever is the lower.
- (b) For hotels under 300 beds at 20% of construction costs including fixed equipment or £350 per bed whichever is the lower.
- (c) The minimum size of hotel for which grants are made is 40 double rooms.

In addition, duty-free importation of construction material, equipment and hotel furnishings is permitted.

Government-owned land, previously offered at non-commercial rates for tourist resort projects, is now offered for development on the basis of open competition.

- (iii) Income tax and other concessions on hotel income:
A tax holiday for the first ten years of operation is granted to hotel concerns by the Maltese Government.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
Duty concessions, under the third schedule of the Import Duties Act, 1964, are designed to give as much opportunity as possible to restaurateurs and hoteliers to equip their establishments to modern standards and thus provide better services to visitors.
- (v) Provision of public funds for publicity purposes:
In 1970, £230,000 was made available by the Government to the Malta Tourist Board for advertising, publicity and promotion purposes.
- (vi) Government expenditure on infrastructure:
In 1970, a provision of £375,000 was made by the Government for the servicing and improvement of resort sites including water works, telephones, roads and sewers, electricity and gas.

5. Action Taken During the Current Year

In consonance with the Tourist Board's policy to diversify the market, advertising campaigns were mounted in Germany, Scandinavia, Italy and France apart from that undertaken in Britain. Results achieved were encouraging. For the past ten years the main visitor supply source was Britain.

The Board has also intensified its activities towards establishing the island as a convention venue, especially in the off-peak months.

With a view to strengthening the image of Malta, as an ideal meeting place for convention and important international events, the Tourist Board has sponsored two annual events, namely, the "International Malta Air Rally" and the "Middle Sea Race". This has also enhanced the number and variety of Malta's calendar of events.

Following the increase of off-season tourist traffic, steps were taken to initiate a beach cleaning scheme on a year-round basis.

6. Future Plans for the Tourist Industry

The general and broad plans for the next five years are:

- (a) to continue to narrow the gap between peak and off-peak seasons with the main aim of making Malta an all-the-year-round destination area;
- (b) to diversify and broaden the scope of the 'product' Malta is currently offering; and
- (c) to intensify the diversification of the tourist market.

With the above aims in view, it is envisaged that by 1974, the total bed availability will have reached the 15,000 mark and tourist arrivals in excess of 250,000 by the end of December during the same year. If these targets are realised they will yield a gross foreign exchange income of approximately £20 million.

OCEANIA

Australia

Among the sources of Australia's tourist potential are its unique flora and fauna, a sunny climate, the vast "out-back" encompassing the central area of the country and including such attractions as Ayers Rock and Alice Springs, the extensive surfing beaches and the resort areas along the Great Barrier Reef. The sophisticated cities also prove an attraction to people of many countries as does the warmth and friendliness of the Australian people.

1. Value and Extent of the Tourist Industry

The number of tourists, which includes rest and recreation (R. & R.) personnel arriving in Australia has risen sharply in recent years (see Table 1); the majority of these visitors come from New Zealand and Oceania, Britain and America. The peak number (85,500) of R. & R. personnel was reached in 1959, but by 1971 the figure had fallen to 43,700. In addition, large numbers of cruise-ship passengers land in Australia, but there has been a downward trend in their numbers. As most of the cruise-ship passengers stay less than twenty-four hours, they have not been included in the figures shown in Table 1; over recent years their numbers have been: 1968 - 26,400; 1969 - 25,900; 1970 - 24,700; 1971 - 23,000.

There has been a corresponding rise in tourist receipts (see Table 2), which provided \$A 150 million in foreign exchange earnings, representing 2.7 per cent of total overseas earnings in 1971.

2. Official Promotional Organisation

Important changes in the structure and organisation of the Australian tourist industry occurred during 1967. In that year an Act was passed "to establish an Australian Tourist Commission for the purpose of the encouragement of visits to Australia and travel in Australia, by people from other countries". The seven members of the Australian Tourist Commission are drawn from representatives of the Australian Government, the State Governments and the tourist industry.

The Commission is financed by the Commonwealth Government and responsible to the Minister-in-Charge of Tourist Activities, under the Minister for Trade and Industry. The Commission makes use of a full range of promotional techniques and media designed to encourage international visitors to travel to Australia. A specialised staff and a well established organisation exists with offices in Melbourne (head office), Sydney, New York, Chicago, Los Angeles, London, Auckland, Tokyo and Frankfurt.

3. Internal and Infrastructural Organisation

The Australian Federal Government, State Governments and Territory Administrations meet annually to discuss internal tourism developments.

Each of the six States and two mainland Territories has established an official government tourist body. In addition to operating as travel bureaux, these bodies take part in development and improvement activities relative to tourist and recreational attractions within their areas. They also carry out promotion and publicity to attract visitors to their State. Most have encouraged and given support to regional tourist organisations or local groups within their States by financial grants, technical assistance or sharing publicity costs.

All major banks with branches throughout Australia act as travel agencies and usually sell through their State headquarters.

State Automobile Clubs have membership of almost 2 million; their city-headquarters serve members as travel agencies.

Domestic airlines are aggressive wholesale and retail travel agents, primarily for internal air travel.

There are also independent travel agents, most of whom belong to the Australian Federation of Travel Agents, and who hold appointments from various carrier conferences.

4. Government Participation

(i) Ownership or shares in hotels:

All but a few hotels are privately owned and most of the improvements and expansion of facilities have been done by private enterprise without Government aid or assistance. The greater part of finance for new hotels was obtained through conventional mortgage loans, coupled with investment capital raised through sales of shares on the Stock Exchange.

Some of the State Government Tourist Bureaux operate accommodation and other facilities and a hotel is operated by one State Railway Department.

(ii) Financial assistance specifically available, (e.g. loans and guarantees):

See (vi) below.

(iii) Income tax and other concessions on hotel income:

None.

- (iv) Import duty concessions on material and equipment for hotel or other tourist construction:

None.

- (v) Provision of public funds for publicity purposes:

Since 1967 the Australian Tourist Commission has been responsible for overseas promotion. The appropriations for recent financial years (1 July - 30 June) have been:

1967/68	\$A 1,520,000	1970/71	\$A2,350,000
1968/69	\$A 1,750,000	1971/72	\$A2,650,000
1969/70	\$A 2,100,000		

In carrying out its function, the Commission enters into joint projects with industry and other government bodies. This results in substantial amounts of additional funds being received from these bodies.

- (vi) Government expenditure on infrastructure:

The Commonwealth Government has no special provision for financially assisting infrastructure tourist developments except in the Northern Territory where the Northern Territory Reserves Board makes loans for this purpose.

- New South Wales - The State Department of Tourism operates and finances facilities at three cave resorts and subsidises the activities of recognised regional tourist organisations. In 1971 \$A67,000 was provided to regional tourist organisations. Legislation is now proceeding in New South Wales in order that provision of the Country Industries Assistance Act can apply to tourism enterprises.
- Victoria - Subsidies to develop tourist facilities such as caravan parks, picnic areas, launching ramps, etc., are made available by the Ministry of Tourism to local government bodies.
- Queensland - The State Government provides assistance by way of guarantee under the Industrial Development Act, 1965-1971. In 1970/71 guarantees totalling \$A148,000 were given for tourist projects.

- South Australia - The State Government provides subsidies to local government authorities to assist the development of tourist resorts. Subsidies in 1970/71 amounted to \$A 80,000. There is also a system operating of Government guaranteed loans for country tourist accommodation.
- Western Australia - The State Government provides guarantees under its Industry Assistance Act for small amounts towards improvements in accommodation.
- Tasmania - The State Government, since 1945, has approved loans of \$A 3,526,000 to accommodation operators. In 1970/71 the amount provided was \$A 432,000.

The State governments provide finance for a range of projects - roads, beachfront development, national parks, fauna and flora preservation, etc., which benefit the tourism sector.

5. Action Taken During the Current Year (1971/72)

1971/72 was a year of consolidation in respect of tourism development planning work. A report was published on the development survey of the Great Barrier Reef area which was undertaken in 1970/71, and is being appraised by the Federal and Queensland Governments to determine what action should be taken on its recommendations.

Further work is being undertaken by the Federal Government on the implementation of the recommendations made in a report released in 1970 on the development of Central Australia as a tourism destination area. (The Ayers Rock-Mount Olga National Park is the key area receiving attention by Government at the present time).

The Australian National Travel Association has now completed seven regional tourism studies which are part of its "Go See Australia" programme. This will involve the spending of over \$A 1 million on a wide range of activities over three years. The programme is aimed at encouraging Australians to see and to get to know more of their own country.

By far the most significant developments of the Australian tourist industry have been in the aviation field. In the financial year 1971/72 a number of significant developments occurred, namely:

Approval was given by the Commonwealth Government for the introduction of low-priced scheduled services between Australia and Europe. A return fare, either way, under the new scheme can cost approximately \$A 700. More recently, a one-way fare, without stop-overs, of \$A 420 has been introduced.

The Government has also approved the establishment of an air charter company as a subsidiary of Qantas, Australia's international airline. The subsidiary, known as "Qantair", has not as yet commenced operations.

The Government granted permission for a limited number of special interest flights from the U.S.A. to Australia to operate in 1973. Negotiations are continuing with the U.S. authorities on the bilateral charter agreement.

6. Future Plans for the Industry

With the establishment of the Australian Tourist Commission, the Australian Government has increased the tempo of its overseas promotional efforts to attract greater numbers of tourists to Australia. The Federal Government's responsibility relates primarily to overseas promotion. Development of accommodation and related facilities for tourists within Australia has been a matter for the State Governments and the accommodation and related industries themselves. The Australian Tourist Commission has recognised however that successful overseas promotion must keep in step with the development of tourist attractions and related facilities.

British Solomon Island

The tourist potential of the Solomon Islands lies in the beautiful scenery, the friendliness of the people and an interesting variety of customs, handicrafts, songs and dances. Artificial islands, an undersea volcano, large lagoons, hot springs and a sacred mountain are all to be found here. Rare shells, abundant bird life and big game fishing opportunities offer further potential. Historical connections with the bitter campaigns of World War II provide additional interest for many visitors.

1. Value and Extent of the Tourist Industry

Although the actual number of tourists visiting the British Solomon Islands, remains relatively small (about 2,000 in 1971), there are a substantial number of cruise-ship passengers landing at Honiara on single-day visits (7,136 in 1971). The majority of visitors come from Australia and the United States. No information is available on foreign exchange receipts from tourism.

2. Official Promotional Organisation

The British Solomon Islands Tourist Authority, whose members are appointed by the High Commissioner, is the organisation responsible for tourism development. Present membership consists of three representatives of the Solomon Islands people, three representatives from various sectors of the industry and three civil servants.

The objectives of the Authority are set out in the 1969 Ordinance and are as follows:

- (a) to foster the orderly development of tourism in the Protectorate;
- (b) to stimulate the acceptance of the tourist industry and the recognition of its value;
- (c) to establish and operate or assist tourist bureaux;
- (d) to promote and control the provision and improvement of facilities and attractions for tourists;
- (e) to secure local and overseas publicity for tourist facilities and attractions in the Protectorate;
- (f) to co-ordinate the activities of persons providing or intending to provide services for visitors to the Protectorate;
- (g) to provide to visitors such protection and safeguards as to it may seem appropriate and practicable; and

- (h) to make recommendations to and advise the High Commissioner in relation to any measures which may be taken to further any of the foregoing matters.

The Authority is a member of the Pacific Area Travel Association and the Melanesian Tourist Federation.

3. Internal and Infrastructural Organisation

Hotel accommodation at the end of 1970 provided 62 rooms. There was a 12 bungalow tourist resort with licensed restaurant on Guadalcanal and cottage or rest-house accommodation at seven other localities throughout the Solomons. An internal airline provides scheduled services to eleven airfields throughout the Solomons and a further three airfields are available for charter flights. There are two tour operators now established.

4. Government Participation

- (i) Ownership or shares in hotels:

At present, none.

- (ii) Financial assistance specifically available:

The Agricultural and Industrial Loans Board, whose interest rates are generally below the ruling commercial ones, may provide loans.

- (iii) Income tax and other concessions on hotel income:

May be available, depending on individual cases. It should be noted that company tax at 25 per cent is lower than in most countries and that personal income tax has a ceiling of 25 per cent.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:

Rates on most items vary between free and 17 per cent with items of Commonwealth origin receiving preferential treatment.

- (v) Provision of public funds for publicity purposes:

In 1971 the Tourist Authority has received a grant of \$10,000 from Government.

- (vi) Government expenditure on infrastructure:

The Government in carrying out its general development programme, has improved airport facilities, roads etc., all of which aid tourist development; it has not up to the present provided infrastructure specifically for tourism.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Industry

It is hoped that further hotel accommodation will be provided in Honiara in the very near future. Encouragement is also being given to possible development in the Western Solomons where considerable tourist potential exists.

Fiji

The tourist potential of Fiji is enhanced by its international airport at Nandi and by its magnificent principal harbour at Suva. The climate is mild and equable due to the moderating influence of the ocean. Tourists to Fiji can tour the native villages, explore the coral reefs, go deep-sea fishing, swim at magnificent beaches or in clear cobalt-blue lagoons, visit colourful markets, indulge in all manner of sports, partake of exotic foods or attempt to solve the mystery of the fire walkers.

1. Value and Extent of the Tourist Industry

The number of tourists visiting Fiji, shown in Table 1, p.(xiv), has more than doubled since 1968. The three major nationalities of visitors in 1971 were Australians 29 per cent, Americans 28 per cent and New Zealanders 16 per cent. Ninety-seven per cent of these staying visitors arrive by air, but there are also a large number of cruise ships which call for a one or two-day stay only. The number of cruise ship passengers in 1971 was 37,240. To these should be added 36,540 scheduled line passengers on trans-Pacific voyages. About one-third of the visitors to Fiji spend a few days en route to another destination. The average length of stay of visitors was 7.7 days in 1971.

Foreign exchange receipts totalled some \$F 33 million in 1971, or approximately 18 per cent of the country's total foreign exchange earnings (see Table 2, p.(xv)).

2. Official Promotional Organisation

- (i) Ministry of Communications, Works and Tourism.
- (ii) The Fiji Visitors Bureau, established by statutory authority, is the organisation responsible for promotion, encouraging and developing the tourist industry in Fiji.

The powers of the Bureau are set forth in the 1969 Ordinance as follows:

- (a) to engage in, or arrange for, publicity for Fiji by any appropriate means of communication, with particular reference to its tourist attractions and facilities;
- (b) to induce and assist travel agents, transport operators and other appropriate bodies, or persons engaged in any publicity medium, to encourage visitors to Fiji;

- (c) to produce, or cause to be produced, and to sell or to distribute free of charge, magazines, pamphlets and other publications and advertising matter;
 - (d) to organise demonstrations of local culture and entertainments in Fiji or elsewhere;
 - (e) to collect information in relation to any relevant matter and to publish, disseminate or supply, with or without charge, any such information or the results of, or conclusions drawn from, the Bureau's consideration of any such information;
 - (f) to undertake, in any country outside Fiji, the provision, with or without charge, of assistance to travel agents, transport operators and other appropriate bodies or persons in arranging travel accommodation or other services or facilities for people visiting Fiji, where the Board is satisfied that no person whose principal place of business is in Fiji, undertakes, in that country outside Fiji, the provision of assistance of the same kind;
 - (g) to seek and accept contributions, by way of cash and assistance in kind particularly with the object of establishing the maximum participation by the commercial community in the promotion of Fiji as a holiday resort;
 - (h) with the approval of the Minister, to do such other things as the Board may from time to time determine to be necessary for the promotion of Fiji as a holiday resort.
- (iii) The Bureau maintains overseas offices in Sydney, Melbourne, and Auckland and has appointed overseas agents in London, U.S.A. and Japan. The Bureau undertakes tourist publicity and promotion abroad and maintains a research section which covers expenditure by visitors, visitor reaction, visitor motivation and basic data on visitors arriving in Fiji. The Bureau is a non-profit making organisation and is supported by commercial and industrial concerns in Fiji in addition to the support it receives from the Government. The 1971 Government grant was \$F 315,000. On matters of policy the Bureau is responsible to the Fiji Tourist Commission which consists of the Minister responsible for Tourism and two other Ministers appointed by the Prime Minister.

3. Internal and Infrastructural Organisation

Fiji is on the main air and sea routes across the Pacific and is served by seven international airlines. Air Pacific (owned by a number of governments, including Fiji) operates regular scheduled air services within the Dominion, as well as regional services to other territories of the South Pacific. Charter air services are also operated by private companies.

The Fiji Hotel Association represents most of the hotel industry, while travel agents and tour operators are represented by the Society of Fiji Travel Agencies (SOFTA). The airlines, Hotel Association, SOFTA, sea carriers, road transport operators and duty free retailers each have a representative on the Board of the Fiji Visitors Bureau.

4. Government Participation

- (i) Ownership or shares in hotels:
None.
- (ii) Financial assistance specifically available (e.g. loans and guarantees):
Under the Hotels Aid Ordinance 1964 a generous subsidy or investment allowance can be obtained on the total capital expenditure of new hotel constructions and extensions to existing hotels.
- (iii) Income tax and other concessions on hotel income:
Under the Income Tax Ordinance 1964 a special depreciation allowance and other concessions can be claimed on the approved total capital expenditure of hotel construction or extensions to existing hotels.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
None.
- (v) Provision of public funds for publicity purposes:
See paragraph 2(iii) above. The Bureau's budget was \$F. 340,500 in 1971.
- (vi) Government expenditure on infrastructure:
During the five-year development plan period 1971-75, Government proposes to spend \$F. 1 million on infrastructure related solely to tourism, mainly for the creation of specific resort areas. This is in addition to normal capital expenditure for new airfields, telecommunications, roads, sewerage and water supplies. In isolated areas developers provide their own infrastructure, which is subsidised by Government under the Hotels Aid Ordinance. Work is currently in progress on \$F. 5.5 million reconstruction programme for Nandi International Airport.

5. Action Taken During the Current Year

A separate Hotel and Catering Training School was under construction in 1971, and is due to open during 1972.

A National Trust was established by legislation and a full-time Secretary to the Trust was appointed during the year.

6. Future Plans for the Industry

A comprehensive study of Fiji's tourist industry is due to commence in January, 1972. This will be financed by the U.N.D.P., with participation by the Fiji Government, and administered by the I.B.R.D. which has contracted for the study to be carried out by a consortium of international tourism consultants. This will include the preparation of a National Tourism Development Plan, plus a master plan and detailed technical studies for a major integrated tourist resort on the main island of Viti Levu. It is expected that the consultants' report will be published by February, 1973.

Gilbert and Ellice Islands

The potential for tourism in the islands of this Colony is considered to be novel and adequate to warrant the creation at an early date of facilities to encourage tourism. The climate is a tropical one, but the heat is not extreme, temperatures being usually in the vicinity of 80 degrees, and the easterly trade winds preventing discomfort. Most people who choose the islands for a holiday have a certain love for the sea, and of the fun and sport which the sea has to offer. These atolls will not disappoint such visitors, offering game fishing outside the reefs, night-time reef fishing with flares, snorkling in the lagoons, sailing in outrigger canoes, motor boating and water-skiing, and swimming from the lagoon beaches. The picturesque villages and mission stations all provide interest and variety, and visitors on a flying visit to the islands cannot fail to marvel at their beauty from the air.

1. Value and Extent of the Tourist Industry

The value and extent of the tourist industry in these islands is negligible at present, but the administration is exploring every avenue for increasing Colony revenues, and at the same time is seeking some form of industry within the Colony which will broaden the horizons of the islanders. The development of a small tourist industry is seen as a partial solution to this problem.

2. Official Promotional Organisation

None exists. Information on facilities can be supplied through the Colony's Information Services or from the Development Authority's Travel Service.

3. Internal and Infrastructural Organisation

There is a fully-licensed hotel (23 beds) at Tarawa in the Gilbert Islands, and a fully-licensed guesthouse (12 beds) at Funafuti in the Ellice Islands which provide full accommodation for visitors. Expansion of the Tarawa hotel is under consideration. There are rest houses of local design and construction on many of the outer islands in the Colony, but most of these are not provided with caretakers and offer little more than camping facilities.

Travel within the Colony may be by the internal air service which operates between Tarawa and the islands of Butaritari, Abemama and Tabiteuea, or by inter-island touring vessels on which accommodation is limited. It is sometimes possible to travel to or from Tarawa/Fiji via islands on Colony vessels, although accommodation is not of a high standard. The normal means of entry or departure is by the weekly regional air service which operates between Fiji, Funafuti, Tarawa and Nauru. By mid-1972, there would be three flights a fortnight.

The southern arm of Tarawa atoll, an urban area, is in the process of considerable development, and passenger travel is provided within the area, which covers some 25 miles of atoll rim, by taxi, motor bus and lagoon launch services.

4. Government Participation

(i) Ownership or shares in hotels:

Government owns the buildings of the hotel complex at Tarawa, the operation being on lease to a local commercial organisation. Similarly, Government owns the guest house property at Funafuti; the restaurant and bar is leased to a local co-operative society, but accommodation charges are paid to the office of the District Commissioner; Government is responsible for the maintenance of the fabric and equipment.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

Limited funds are available on approved application to the Agricultural and Industrial Loans Board.

(iii) Income tax and other concessions on hotel and other tourist income:

Under an amendment to the Income Tax Ordinance, there is provision to grant certain tax concessions to companies or in respect of activities that have been declared to be pioneer companies or pioneer activities. The Protected Industries Ordinance makes provision for the protection of industries, declared as protected industries, from competition when it is in the public interest to do so and when such industries could not otherwise be developed or undertaken.

(iv) Import duty concessions on material and equipment for hotel and other tourist construction:

Provision exists for exemptions from customs duties under certain circumstances.

(v) The provision of public funds for publicity purposes:

Limited funds are available annually within the finances of the Broadcasting and Information Services.

(vi) Government expenditure on infrastructure:

It is envisaged that two further islands will be included in the internal air service.

5. Action Taken During the Current Year

With major effort being directed towards other development areas in 1971, little progress was made in the development of tourism. Overseas organisations with interests in tourism and hotels in the South Pacific continued to show interest in the Colony but made no moves of any positive significance.

No further progress was made towards closing the Tarawa/Majuro "air gap".

6. Future Plans for the Industry

There have been no local developments, and the current Pacific tourist boom by-passes the Central Pacific atolls. Route development by the airlines is essential to a local tourist industry. In 1971 the main sub-regional carrier, Fiji Airways, changed its name to Air Pacific and decided to purchase two 74-seater jet aircraft. These will start flying to the Colony late in 1973, and will probably lead to the opening of a through link to Majuro and the trans-Pacific trunk route through Micronesia.

A weekly jet service Fiji-Micronesia will greatly enlarge the local tourist potential. A study of regional and territorial tourist development was undertaken by a U.N.D.P. team during 1971.

New Hebrides

The tourist potential of the New Hebrides lies in the attraction of its tropical island scenery, including an easily accessible volcano on Tanna; pleasant beaches and facilities for sailing, fishing and snorkling; an excellent climate; its unique atmosphere as an Anglo-French Condominium; and the hospitality and friendliness of its people.

1. Value and Extent of the Tourist Industry

Tourists visiting the New Hebrides, shown in Table 1, exclude cruise-ship passengers. Over the past four years these have been: 1968 - 5,724; 1969 - 4,026; 1970 - 610; and 1971 - 9,494. In addition, some 2,500 to 3,000 ships' passengers (other than cruise ships) have visited the territory during each of the past three years. Most of the visitors are from Australia, New Zealand, the United States and New Caledonia, and their average length of stay is 8 days.

2. Official Promotional Organisation

The Chamber of Commerce, with financial assistance from the Joint Administration, undertakes a tourist promotion programme.

3. Internal and Infrastructural Organisation

There are three hotels in Vila, the capital, on Efate Island, with a total of 372 beds. At Luganville, the administrative and commercial centre of the island of Espiritu Santo, there is a 10-room (20 bed) hotel and there are also two guest houses with a total of 32 beds. In the north of the island, at Hog Harbour, there is a 20-room (44 bed) tourist hotel. On the island of Tanna, there are five twin bungalows with a total of 10 beds.

4. Government Participation

(i) Ownership or shares in hotels:

None.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None.

(iii) Income tax and other concessions on hotel income:

There are no income, or company, or profits taxes in the New Hebrides.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
Subject to negotiation.
- (v) Provision of public funds for publicity purposes:
The Joint Administration subsidises, in full, the cost of the Chamber of Commerce's tourist publicity programme.
- (vi) Government expenditure on infrastructure:
A deep water wharf at Vila is nearing completion and is expected to be opened in mid-1972. It will be capable of accommodating cruise ships of the largest size. Night landing facilities are to be provided at Bauerfield airport (Vila) during 1973. This airfield is now of a standard capable of receiving medium-sized jet aircraft. Construction of two new airfields on outer islands is expected to begin towards the end of 1972, and three of the existing airfields are to be improved, including that at Lenakel, Tanna, where the readily accessible Yasur volcano is a great tourist attraction.

5. Action Taken During the Current Year

The First Annual General Meeting and Conference of the Melanesian Tourist Federation was held at Vila in June, 1971, and representatives of carriers and hotels attended in addition to the delegates of the member territories. The Secretary of the New Hebrides Chamber of Commerce, convenor of this meeting, was elected as Secretary of the Federation for a period of two years.

The Tourist Information Bureau of the Chamber of Commerce became an active member of the Pacific Area Travel Association during 1971, and was represented at the 20th Annual Conference of PATA at Manila, which included an audio-visual presentation on Melanesia, and at the Annual Conference of the Travel Agents Association of New Zealand at Te Anau, New Zealand.

The promotion of the territory was arranged by a small advertising programme in the travel trade media, by press releases to travel magazines and to travel editors, and by the distribution of information bulletins and literature, mainly to carriers in the South Pacific and to travel agents interested in this area.

The Chamber of Commerce participated in a successful QANTAS/UTA promotion in Australia. Representatives of the New Hebrides tourist industry and two New Hebridean policemen attended seminars in all capital cities on the East Coast.

6. Future Plans for the Industry

Under the Condominium Five Year Development Plan, a study will shortly be undertaken by the French Societe Centrale pour l'Equipeement du Territoire-Cooperation International (SCET-COOP) with the aim of assessing the physical and economic possibilities for developing tourism in the territory.

New Zealand

Much of New Zealand's charm as a tourist country lies in the diversity of its superlative scenery. Within some 900 miles visitors can see spectacular glow-worm caves, spouting geysers and boiling mudpools, snow-fed rivers, icy-blue glaciers creeping down green valleys, alpine peaks towering 10,000 feet and more, and placid lakes of unbelievable beauty. These, coupled with Maori art and culture, year-round sporting activities, modern accommodation and transport, and a temperate climate, make New Zealand an ideal tourist destination.

1. Value and Extent of the Tourist Industry

The number of tourists arriving in New Zealand (other than cruise and passenger ship visitors and intransits), is shown in Table 1. These have risen markedly by over 44,000 since 1968, an increase of some 35 per cent. Foreign exchange receipts from tourism have increased even more rapidly than numbers and, in fact, have more than doubled over the same period, rising from NZ\$ 19.9 million in 1968 to NZ\$ 42.1 million in 1971. However, the industry's contribution to total foreign exchange earnings have remained static around 1.8 per cent since 1968. Nevertheless, tourism is currently the fifth largest source of overseas exchange earnings.

2. Official Promotional Organisation

The General Manager of the Tourist and Publicity Department is responsible to the Minister of Tourism for the activities of:-

(a) The Tourist Division -

Travel Services Branch - which provides tourist bureaux in New Zealand and overseas with information and sales material.

Tourist Promotion Branch - which plans and co-ordinates tourist publicity and promotional activities overseas.

Government-Tourist Bureaux - which provide a comprehensive travel service at Auckland, Rotorua, Wellington, Christchurch, Dunedin and Invercargill, and agencies throughout New Zealand.

Overseas Offices - which have been established in Sydney, Melbourne, Brisbane, London, San Francisco, New York and Los Angeles to promote New Zealand tourism and to provide a travel service for intending visitors.

(b) The Development and Research Division -

This undertakes investigational and advisory work for general and specific tourist development, and statistical and research work.

(c) National Film Unit -

This produces New Zealand publicity films on a wide range of subjects.

(d) National Publicity Studios -

These studios design and produce display material and provide photographic services for Ministers of the Crown and their Departments.

The General Manager is responsible to the Minister in Charge of Publicity for:

(a) Information and Press Section - provides public relations and publicity services for Ministers of the Crown and their Departments.

(b) Overseas Information and Publicity Section - prepares and distributes New Zealand publicity material overseas, and supplies support for trade missions, exhibitions and overseas tours undertaken by national sports and cultural groups.

(c) Advertising Branch - provides an advertising service for Government and a press clipping service for Ministers of the Crown and their Departments.

3. Internal and Infrastructural Organisation

The Tourist and Publicity Department is the national tourist office of New Zealand. It maintains offices in New Zealand and overseas. The Department provides a complete travel agency service within New Zealand; undertakes tourist publicity and promotion abroad; maintains a Development and Research Division to assist the administration of the Government Loans and Guarantee Scheme for new accommodation and also for the development of resorts; maintains the National Film Unit and the National Publicity Studios; maintains an Overseas Information and Publicity Section; provides representation for New Zealand in official international tourist organisations and, as the national tourist office, co-operates with all elements of the tourist industry in New Zealand.

The New Zealand National Travel Association is a non-profit making organisation representing national and regional travel interests. The Tourist and Publicity Department is represented on the Executive and Board of the Association. Its aims are to increase the number of overseas visitors to and through New Zealand; to assist in every way the improvement of tourist accommodation, catering, transport, entertainment and other amenities within New Zealand; to make the public more conscious of the value of tourism; and to foster among New Zealanders the practice of travel and holidaying in New Zealand.

The South Island Promotion Association - its interests include such matters as tourism, industry and national and civic development. The Association produces a considerable volume of promotional material for distribution within New Zealand and abroad.

New Zealand National Airways Corporation is the State owned domestic airline. Mount Cook Airlines provide additional services mainly to major resort areas.

The New Zealand Railways Department provides rail, passenger and freight services, a shipping service between Wellington and Picton for passengers and rail freight, and a network of coach and road freight services throughout New Zealand.

The Tourist Hotel Corporation is a State corporation which operates a chain of twelve establishments in those places where private enterprise finds investment least attractive.

4. Government Participation

(i) Ownership or shares in hotels:

(See Tourist Hotel Corporation above.)

(ii) Financial assistance specifically available (e.g. loans and guarantees):

The New Zealand Government is making available up to NZ\$7 million by way of loans and a further NZ\$10 million by way of guarantees, to assist in financing new hotels, motor-hotels and new extensions to existing accommodation. The scheme is designed to assist private enterprise to establish and/or develop accommodation of high standard with, where appropriate, associated amenities. The emphasis on the whole scheme is to provide suitable facilities to meet the overseas tourist trade.

(iii) Income tax and other concessions on hotel and other tourist income:

Expenditure on certain overseas tourist promotion by non-Governmental organisations enjoys a tax incentive. Claims are allowable for expenditure on advertising overseas, the bringing of recognised travel agents to New Zealand, official trade or tourist missions and tourist market research overseas.

- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
None.
- (v) Provision of public funds for publicity purposes:
Allocation for the Tourist and Publicity Department was NZ\$7.5 million for the financial year 1971/72.
The Government subsidises the New Zealand Travel Association on a \$1 for \$1 basis on all contributions received by it, up to the level of NZ\$20,000 in any one year.
- (vi) Government expenditure on infrastructure:
The Tourist Accommodation Development Committee consisting of representatives of the Tourist and Publicity Department, Treasury and State Advances Corporation, considers applications and makes recommendations to the Government which has approved loans amounting to NZ\$3.4 million and guarantees of NZ\$17 million for tourist hotel projects.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Tourist Industry

Further development along established lines to meet targets determined by the National Development Council.

Norfolk Island

Norfolk Island's tourist potential depends largely on its equable climate, beautiful scenery and pleasantly informal atmosphere. There are many relics of early Australian convict history and the 1856 transfer of the descendants of the Bounty mutineers from Pitcairn Island to Norfolk Island. Tax-free and virtually duty-free shopping provides another strong attraction.

1. Value and Extent of the Tourist Industry

The number of tourist arrivals is shown in Table 1 (p. xiv). These have risen from 7,902 in 1968 to 10,683 in 1971. The amount of foreign exchange receipts from tourism is not available, but tourism is the major source of income on the island.

2. Official Promotional Organisation

The Norfolk Island Tourist Board in its direction of promotional activities, has engaged Centrelink Public Relations Pty. Ltd., to programme and conduct a campaign within Australia and New Zealand.

3. Internal and Infrastructural Organisation

The Board is the central body controlling and co-ordinating tourist promotional activities on the island. Members of the Board are representatives from the Norfolk Island Administration, Norfolk Island Council, the Chamber of Commerce, the Accommodation Proprietors Association and the Tourist Bureau.

The Board receives a subsidy from the Norfolk Island Administration on a basis of one dollar subsidy for each dollar raised by the Board for promotion purposes. This subsidy has an annual maximum of \$10,000. The Board conducts a booking and information service for tourist facilities and attractions.

4. Government Participation

- (i) Ownership or shares in hotels:
None.
- (ii) Financial assistance specifically available:
None.
- (iii) Income tax and other concessions on hotel income:
There is no income tax on Norfolk Island.

- (iv) Import duty concessions:
None; but customs tariffs are extremely low.
- (v) Provision of public funds for publicity purposes:
The Administration makes an annual subsidy to the Tourist Board.
- (vi) Government expenditure on infrastructure:
The Administration makes no special provision to provide infrastructure for the tourist industry, but the increasing provisions of roads, telecommunications, airports, etc., in the general economic development of the Territory also opens up new possibilities for the tourist industry.

5. Action Taken During the Current Year

During the year 1970-1971 the promotional programme consisted of gaining the services of noted journalists from Australia and New Zealand to visit Norfolk Island as a basis for an article or publicity on the island.

6. Future Plans for the Industry

Plans are approved for a controlled increase in the number of tourist beds available on the island. The first stage of this project should be completed within twelve months.

Papua New Guinea

Papua New Guinea's tourist potential lies in its wide variety of scenic attractions ranging from spectacular ranges to great river valleys, dense jungles, tropical plantations and colourful coral islands. In this setting the people and their culture provide an attraction unique in the Pacific if not in the world.

1. Value and Extent of the Tourist Industry

The number of visitors arriving in Papua New Guinea is shown in Table 1, (p.xiv); these have more than doubled since 1967-68, increasing from 19,451 in that year to about 46,600 in 1970-71. Australia is the main source of tourists but an increasing number are arriving from the U.S.A. and Japan. In the event of a service operating from Guam, it is expected that visitors from these sources would increase substantially.

Foreign exchange earnings from tourism (shown in Table 2) have risen sharply in recent years from \$A 6.8 million in 1967-68 to \$A16.0 million in 1970-71.

2. Official Promotional Organisation

The Papua New Guinea Tourist Board, a statutory body charged with the responsibility of promoting and developing the tourist industry, was established in 1966. At the same time, a Tourism Section within the Industrial Development Division, Department of Trade and Industry, was established. This section has been mainly concerned with servicing the needs of investors in hotel accommodation and other tourist industries, in compiling statistics on tourism in Papua New Guinea, and in promoting the involvement of the indigenous people in tourist activities.

The Tourist Board consists of:

- (a) twelve members of whom at least eight have their usual place of residence in a place in Papua New Guinea other than Port Moresby, and who represent the fields of trade, commerce or transport connected with the tourist industry or represent interests otherwise connected with that industry;
- (b) one member who is an officer of the Public Service, appointed by the Administrator in Council; and
- (c) the Executive Director of the Board.

The functions of the Board are:

- (a) to develop and foster tourism in Papua New Guinea;
- (b) to stimulate local and regional organisations in the acceptance and value of the tourist industry;
- (c) to liaise with and co-ordinate all sections of the tourist industry including tourist associations and travel agencies; and
- (d) to manage property, acquired by the Board.

The funds of the Board are derived as follows:

- (a) such sums of money as are appropriated by the House of Assembly;
- (b) such sums as are loans to the Board; and
- (c) such other sums of money as are received, whether by gift or otherwise.

There is a considerable liaison between the private sector of the industry and the Government.

3. Internal and Infrastructural Organisation

Private tourist promotional organisations at various centres, e.g. Rabaul, Port Moresby, Madang, Lae and the Highlands co-operate with the P.N.G. Tourist Board and assist in developing local attractions and facilities for tourists.

Group tours are conducted by three of Papua New Guinea's airlines, viz. Trans Australia Airlines, Ansett Airlines of Papua New Guinea and Territory Airlines. Qantas Airlines operate international flights connecting Port Moresby with Singapore, Hong Kong, Manila and Sydney.

4. Government Participation

- (i) Ownership or shares in hotels:
None.
- (ii) Financial assistance specifically available:
The Papua New Guinea Development Bank provides loan finance to assist the provision of tourist accommodation and facilities.
- (iii) Income tax and other concessions on hotel income:
None; but it should be noted that income tax is only about half that of Australia, viz., 25%.
- (iv) Import duty concessions on material and equipment for hotel and other tourist construction:
None; rates on most items vary between free and 17½%.

(v) Provision of public funds for publicity purposes:

The Tourist Board receives a grant from the Administration. The grant is provided each year in the Papua New Guinea budget.

In 1967-68	the grant was	\$A 50,000	and thereafter -
1968-69	"	\$A 60,000	
1969-70	"	\$A 80,000	
1970-71	"	\$A110,000	
1971-72	"	\$A140,000.	

(vi) Government expenditure on infrastructure:

There is no special provision by the Government for the development of infrastructure for the tourist industry, but provision and maintenance of facilities for the general development of the country also aid the tourist industry.

5. Action Taken During the Current Year

Not available at time of publication.

6. Future Plans for the Industry

In recognition of the growing importance of the tourist industry, efforts are being made to stimulate investment in accommodation.

Prime hotel sites are now being advertised on a world-wide basis and considerable expansion in the supply of good class hotel rooms is expected in the next two years.

Tonga

The tourist potential of Tonga lies mainly in the 'Scenery of Life' of the Kingdom. The Tongan Monarchy, Tongan dress, Tongan dance and Tongan feasts are quite unique. In addition the Kingdom is rich in sites of historical interest such as the Ha'amonga Trilithon, Terraced Tombs and the Royal Palace. Scenically Tonga shares the lush vegetation of many other South Pacific Islands, however, there are many sites throughout the islands that are both unique and exceedingly beautiful: on the main island the blow-holes are widely spectacular and in the northern Vava'u group, the fiord-like harbour is reputed amongst the most beautiful in the Pacific. The beaches and coral reefs throughout the 150 islands in the Kingdom are exceptional. Tonga has a pleasant all-the-year-round climate.

1. Value and Extent of the Tourist Industry

The number of tourists arriving in Tonga, shown in Table 1, excludes cruise-ship passengers. These have been much higher in number than the air passengers shown in Table 1 and their numbers are increasing, but as many stay for less than twenty-four hours they are not defined as tourists. Since 1968, the number of visitors arriving by ship have been:

	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
No. of Ships	12	19	24	32
No. of Visitors	11,111	18,111	21,025	25,543

The average length of stay for air visitors is estimated at 4.5 days. They come mainly from the United States, New Zealand, Australia and Britain.

As Table 2 shows, foreign exchange earnings from tourism currently amount to T\$ 700,000, which represents about 11 per cent of the country's total foreign exchange earnings.

2. Official Promotional Organisation

The Tonga Visitors Bureau is the official national tourist organisation for the Kingdom.

The long term objectives of the Tonga Visitors Bureau are to organise and direct the growth of tourism in the Kingdom.

3. Internal and Infrastructural Organisation

The service industries involved in the tourist industry have recently formed an association called the "Tonga Tourist Association". The role of this Association has yet to be clarified.

4. Government Participation

(i) Ownership or shares in hotels:

The International Dateline Hotel, Tonga's only resort hotel, is wholly government owned.

(ii) Financial assistance specifically available (e.g. loans and guarantees):

None at present, but under review.

(iii) Income tax and other concessions on hotel or other tourist income:

There is an income tax concession on the Dateline Hotel income and new international standard hotels are granted authority to import materials for construction duty free - investment incentives are under review.

(iv) Import duty concessions on material and equipment for hotel or other tourist construction:

See (iii) above.

(v) Provision of public funds for publicity purposes:

The allocation to the Tonga Visitors Bureau is T\$28,000 for the financial year 1971/72.

(vi) Government expenditure on infrastructure:

The 1970-75 Development Plan places emphasis on the development of roads, electricity and water supply, air fields and sea communications between the islands. As capital expenditure has, therefore, been directed towards satisfying many diverse needs, it is not possible to allocate a specific amount to tourism infrastructure development.

5. Action Taken During the Current Year

(a) Airfields:

- (i) Work in progress on upgrading of Fua'amotu airfield on Tongatapu Island to medium jet standard;
- (ii) Decision has been made by Cabinet to proceed with the development of a light aircraft field in Vava'u in the Northern group of islands.

(b) The electricity supply has been increased in Vava'u and a new power station is to be build on Tongatapu to satisfy

increasing demand.

- (c) An international hotel will open in the northern group of islands this year.
- (d) The International Dateline Hotel on Tongatapu Island is to be expanded by 30 rooms.
- (e) A provisional licence has been granted to build a resort hotel of 80 units on Tongatapu Island.
- (f) A modest advertising programme has been developed by the Tonga Visitors Bureau directed at the travel trade in principal market areas.
- (g) Publicity and information material has been prepared and distributed by the Tonga Visitors Bureau.
- (h) The Tonga Visitors Bureau has opened an information office in Nuku'alofa on Tongatapu Island.
- (i) The Tonga Visitors Bureau has become an active Government member of the Pacific Area Travel Association and an associate member of the Australian Federation of Travel Agents and the Travel Agents Association of New Zealand.
- (j) The Tonga Visitors Bureau has also been responsible for assisting in the renovation of historical sites of interest

6. Future Plans for the Industry

A comprehensive report on Tourist Development was submitted to Government in 1971 and it is anticipated that a policy document on the future of the tourist industry will be issued in 1972.

Western Samoa

The tourist industry of Western Samoa is in its infancy but real potential lies mainly in the preservation of its long cherished customs and traditions, hospitality and warm friendship. With its pleasing tropical climate, excellent beaches, attractive scenery, beautiful Samoan villages and considerable potential for hotel development, visitor infrastructure and visitor satisfaction, the prospects for the tourist industry are good and especially now that the upgrading of the Faleolo airport has been completed and the Faleolo-Apia road is to be completed later this year.

1. Value and Extent of the Tourist Industry

Tourist traffic to Western Samoa, as shown in Table 1, has grown considerably over the past five years. Tourist numbers have risen from around 10,000 in 1967 to over 25,000 in 1971. A large proportion of the visitors come from the United States, Europe, New Zealand and Australia and the average length of stay is 3.5 days.

The amount of foreign exchange earned from the tourist industry has mirrored the rise in tourist numbers, having increased from WS\$ 213,000 in 1967 to over three times that level in 1970, viz. WS\$ 709,000. (See Table 2).

Western Samoa is served by Polynesian Airlines from Pago Pago, American Samoa, Tonga and Fiji, as well as by Fiji Airways from Fiji; internal air services are provided by Air Samoa and Samoa Aviation.

2. Official Promotional Organisation

The Department of Economic Development is responsible for general tourist promotion, advertising and marketing, encouraging local and overseas investment in hotel and visitor support facilities, introducing legislative and institutional measures which may become necessary for the orderly development of tourism, ensuring that the Samoan social structure and tourism co-exist successfully, and developing facilities for the needs, interest and enjoyment of the tourist.

3. Internal and Infrastructural Organisation

The Western Samoa Travel and Holiday Association is a private organisation whose main objectives are to promote the interests of the travel and tourist trade in matters of local and overseas travel, shipping, air transportation, hotels, tour and visitor services.

Accommodation:

Aggie Greys, Casino Hotel, Apian Way and the Samoan Hideaway provide visitors with full accommodation (160 rooms). Three hundred additional new rooms is the target in the Second Five-Year Development Plan. The new Casino Hotel, which would replace the existing one, would have 100 rooms in its first phase to be completed by the end of 1971. The Tiafau Hotel has already been started with 100 rooms and the Hadley project is scheduled to begin early next year.

4. Government Participation

(i) Ownership or shares in hotels:

The Government appropriated WS\$80,000 in 1966 for investment in the first major new hotel development (Casino) and included an additional WS\$120,000 in its 1967 economic development plan for the same project. The Government will own 75 per cent shareholding in the new Casino Hotel and Naviti Investments of Fiji will own the remainder. Naviti Investments will manage the hotel for a period of ten years.

(ii) Financial assistance specifically available:

The Enterprises Incentives Act allows for an initial five year tax holiday, duty free imports of building materials and equipment, a moratorium on dividends, taxes and other benefits to hotels and visitor support facilities.

(iii) Import duty concessions on material and equipment for hotel and other tourist construction:

See para. (ii).

(iv) Provision of public funds for publicity purposes:

Budget allocations to the Department of Economic Development for visitor promotion were as follows:

1969:	WS\$ 13,540	1971:	WS\$ 10,000
1970:	WS\$ 15,000	1972:	WS\$ 15,000

(v) Government expenditure on infrastructure:

Government assists by providing basic services such as water, electric power, roads and overall planning of resort facilities.

5. Action Taken During the Current Year

- (a) The new Faleolo Airport has been completed and initial work on the upgrading of Faleolo-Apia road has begun.
- (b) A film on the Tenth anniversary of Western Samoa's independence will be shot when the new airport is opened.
- (c) Two new hotels are being built.

- (d) The no visa requirement has been extended from 3 to 14 days.
- (e) Signposting of scenic spots started at the end of 1971 and is in the process of completion.

6. Future Plans for the Industry

Improvements to and development of existing facilities and tourist attractions will be undertaken.

A Beautification Project which includes the planting of flowering trees has already been launched.

Large investment plans for the second new aircraft (HS 748) are envisaged for Polynesian Airlines.

Government will undertake a programme of promotion and advertising of Western Samoa as a visitor destination area. Access improvements will be made to enable tourists to get to various places of cultural, historic, recreational and scenic interest.

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Published by the
COMMONWEALTH SECRETARIAT

To be purchased from the
Commonwealth Secretariat
Publications Section
Marlborough House
London, SW1Y 5HX

I.S.B.N. 0 85092 057 4

