

**GOVERNMENT OF INDIA
MINISTRY OF TOURISM**

**LOK SABHA
UNSTARRED QUESTION NO.1038
ANSWERED ON 26.07.2021**

TOURISM SUPPORT FUND FOR TOURISM INDUSTRY

1038. DR. PRITAM GOPINATHRAO MUNDE:

SHRI RAHUL RAMESH SHEWALE:

SHRI GIRISH BHALCHANDRA BAPAT:

Will the Minister of TOURISM be pleased to state:

- (a) whether the Government is aware of issues and hardships faced by the tourism and hospitality sector;**
- (b) if so, the extent to which the tourism and hospitality sector suffered losses due to COVID-19 Pandemic;**
- (c) whether the industry is desperately looking forward to the Government for support to survive and recover in 2021;**
- (d) if so, the reaction of the Central Government thereon;**
- (e) whether the Federation of Hotel & Restaurant Associations of India (FHRAI) has requested the Central Government that till such time vaccine-based confidence comes, a targeted tourism support fund be made available for tourism players to meet their operating costs and retain jobs; and**
- (f) if so, the steps taken by the Government in this regard?**

ANSWER

MINISTER OF TOURISM

(SHRI G. KISHAN REDDY)

(a) & (b): Yes, Sir. The Ministry of Tourism is aware of the issues and hardships faced by the tourism and hospitality sector.

To assess the extent of losses to the sector, the Ministry of Tourism engaged National Council of Applied Economic Research (NCAER) in January, 2021 to conduct study on “India and the Coronavirus Pandemic: Economic Losses for Households Engaged in Tourism and Policies for Recovery”. As per the results of the study:

- (i) Due to overall economic slowdown during 2020-21, tourism economy or tourism direct gross value added (TDGVA) saw a**

fall of 42.8 percent in Q1; 15.5 percent in Q2 and fall of 1.1 percent in Q3.

- (ii) Due to significant drop in tourist arrivals and hence tourism expenditure, during the pandemic, it is estimated that TDGVA plummeted by as much as 93.3 percent in Q1 of 2020-21 over its level in the same quarter of previous year. It picked up slightly to post a fall of 79.5 percent in Q2 and that of 64.3 percent in Q3.**
- (iii) A significant number of jobs were lost in the tourism sector once the lockdown was implemented. 14.5 million Jobs during Q1, 5.2 million during Q2 and 1.8 million jobs during Q3 are expected to have been lost as compared to estimated 34.8 million jobs in the pre-pandemic period of 2019-20 (Direct jobs).**

(c) to (f): The Ministry has been in regular touch with industry stakeholders through several rounds of discussions and brainstorming sessions and examined their suggestions carefully. The Federation of Hotel & Restaurant Associations of India (FHRAI) has been taking up issues for stimulus package and additional funds specific to the hospitality sector. The same have been taken up with the Ministry of Finance.
