

Budget 2018: Reactions from Tourism and Hospitality Sector

THE UNION Budget 2018 has proved to be a disappointment for the tourism and hospitality sector. Scanning at the fact that tourism in India accounts for 9.6 per cent of GDP, the industry doesn't see any specific allocation for this sector. According to a KPMG report, the hospitality sector is expected to grow at a CAGR of 16.1 per cent to reach Rs.2796.9 thousand crore in 2022. Despite having Hospitality as an asset at its disposal, which can propel the country's growth, the Government has yet again chosen to ignore its potential.

The hospitality sector has been once again almost entirely ignored in the Union Budget. What the Government needs to realize is that Incredible India will be a success only when the Hospitality industry, which is a key driver to our economic growth gets right attention. Developments in ancillary sectors like infrastructure and aviation are certainly positive but that alone isn't adequate. Promoting and encouraging investments in hospitality can place India on the map of the tourism destinations of the world

Employment generation, which is one of the focus areas for the Government, has the biggest support of the hospitality sector. It directly employs over 12 per cent of the Indian workforce and is one of the biggest employers of unskilled and semi-skilled labour.