



It's fun.

We have all been tourists.

Singapore- A Tourist Hotspot!

Time to go beyond...



Homo sapiens—— Homo economicus

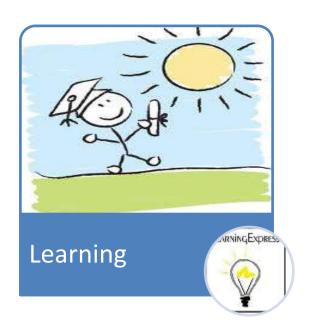
WEBSITE

 http://www.wix.com/queenstowngiis/tourism singapore

What Will WE Gain as Students?









Learning Outcomes

Market Failure And Externalities

Demand and Supply in the Tourism market

Asymmetric Information

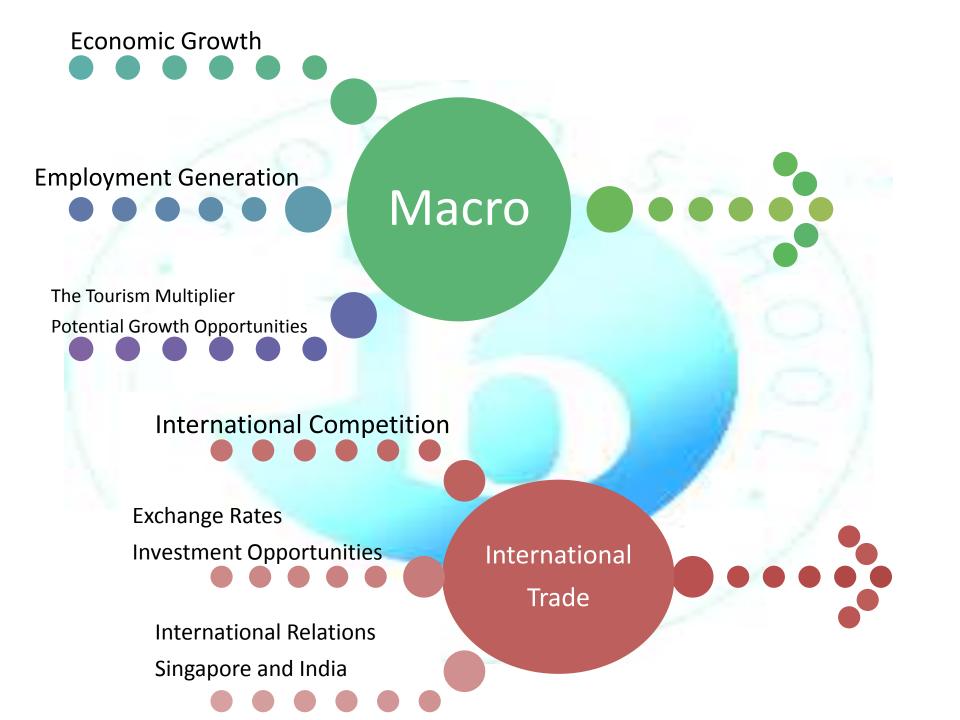
Consumer Awareness, Taxation and Legislations

Market Structures

Advantages and Disadvantages

Introduction
What is Tourism?
The Need for Tourism
Significance in Singapore





Awareness and Promotion International Understanding

The Virtuous Cycle of Economic Growth

Impact on Related industries

Futuristic Objectives

Long term Sustainability of Tourism

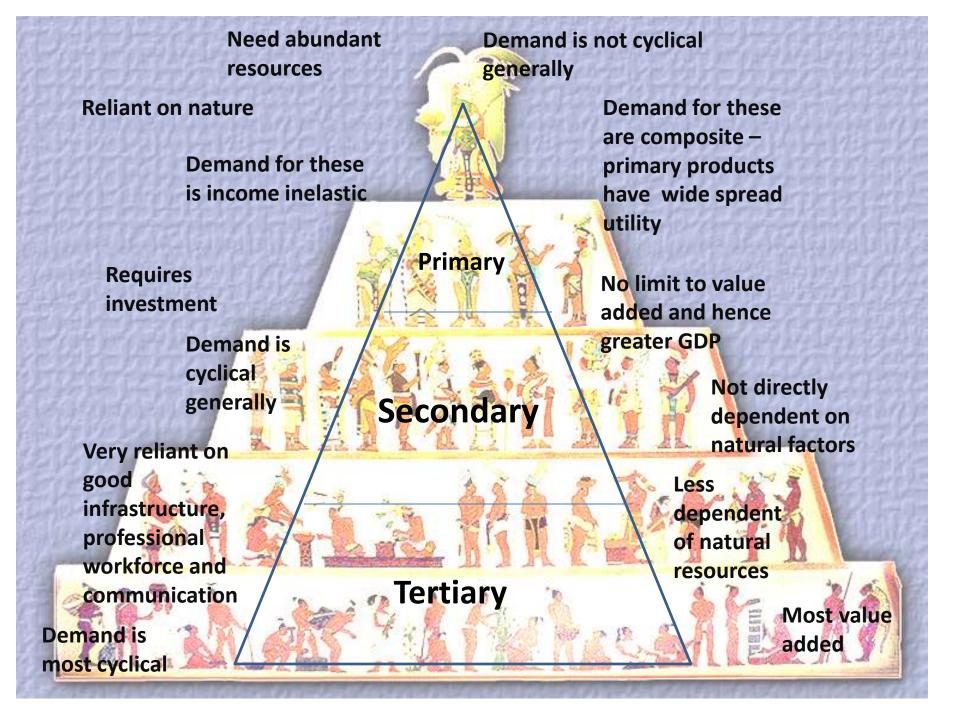
Development Economics

Limitations
Suggestions
Overview

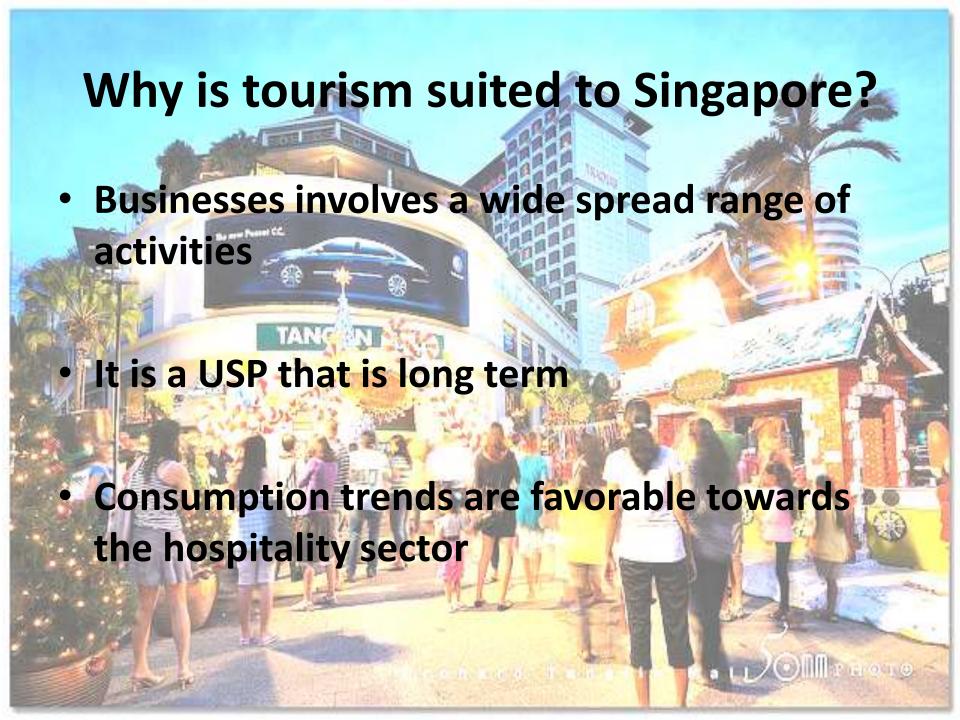
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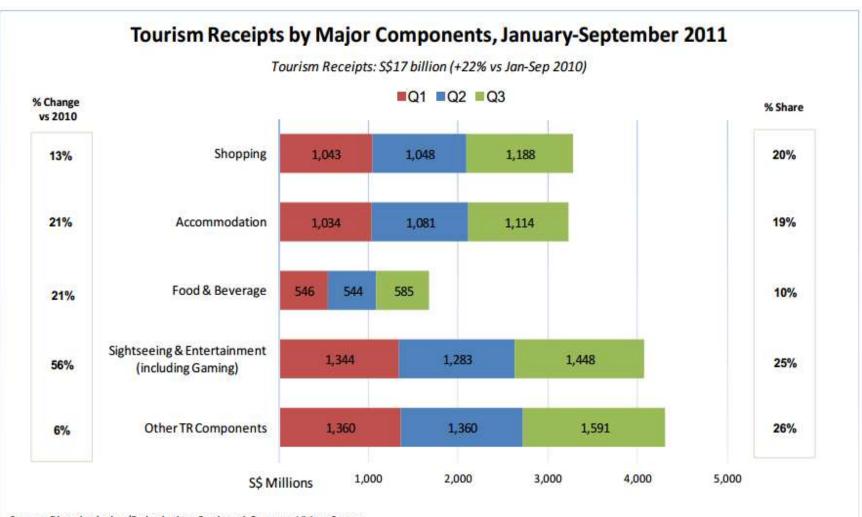
The Grand Finale

Strategy to encourage Tourism









Source: Disembarkation/Embarkation Cards and Overseas Visitor Survey

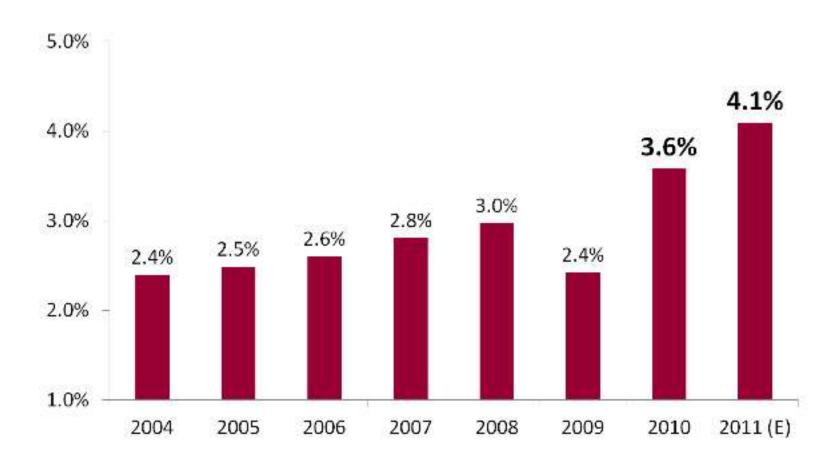
Chart 3: Tourism Receipts by Major Components, January-September 2011

⁻ Sightseeing & Entertainment includes entrance fees to attractions and nightspots, expenditure on day-tours, leisure events and entertainment at the Integrated Resorts.

⁻ Other TR components include expenditure on airfares, port taxes, local transportation, business, medical, education and transit visitors.

Increasing tourism contribution to GDP





Source: STB

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- Tourism : a major industry in Singapore
- Attracting 11,638,663 tourists in 2010, over twice Singapore's total population.

General trends

Tourism Arrivals	[1] Percentage change from previous
AIIIVais	period
99,000	
579,000	488.1%
1,324,000	128.6%
2,562,000	93.5%
3,031,000	18.3%
5,323,000	75.6%
7,137,000	34.1%
7,691,399	7.76%
8,943,029	16.27%
11,638,663	30.14%
	99,000 579,000 1,324,000 2,562,000 3,031,000 5,323,000 7,137,000 7,691,399 8,943,029

TOURISM TECHNOLOGY FUND

With more than 8 million visitors entering Singapore every year, tourism accounts for about 5% of the city-state's **gross domestic product** and is being given high priority in long-term development plans.





It ALL BEGINS HERE

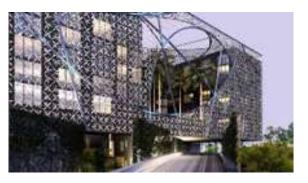
Airport Tourism.

The Tourist World at Changi Incentivisation:

The Tourist ReFund Scheme







About 60% of the Civil Aviation **Authority of Singapore revenues** are derived from "nonaeronautical" sources, the reverse of the usual revenue ratio for major airports.



Getting down to business.

BUSINESS TOURISMI



Reasons:

Entrepreneurship



Foreign owned companies

Tourism Growth potential: (\$\\$)



The "Singapore Model"

Low Protectionist Measures

World's busiest port

Good business infrastructure

Quality outsourcing

Threats

Recession

Video conferencing





Medical Tourism

The rapidly-growing practice of travelling across international borders to obtain health care

Singapore's Statistics

- 646,000 visitors came to Singapore for medical treatment or related reasons in 2008.
- From this number, about 230,000 were family members accompanying without actually receiving treatment themselves.
- The actual number of sole medical tourists receiving treatment was therefore 370,000.
- The combined revenue accounts to \$1.5 billion.



Why Singapore?

Accreditations

- Thirteen hospitals and medical centres in Singapore have obtained Joint Commission International (JCI) accreditation
- In 2000, the World Health Organization ranked Singapore's healthcare system as the best in Asia and sixth best in the world in its World Health Report 2000 Health Systems.
- In 2006, Reader's Digest in a 25,000 reader survey found that their readers ranked Singapore only after USA as most favoured healthcare destination, even ahead of Europe.

The Environment

- Not just treatment- but recovery as well. Most Europeans choose Singapore for its clean cosmopolitan atmosphere.
- Ranked second in the world for the lowest estimated child mortality rate; Infant mortality rate: 3 per thousand (WHO 2010)

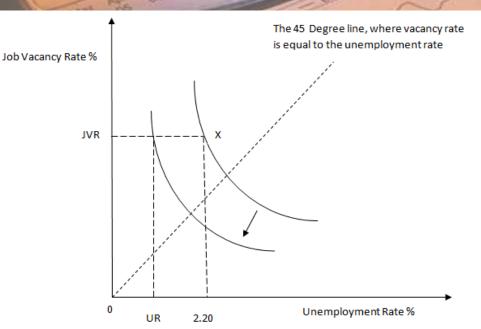
Technologically Sound

 A*STAR developed a bed that can measure respiratory and pulse rates, monitor sleep patterns and sleep disorders, detect pressure points on limbs, and even indicate if a patient has fallen out of bed. (2010)

Analysis Effect on Unemployment

• THE BEVERIDGE CURVE:

The Beveridge curve is a co-relation between job vacancy rate and the unemployment rate of an economy. The 45 degree line represents the stage at which the job vacancy rate is equal to unemployment rate.



At present the Singapore economy is currently at point X where the unemployment is at the rate of 2.20%.

Education Tourism

an investment in human capital.



Scholarships for Foreign students

• WHY THE NEED FOR 'foreign scholars'? Falling birth rates due to an increase in the number of working women has reduced growth of Singapore's domestic human capital.



Foreign scholars fill the demographic 'gap'

 '800 pre-tertiary and 900 undergraduate international students (IS) are offered scholarships annually'







Economic costs of the decision

"The annual cost is about \$14,000 for each pretertiary scholarship and between \$18,000 to \$25,000 for each undergraduate scholarship."

MINIMAL ESTIMATED annual cost of scholars = 30.55 million SGD.

IMPLICIT Opportunity cost of the 'tax-payers' money.

The Economic benefit

- Undergraduate scholarships come with a 3 to 5 year working bond.
- THE MOE says," More than 8 in 10 scholars have been working in Singapore and are contributing to our economy"
- This increases the 'quality' and 'quantity' of Singapore's 'labour force'.
- Increased talent pool and competition 'job market' which attracts foreign companies to Singapore.

SPORTS TOURISM

Sport Tourism refers to travel for the purpose of either watching or participating in a sporting event.

Types of sports tourism

Sports tourism is of four kinds:

- Hard and Soft Tourism, which refer to competitive sports and leisure activities/recreational sports respectively.
- Sports Events Tourism, which refers to travel for watching a sporting event
- Celebrity and Nostalgia Sport Tourism, which includes visits to famous sporting venues or visiting famous sports personalities
- Active Sport Tourism, which involves travelling in order to participate in a sporting event.

Sports Event tourism

PROS

- Creation of jobs prior to the event for the purpose of set-up, employment increases, leading to higher incomes, better standards of living and a higher output.
- Huge boost for hotels, restaurants in the country during the sporting season. Demand will be very high during the season and prices can be raised.
- Other landmarks and tourist sites in the country also see a boom in business during the season.
- Also attracts people because they come to see the famous sports personalities.

CONS

- The jobs created are merely temporary, these people will find themselves out of jobs as soon as the event is over. (seasonal unemployment)
- Huge events use up a large amount of resources.
- Pollution and damage caused by large events will cost a lot to clean up.
- Opportunity cost involved in investing a large amount of money on such an event

(EXAMPLE: The YOG in Singapore, August 2010, The Singapore Grand Prix)

Active Sports Tourism

Along with the spectators who come under the category of Sports Event Tourism, the participants of the events themselves contribute to the tourism sector, under Active Sports Tourism.

- Accommodations for the participants will be required, which means a boost for hotels.
- They can also be expected to go sightseeing, which will contribute to the tourism sector.

Sports Facilities

If a country has reputed sports activities and facilities, it can attract tourists all year round, not depending solely on major sporting events.

Leisure Tourism



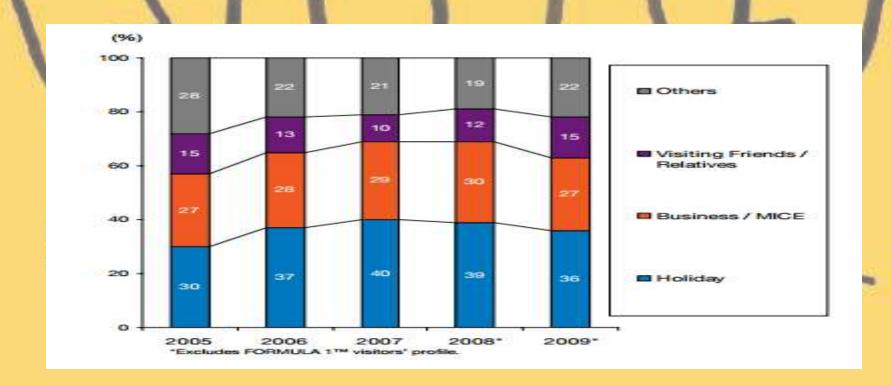
Leisure tourism signifies travel for the purpose of relaxation, vacation, or to visit friends/family.

LEISURE TOURISM PLACES

- Museums: Art & Science Muesums; Peranakan Muesums; National Art Muesums
- Casinos: Marina Bay Sands; Resort World Sentosa
- Leisure Parks: Wild Wild West; Universal Studios
- Night life: Clubs such as Avalon; Clark Quay
 - Shopping: Ion Orchard; Marina Bay Sands;
 Audi Fashion Week

Facts.

- 36 % of the visitors come to Singapore for leisure purposes.
- Marina Bay Sands, Sentosa and Orchard Road are the most visited attractions.



EMPLOYMENT INCREASES

- •Employment increases :
- creation of jobs
- better standards of living
- higher output.
- •tourism = expected to produce 95,000 jobs directly in the year 2012 - 3.1% of total employment.
- By 2021 = 143,000 jobs directly which amounts to a growth of 48,000 (50.8%) over the span of next ten years.

Revenue Increases.

- •The government receives receipts from leisure tourism:
- •fees to enter tourist attractions;
- cost of hotel staying; goods bought by tourists.
- •The receipts received in 2010 was 12.8 billion singapore dollars, shopping being the highest expenditure item, gaining 3281 million singapore dollars. 61% of the visitors coming to Singapore for leisure stay in hotels.

IIFA Awards Event Specific Tourism



Singapore, April 24 Eight years after showcasing Bollywood's wonder in Singapore, the International Indian Film Academy (IIFA) is heading back to the City of Lions

2011: Tourism Receipts were augmented by an astonishing \$5 billion.

2012: Arrivals in December were the second-highest recorded for any single month at 1.2 million. Tourism receipts for the fourth quarter were up 9 per cent on-year at about \$\$5.6 billion.

-Today Online



Topics for Discussion

- What is eco-tourism?
- Marina Barrage

Eco-tourism

Ecotourism is defined as



Principles

 Ecotourism is about uniting conservation, communities, and sustainable travel.

• Principles:

- Minimize impact.
- Build environmental and cultural awareness and respect.
- Provide positive experiences for both visitors and hosts.
- Provide direct financial benefits for conservation.
- Provide financial benefits and empowerment for local people.
- Raise sensitivity to host countries' political, environmental, and social climate.



Marina Barrage • The first model under ecotourism for discussion

PUB, Singapore's national water agency.

Managing the country's water supply, water catchment and used water in an integrated way.







Marina Barrage















o 3- in -1 model

- Water Supply
- Flood Control
- Lifestyle Attraction
- Environmental Friendly Infrastructure

Microeconomic Concepts

Natural Monopoly

Licensing of Recreational Facilities

Incentives to consumers



- Value Added
- Employment
- Foreign Dependence (reducing imports)
- Incentives for private firms and consumer households
 - further related to microeconomic aspects such as Research and Development
- O Development

Promotion

