

CGG30 Unit 2: Tourism and the Economy

Activity 2: The Benefits of Travel and Tourism

Overview

You will be reading and looking at statistics from Thailand and the effects of tourism in specific regions of that country. Regions with less tourist arrivals have less income per capita than regions with high levels of tourist arrivals; therefore Thailand is a great example of a country where tourist areas rely heavily on the income generated by tourists. The lesson ends with a currency exchange activity.

Lesson

Thailand is a developing country that relies heavily on its tourism receipts which in turn make up a large percentage of their economy. What is it about this developing country that attracts so many tourists?



Thailand has some of the most beautiful beaches in the world and they are only a short plane ride away for Europeans, Australians and Japanese. Phuket, the island pictured to the left, receives all those tourist and their money – about 4 million visitors per year. This is a prime example of an economy that is richer than other areas of Thailand because of tourism. Have a look at the table to see exactly the difference tourism receipts makes when compared to the rest of the country. **Phuket is located in the Southern region of Thailand.**

Thailand's Tourism Effects and Gross Domestic Products 2004		
Region	Hotels and Restaurants (Millions of Baht)	Gross Domestic Product (Millions of Baht)
Whole Kingdom (all of Thailand)	332 566	6 615 176
Northeastern	12 864	738 356
Northern	14 385	615 945
Central	3 308	497 981
Bangkok and Vicinity	233 290	2 820 210
Western	8 246	293 245
Eastern	21 181	973 501
Southern	39 262	675 968

Assignment

1. Which region (besides Bangkok, the capital) sees the most income from hotels and restaurants?
2. About how much more income does this region (Phuket) get from hotels and restaurants compared to the next closest region?

Currency Exchange Assignment

Different currencies around the world have very different values. There is sometimes a correlation between the price of things (cost of living) and the economy of that region. Let's consider the cost a cheap hamburger, for example. When looking at Europe, many countries there have a high cost of living so it costs more to buy a hamburger there.

A cheap burger in Ottawa Canada costs about \$ 3.50 Canadian. If we assume that the same burger in Europe costs \$3.50 Euros, than it would actually cost about \$5 Canadian dollars to buy on there.

Complete the Following Activity

You are a traveler going to a few places in Europe. You have to calculate your costs for everything that you do while you travel. This is to ensure that you stick to your daily budget (as most alternative tourists do). You will have to convert the currency where you are visiting into the Canadian dollar amount to compare the prices in the different countries that you visit.

Use the **Universal Currency Converter** at <http://www.xe.com/ucc/> to complete this task.

United Kingdom - Pounds

1. You fly into Heathrow airport and take the underground to London. A ticket costs 2.5 Pounds. _____
2. You arrive at your hotel and pay for two nights lodging. One night's lodging costs are 40 Pounds. _____
3. You ride a double-decker bus to see Big Ben, the Parliament Building, Buckingham Palace and the Thames River. Bus ride costs 1 Pound. _____
4. Most restaurants serve meals only during fixed times of lunch and dinner; so that night you eat a big dinner of beef and boiled vegetables. Dinner costs 20 Pounds. _____

France - Euro

1. You cross under the English Channel via the Chunnel and arrive in Paris, where you check into your hotel for two nights. One night of accommodation costs 40 Euros. _____
2. Paris is full of great bakeries. You have some cake and hot chocolate that costs 6 Euros. _____
3. The roads are narrower than in Canada. You take a bus tour of Paris and see the Seine River, famous museums and the Eiffel Tower. The bus tour cost 35 Euros. _____

4. You eat dinner at a little restaurant in Paris. You have a classic steak and French fry dinner that is the best you've ever eaten. Dinner costs 35 Euros. _____

Germany - Euro

1. You take a train from Paris to Frankfurt. On the way you see many castles. When you arrive at Frankfurt train station, you buy a soft drink. It cost 2 Euros. _____
2. Your hotel is at the edge of the city with woods in the backyard. You check in for two nights. One night's lodging is 70 Euros. _____
3. For breakfast the next morning, you have soft-boiled eggs and Dunklebrot, a heavy black bread with jam and butter. The cost for breakfast is 8 Euros. _____
4. Since you are in Frankfurt, you decide to have frankfurters (sausage) for dinner. There is more food that you can possibly eat. The cost is 38 Euros. _____
5. You mail three letters to family and friends back home. Each stamp costs 1.6 Euros. _____

Switzerland - Francs

1. The train arrives in Zurich and you check into the hotel for two nights. One night costs 100 Francs. _____
2. Zurich is Switzerland's largest city, but it still has only about 400 000 people. You can explore it on foot. You see many old buildings, churches, and parts of the city that have narrow streets built hundreds of years ago. You buy a Swiss pocketknife in a small shop. The cost is 18 Francs. _____
3. Lunch is the main meal. You order sausage and taste Switzerland's famous cheeses. Your main dish is melted cheese served with potatoes and pickles. The meal costs 40 Francs. _____

Poland - Zlotys

1. You fly to Warsaw and need to buy a street map in the airport. The map cost is 8 Zlotys. _____
2. You take a guided walking tour of the Warsaw ghetto, seeing what life was like for the Jews in World War II. The cost is 15 Zlotys. _____
3. You are exhausted after your tour and flight so you find a cheap hotel on the outskirts for 50 Zlotys. _____
4. On the final day of your trip, you take the train to the infamous Aushwitz Concentration Camp. It costs 16 Zloyts. _____

Total – Canadian Dollars

1. What is the total cost of your trip in Canadian Dollars? _____