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THE ECONOMIC AND SOCIAL BENEFITS OF AIR TRANSPORTATION TO TOURISM IN NIGERIA

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Abstract

The increasing accessibility of air flight has significantly widened air industry's role in our contemporary social settings. As aircraft is no more an expensive valuable but rather a necessity. The aviation sector has not only support wealth generation in the advanced nations, but has also bought humongous impacts to advanced industrialization by tapping their endowment for business and tourism .The paper has kept us informed on about economic and social impact of aviation industry to tourism and its immensely offers to employment opportunities and Gross Domestic Products (GDP).As this information will furnish government and the aviation sector to take better steps to make sure air travel is continuous and tourism remains indefinite. Also other sectors are valuable to economical welfare of a country as air industry. Transportation is a main reason in forming people's Social, Economic and Cultural reality by globalization. Aviation sector is currently rate as the principal resources of forming

one whole economies and cultures and encourages social and cultural harmony, educational experience, industrial growth and variety in a rising reliant world community. The industrial community largely relies on safe reliable and agreeable priced. The industry is environmentally/friendly and responsible which has led to one of the highest benefactor to the development of our contemporary settings having addressed growing demand for mobility. Desk research methodology was used in reviewing the materials while the objectives is to highlight economic and social impacts of aviation industry to tourism, the findings are air industry has created millions of jobs Directly, indirectly and induced impacts which has led to industrialization.

Keywords

Tourism, Air Industry, Economic Impact, Social Impact, Travel Transportation

1. Introduction

Transportation refers to the movement of people and goods from one location to a destination. Transportation is essential to the functioning of any society. It influences the location and range of productive and leisure activities; it affects the location of residence; it influences the range and provision of goods and services available for consumption. It invariably influences the quality of life. Indeed, it has been argued the developments in society can be closely correlated with the introduction of new or improved transport technology.

Air transport is one of the world's most imperative businesses. Its improvement and specialized administration accomplishments make it one of the significant supporters of the headway of present day societal advancement. The development in the aviation unit can't be compare by some other significant type of transport because of its detail and new advancements that is going ahead in the area. The above has helped such a great amount in economic and tourism improvement of the country and the world. Interest for air transport administrations has expanded the impact of air transport in the country and worldwide economy, along these lines upgrading fast development of travelers, products and enterprises to the local and world market. This as a result produces higher income to the economy by method for quick in and out stream of merchandise and enterprises. The flight business assumes a vital part in the part of work and recreation to individuals around the globe. The area advances and enhances personal satisfaction, expectations for everyday comforts of individuals inside the country. This produces monetary

development and destitution lightening by method for giving business openings, expanding incomes from charges. The employment openings would be created through supply chain transformation from the air terminals (Nwaogbe, Wokil, Omoke, & Asiegbuet., 2013).

According to Edobor (2014) Air transportation has been a noteworthy player in the worldwide tourism industry and furthermore a remarkable development of the 21st century. The aircraft business is extremely unique what's more, very innovation driven. It has developed from being a monopolistic area to an exceptionally aggressive composes. The deregulation period saw the rise of a few carriers embracing dynamic plans of action and techniques which molded the whole travel and tourism industry. Air transport affects the economy in different ways.

The history of aviation industry in Nigeria is dated to 1925, when the first flight into Nigeria landed in Kano. Aviation has become an integral part of the socio-economic life of the country. The development of airlines industry since then has been characterized by many opportunities, some gains and values. Mr. Bud Carpenter, who frequently undertook high-risk flights from Kano to Lagos, started the commercial airline business using the rail tracks as his guide (Deba, 2005). Nigeria had its first commercial flight in 1935. As a result of the series of economic activity in Nigeria, in particular, oil industry business, the aviation industry has been witnessing increase patronage which in turn generates high tax revenue and boom in tourism. In 2010, International Aviation Safety Assessment (IASA) in United States Federal Aviation Administration (FAA) certifies Nigeria aviation with Category 1 Status because of the high performance in the air transport sector (aviation industry) (Abraham, Saheed, & Chinyere 2015).

As of 2014, the total number of international airports in Nigeria was nine (9) and domestic airport were twenty-two (22), apart from other landing stations for private organizations and the Nigerian military. The movement of both aircraft and passengers vary due to the economic situation of the country (origin-destination) and season. Air transport travelers conveyed in Nigeria was recorded at 3,752,531 as of 2013, as per the World Bank. Air travelers conveyed incorporate both local and global airplane travelers of air carrier enlisted in the nation. Air Nigeria (initially "Virgin Nigeria Airways" and after that "Nigerian Eagle Airlines") was the national banner carrier of Nigeria, which operated scheduled local and regional traveler services. The aircraft's base was Murtala Muhammed International Airport in Lagos, its head office was located in Lagos Island and its registered office was in Ikoyi, Lagos State (Owoputi, 2015).

Late years have seen considerable enhancements in the aeronautics business. The breaking down and non-operational facilities, for example, ventilating and baggage belt have been repaired. The whole airplane terminal has been cleaned and numerous new eateries and duty free stores are opened. Respective air services agreement enter into amongst Nigeria and different nations are being restored and new ones signed. These treaties have seen any likeness of Turkish aircraft; Emirates Ocean Air, Delta and China Southern Airlines Express concern and get landing rights to Nigeria's biggest international Airport (ATAG 2012).

2. Objective

The principal objective of the study is to review the economic and social impact of air transportation to tourism industry in Nigeria.

3. Methodology

Desk research method was used in reviewing and accomplishes the study.

4. Limitation of the study

The aviation industry in Nigeria is not viable so there are limited materials.

4.1 Air Transportation Impact on the Economy in General

The air transportation industry gives numerous advantages to the economy through the business, employment and excises produced by firms working in the segment. Besides, air transportation organizations make supply-chain (non-direct) impacts on different organizations in the nation through interest for services and items, for example, flight fuel and fund, insurance, and real land administrations, bringing about further monetary advantages. In any case, impacts extend past these supply-chain influences. The air transportation industry likewise impacts the economy through what market analysts allude to as "induced effects." When representatives of the air transportation industry (alongside those of providers) spend their wages, the economy gets an extra financial lift as new occupations and action created through buyer spending. Thus, higher benefits created by the lift to monetary movement will prompt an unobtrusive lift to private capital venture. The total of the immediate, backhanded, and prompted impacts represent the generally contribution (add up to) commitment, or the monetary impression, that the business has (Canadian Airports Council, 2013).

Air transport create significant contributions to the economy of the nations they are positioned in. A region's airborne ease of access enables the conveyance of any goods and

services to that specific region in a short while. Thus accessibility is essential to the development of a region's economy. Taking the above mentioned as an evidence, several airports have gotten new purposes not only to standardize ordinary flight service and airborne carriage but also to turn into centers to coordinated inter-regional transportation. Such airfields also function as leisure industry embassies (Kahraman & Alkan, 2017).

According to Nwaogbe et al., (2015), air transport unit has contributed colossally to the economic advancement of Nigeria and the whole globe in two different ways. Right off the bat, through the levies exacted on Gross Value Added (review that it is equivalent to the total of benefits and wages). The aviation unit aids to support the government as far as income creation, and public services that are required for development of products and ventures everywhere throughout the world. Besides, through its lump sum stock and its utilization of higher propelled innovation frameworks for its tasks and upkeep. The avionics division creates more Gross Value Added per representative in the economy all in all, raising the general profitability of the economy. Hakan, Vildan, Savas, Hatice, & Ali (2006), classified impacts made by air transportation to the economy into four which they summed below as:

4.2.1 Direct Impact

These cover jobs and activities inside the air transport industry including carrier and airplane terminal tasks, air ship upkeep, aviation regulation and control, and exercises straightforwardly serving air travelers, for example, registration, baggage dealing, on location retail and providing eateries. Not these exercises essentially happen at an airplane terminal, with some occurring at head office. Coordinate effects likewise incorporate the exercises of the aviation producers selling air ship and components to aircrafts and related organizations. In 2012, airline operators, airports and ground services contributed a total of NGN58 billion as revenue to the GDP of Nigeria representing about 0.195% of the GDP. And revenue coming from the tourism industry directly linked to the aviation sector totaled NGN 40 billion representing about 0.154% of the GDP to the Nigerian economy (Nigerian National Bureau of Statistics 2012).

4.2.2 Indirect Impacts

These incorporate jobs and activities of providers to the air transport industry, for instance, occupations connected to aeronautics fuel providers; construction organizations that construct extra amenities; the producer of merchandise sold in airplane terminal retail outlets,

and a wide assortment of activities in the business services segment (call centres, IT, bookkeeping, and so on.) In 2012, indirectly the airlines, airports and ground services contributed about NGN34 billion to the GDP of Nigeria and tourism industry indirectly linked to aviation contributed a total sum NGN24 billion with both total NGN58 billion representing a collective 0.195% of the total GDP (Nigerian Bureau of Statistics, 2012).

4.2.3 Induced Impacts

These encompass spending by those specifically or indirectly engaged in the air transport industry that backings employments in ventures, for example, retail outlets, organizations producing merchandise and a scope of service enterprises (e.g. banks, eateries, and so on.). In 2012, airlines, airports and ground services jointly contributed NGN27 billion representing 0.091% to the GDP (Nigerian Bureau of Statistics, 2012).

4.2.4 Catalytic Impacts

The air transport industry's most essential economic contribution is through its effect on the execution of different enterprises and as a facilitator of their development. It influences the performance of the world economy, enhancing the effectiveness of different businesses over the whole spectrum of economic action – alluded to as synergist benefits. Around 15.5 million employments are the aftereffect of synergist affect. In 2012, tourism alone contributed NGN104 billion i.e. 0.35% to the GDP (Nigerian Bureau of Statistics, 2012) this is aside others. Tourism happens to be one of the biggest driving factors to the growth of air transport in Nigeria. Air transport has contributed by facilitating tourism and trade, it generates economic growth, provides jobs, improves living standards, alleviates poverty and increases revenue from taxes.

4.3 Economic Benefits of Air Transport In Nigeria

As highlighted by Oxford Economics (2012) Air transport to, from and inside Nigeria makes three diverse sorts of economic advantage. Regularly, studies for example, this emphasis on the 'economic footprint' of the business, estimated by its support to GDP, employment and levies revenues produced by the air segment and its supply system. However, the financial worth made by the industry is more than that. The essential advantages are made for the client, the traveler or shipper, utilizing the air transport benefit. Furthermore, the associations made amongst urban areas and markets represent to an essential framework resource that creates benefits through empowering overseas straight venture, business groups, specialization and other overflow impacts on an economy's gainful measurements. The Oxford Economics further enlists

the economic benefits as: Avionic economic footmark (adding to Nigerian GDP, main employer, great productivity employments and support to public funds); customer benefits for travelers and haulers; and facilitating lasting economic progression.

5. Social Benefits of Air Transport

The air transport industry does not have an impact on the economy of the country alone. It contributes to the social wellbeing and an improved quality of life in various ways its impact on the sustainable development of a country for example cannot be measured in an economic way but it is development of the country after all. Some more benefits like supporting emergency transport situation, helping the people of remote communities or helping customer have better choices are in a way intangible benefits which are not measured by the standard economic indication used.

Aviation allows people to have adventures in new countries, to relax on tropical beaches, to build businesses relationships and to visits friends and family. As our global economy grows even more linked. Air Transport Action Group. (ATAG, 2012). Aviation brings the world's people and culture together like no other form of transport, it's fast, reliable and safe services with greater value are allowing more people to experience the world and supporting the world's number one industry-tourism. (ATAG, 2012).

Air travel has given all nations the freedom to travel. It connects people, countries and cultures, providing access to global market. Air travel connects developing countries to developed countries and serves as a means of inclusion for remote areas in which air travel is the only means of transportation. The affordability of travel makes the leisure and cultural experiences that come from traveling around the global accessible to the majority of the world's population. This in turn exposes the world to tourism, which significantly improves living standards and assuages poverty in many nations. (Natalie, 2010).

International Air Transportation Association (IATA) shows that 51% of international tourists travel by air. In addition to tourist travel, aviation also provides the essential function of allowing the speedy delivery of medical supplies, organs for transportation, and emergency aid relief. (IATA, 2012). The airline industry also uses its businesses to give back to the global community through the support of charitable organizations. Every major airline has contributed substantial qualities of capital to charities and philanthropic opportunities annually. The major

carriers usually facilitate local charities on their hub cities as well as national organizations. In addition, many have also served as a source of aid during time of emergency. (Natalie2010)

In Nigeria today, the social benefits of air transport are witnessed when you consider the amount of people and cultures it has brought together. It also aids improvement in standard of living, improve education and social interaction, infrastructural development among others. As opined by Air Transport Action Group[ATAG] (2018) Air transport brings the world's people and societies together like no other type of transport. Quick, dependable and safe administrations with more prominent value are enabling more individuals to encounter the world and supporting the world's main industry – tourism.

6. Discussions

Air transport is an innovative industry that drives economic and social progress in Nigeria such as job creation, income generation, increase in GDP. It connects Nigerian people, cultures and business as it also enables tourist movement within the country; air transportation in Nigeria, provide access to global markets and generate trade and tourism, it also forges links between Nigeria and other nations

7. Conclusion

The Aviation industry in Nigeria has contributed both economically and socially, the total of straight, secondary and prompted contributions. It also allied the regional distribution trips which has made Nigeria a center of Air transportation in Africa business sub-section.

Its development has also witnessed ups and downs but there has always been a way of getting out from its problems. The Aviation industry has contributed to the GDP, and jobs creation, support for the nation with other allied services and its capability to associate the Nation to the outside world is of great importance which needs to be sustained and improved upon.

8. Recommendation

- Government should improve the connectivity index which is a measure of the equality of a country's air transport network.

- Government should invest in airports infrastructures so as to meet and cope with the increasing demand of air passengers.
- Government should improve manpower and manpower training; the aviation industry is a section that require highly skilled manpower for the purpose of management
- Government should enhance funding this is a catalyst that can help the industry to be rightly belonging the development process of the Nation.
- Strict Adherence to aviation rules and regulations
- Provide enabling environment for investors in the aviation industry
- Adequate supply of aviation fuel
- Building of state of Art airport

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