



## **THE RELATIONSHIP BETWEEN ECONOMIC GROWTH AND INDIRECT TOURISM EMPLOYMENT: A STUDY BASED ON SRI LANKA**

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### **Abstract**

The tourism sector is a very important sector in Sri Lankan economy. The main objective of this study is to find out the relationship between economic growth and total indirect tourism employments. To achieve the objective, a long-run relationships between variables were estimated through ARDL test and to estimate a short-run relationship between variables the error correction model has been used. Gross domestic product and total indirect employments of tourism are used as a variable on this study. The periods of 1977 and 2019 annual data were analyzed with E-views-10 statistical package. ARDL bound test has been proved that co-integration occurred between variables in this study. Further, according to the analytical results a long run positive correlation obtained among economic growth and total indirect employment in tourism sector in Sri Lanka. In the short run, there was no any relationships among economic growth and total indirect employment in tourism sector. So, Sri Lankan government should develop dynamic policies to promote tourism sector in long-run period.

**Keywords:** Economic growth, Tourism sector, Indirect employment

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