

The Role of Tourism in The Development of Regional Economy: Case Study of The Special Capital Region of Jakarta Province

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Abstract

This study aims to assess the economic role of tourism to the economy of the Province of the Special Capital Region (DKI) of Jakarta. The research model used is the input-output model.

The results showed that the tourism economy of Jakarta contributed significantly to the economy of Jakarta. The restaurant sector in the core sectors of tourism (hotel, restaurant, travel agency services and entertainment services, transportation) have the highest backward linkages and forward linkages as well as power distribution and a high level of sensitivity. In the tourist expenditure structure, the expenditure for sectors that are directly related to tourism highway transportation, hotel and restaurant occupy the highest role.

Sectors that have an impact on the resulting output of the largest tourist expenditure is directly related to the sectors of tourism, namely the hotel sector, followed by the air transport sector, banks, insurance and business services, restaurant and travel agency services. While that get impacted gross value added is the largest hotel, air transport; banks, insurance and business services; restaurant and travel agency services. Which have an impact on wages / salaries is the largest hotel sector, air transport, restaurant and travel agency services. The impact of the tax, which obtained the largest sector was the hotel sector, followed by restaurants, trade and travel agency services. The resulting impact of labor is the hotel sector which obtained the largest share, followed by the restaurant sector, air transport and travel agency services.

The results also show the potential for increased tourism to the economic value of Jakarta which can be achieved by: (1) prepare tourism policy related to trade, the bank sector, insurance and business services sector, the food industry, beverages, tobacco and cigarettes; the electricity sector / gas / water, and the construction sector, and (2) developing the core sectors of tourism with hotel sector priorities, the air transport sector, the sector of the restaurant, travel agency services sector, and the road transport sector.

JEL Classification: H71, L80, L83

Keywords: Input-Output, Labor, Linkages, Multipliers, Taxes, Wages/Salaries

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1. INTRODUCTION

The global tourism activity shows an amazing development. This economic activity increases continuously and always implements diversification. Up to the year 2015 tourism activities are one of the economic sectors that are able to grow rapidly and is one of the largest economic sectors in the world. The number of world tourists increase very rapidly from only as many as 25 million tourists in 1950 to as many as 1.186 billion in 2015. The activities of the tourism sector is able to create income that is amazing – from as large as 2 Billion USD in 1950 to become as large as 1.260 Billion USD in 2015 (UNWTO Tourism Highlights, 2016).

The regions of Europe, Asia – Pacific and America are the 3 largest tourist destinations in the world. In 2015 Europe absorbed 51% from the total tourists in the world and obtained 36% of the income of the world tourism sector. The Asia – Pacific continent absorbed 24% of world tourists and obtained 33% of income, while the continent of America is able to bring in 16% of world tourists with an income as large as 24%. Tourism in the Asia – Pacific region developed very rapidly in a decade back. For the 2005- 2015 period the arrivals in this region grew to reach 6.1% - far more rapid than the global economic development which is only 3.9%. The regions of South Asia and Southeast Asia gave the largest contribution with the rate of tourist growth each as large as 8.4% and 7.9% for a decade back.

The Southeast Asia region contributed as large as 8.8% to the arrivals of global tourists and is in the second place after the Northeast Asia region which is able to bring in tourists as many as 12% of the number of world tourists in 2015. In the Northeast Asia region, China is the most developed tourist destination area. China is in the third place in the world of the countries that are able to attract world tourists, and the second largest country in obtaining income from the global tourism sector. Meanwhile in the Southeast Asia region, the order of countries that are able to absorb the most tourists are Thailand, Malaysia, and Singapore, with a percentage of each as large as 10.7% ; 9.2%; and 4.3% from the total world tourists in 2015. Indonesia is in the 4th place with the number of tourist arrivals in 2015 as large as 10.4 million tourists (3.7% from the number of world tourists) with an income as large as USD 10.7 Billion (2.6% from the world tourism income).

The Tourism Sector in Indonesia becomes an important enough sector in contributing national foreign exchange. Since the year 2013 the Tourism Sector is the 4th largest sector of national foreign exchange contribution after oil and gas, coal and palm oil. If in 2007 the contribution of foreign exchange in this sector is as large as 5,345.98 million USD, hence in 2014 the number increased more than twice as many to become 11,166.98 million USD (Ministry of Tourism 2016). The development of foreign tourists that arrive in Indonesia, Java Island and the Special Capital Region of Jakarta in the period of 2001 up to the year 2015 such as shown in picture-1 below. Based on the picture, it is seen that the growth of foreign tourist arrivals in the 2007-2015 period is noted on average as large as 8.8% per year. Based on the picture it is seen that the arrivals of foreign tourists in Indonesia are starting to spread. There are 3 regions that become the primary gates of entry for foreign tourists which are Bali, the Special Capital Region of Jakarta and the Riau Islands. Based on picture-1, it is seen that the Special Capital Region of Jakarta contributed almost 25% of foreign tourist arrivals in Indonesia – the second largest after Bali which has a percentage that almost reaches 39%.

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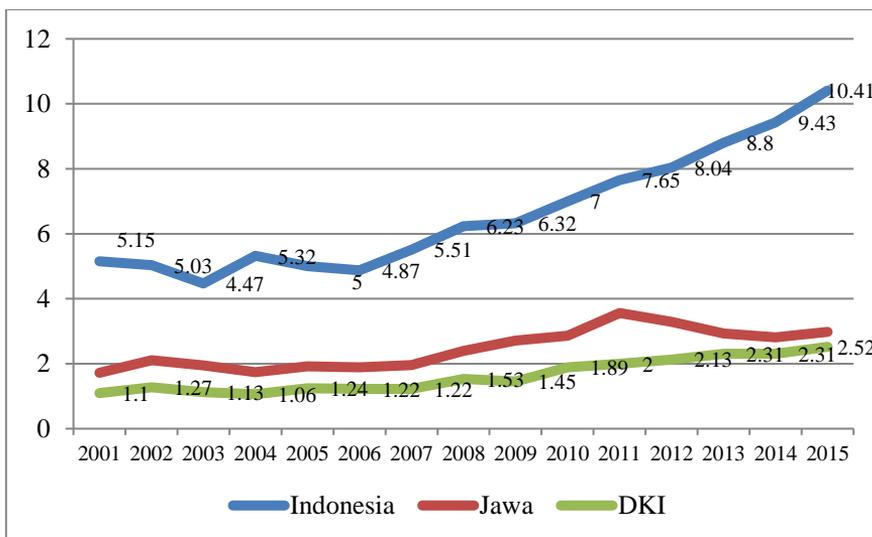


Figure 1 Foreign Tourist Arrivals To Indonesia 2001- 2015
Source: Central Bureau of Statistics Processed Data

The contribution of tourism activity to the economy grows more and more, and it is interesting for becoming a research topic. The UNWTO Tourism Highlights of 2016 shows that the tourism sector gave a contribution as large as 10% to the world GDP, contributes as large as 7% to world export and is a contributor of employment opportunity which is large enough- one of eleven of the world employment opportunities are contributed by the tourism sector. This data is also strengthened by several studies that counts the real role of the tourism sector in the world (observe the research of Dimoska and Petrevska, 2012; Lau, and co, 2011; Lau, and co, 2008; Kweka, and co, 2003; Balaguer and Cantavella-Jorda, 2000).

Such as what is also occurring in the world, the contribution of the tourism sector to the economy of Indonesia also shows a significant increase. If in the year 2007 the contribution of the tourism sector to the GDP reached the number 13.3% hence in the year 2013 the contribution increased to become 17.7%. The tourism sector also provides a large enough contribution as a provider of employment opportunity. In the year 2007 the tourism sector provided a role as large as 4.65% in absorbing national labour, then in the year 2013 the role increased to become 6.87% (Central Body of Statistics, 2014). According to the World Travel and Tourism Council, in the year 2014, from the number of tourists that visit Indonesia 78.7% visit for having fun, while the other 21.3% visit in implementing business journeys. The income from tourism in Indonesia is more from the shopping of domestic tourists, with a value of 76.6%, while the shopping of foreign tourists are only as large as 23.3%. Domestic tourist shopping is estimated to grow as large as 6.4% in the year 2015 while the shopping of foreign tourists are only as large as 5.5% (World Travel and Tourism Council, 2015).

The development of tourism in the regions are relatively varied. The Special Capital Region of Jakarta with a number of foreign tourists almost as large as 25% of the total number of foreign tourists that visit Indonesia has a different pattern

with Bali Province. The Central Body of Statistics data show that the total consumption done by tourists in the Special Capital Region of Jakarta for the 2009-2013 period averages as large as 5.6% from the total Regional GDP of the Special Capital Region of Jakarta- where the percentage of tourist consumption in the year 2009 as large as 4.49% becomes as large as 5.94% in the year 2013 (Central Body of Statistics of the Special Capital Region of Jakarta, 2015). While based on the Satellite Balance of Regional Tourism of the Special Capital Region of Jakarta the consumption contribution of the tourism sector in the Special Capital Region of Jakarta in the year 2004 has pushed an increase in the Regional GDP as large as Rp. 24.8 billion (8.76% of the Regional GDP of the Special Capital Region of Jakarta), while in the year 2009 the tourist consumption contribution has pushed an increase of the Regional GDP as large as Rp. 44.24 billion (5.84% of the Regional GDP of the Special Capital Region of Jakarta). Meanwhile in Bali province – with a contribution of foreign tourists as large as 39% - the contribution of the tourism sector in the year 2007 has pushed an increase in the regional GDP as large as Rp. 19.54 billion (46.16% of the Bali Province Regional GDP). The difference that occurs in the other region shows the presence of a different economic structure.

In relation with the role of the tourism sector in the regions, there is a need for implementing research about the role and impact of the tourism sector in regional economy. Based on the explanations above, the purpose of the writing of this paper is for knowing how large the role of the tourism sector is to the economy of the Special Capital Region of Jakarta, and knowing the analysis of the impact of the tourism sector to the output, employment opportunity and income. For the interest of the tourism sector planning in the regions, in this paper, there will be an implementation of the simulation process related with the change of the final demand structure from the tourism sector to the regional economy.

2. RESEARCH METHOD

The method used in this research is a doubling number counting method from the IO table analysis to the output structure which occurs in tourism activities. The doubling number counting method is differentiated to become 5 numbers which are output doubling numbers, added value doubling numbers, tax doubling numbers, employment opportunity doubling numbers, and income doubling numbers. Other than counting doubling numbers the inter-sector linkage measuring method is also implemented for knowing the amount of linkage up front nor back linkage from several sectors which are present in the economy of the Special Capital Region of Jakarta.

This research uses data which are from the demand structure and supply structure of the Special Capital Region of Jakarta tourism sector which is taken from the Satellite Balance of Regional Tourism of the Special Capital Region of Jakarta in the years 2004, 2009 and the year 2014 – all of the data illustrates the demand and supply of the tourism sector of previous years. The tourist expenses data in the Satellite Balance of Regional Tourism is then processed by using an IO table of the Special Capital Region in the year 2006. This is used for analysing the impact of tourist expenses such as in the Satellite Balance of Regional Tourism in 2009 and the Central Body of Statistics data of 2014. Because there is a sector difference in the ones researched in 2009 with 2004, the sector aggregation is

implemented from 89 sectors (Satellite Balance of Regional Tourism 2004) to become 34 sectors (Satellite Balance of Regional Tourism 2009).

3. RESULTS AND DISCUSSION

The impact of increasing development activities of the tourism sector is shown by the presence of the increase in consumption of tourists. The increase of tourist consumption will become the primary factor of economic output development. When the economic output increases, it will encourage the occurrence of an increase in economic added value, employment opportunities and people income. This condition will cause an increase in indirect tax that the government receives. A mechanism like that which is explained in the role of tourism activities in the economy.

Table 1 The Impact of the Special Capital Region of Jakarta Tourist Expenses to Output Ten Largest Sectors, Year 2003

No	Sector	Value (Rp.Million)	Proportion
1	Trade	5,926,269	14.70%
2	Road Transport	5,889,247	14.60%
3	Hotel	5,762,756	14.30%
4	Restaurant	5,382,099	13.30%
5	Bank, insurance and corporate services	3,180,256	7.90%
6	Sea, river, and lake transport	1,800,051	4.50%
7	Transportation support services	1,435,082	3.60%
8	Entertainment services	1,377,624	3.40%
9	Textile Industry and leather goods	1,169,970	2.90%
10	electricity/gas/clean water	1,103,516	2.70%
11	Others	7,288,678	18.10%
Total		40,315,548	100.00%

Source : Satellite Balance of Regional Tourism Special Capital Region of Jakarta 2004 (Processed)

The output impact of the tourism sector to the economic output in the year 2003 is as large as 2.1- from the total consumption as large as Rp. 19.23 trillion which produces an economic output of 40.31 trillion. In the years 2008 and 2013 the role activities of the tourism sector to the economic output decreases to be only 1.26. In the year 2008 from the total consumption of tourists as large as Rp 51.75 trillion only produces an output of onlr Rp. 64.99 trillion, while in the year 2013 from as many as 74.54 trillion only produces an economic output as large as Rp. 93.17 trillion.

Table 2 The Impact of the Special Capital Region of Jakarta Tourist Expenses to Output Ten Largest Sectors, Year 2008

No	Sector	Value (Rp. Million)	Proportion
1	Hotel	13,486,371	20.80%
2	Air transport	8,643,694	13.30%
3	Bank, insurance and corporate services	6,153,660	9.50%
4	Restaurants	4,719,817	7.30%
5	Travel bureau services	4,203,821	6.50%
6	Entertainment services	3,322,028	5.10%
7	Communication services	2,987,700	4.60%
8	Textile Industry and leather goods	2,936,912	4.50%
9	Food, drinks, tobacco & cigarette industry	2,923,651	4.50%
10	Road transport	2,663,446	4.10%
11	Others	12,944,245	19.90%
Total		64,985,346	100.00%

Source : : Satellite Balance of Regional Tourism Special Capital Region of Jakarta 2009 (Processed)

Table 3 The Impact of the Special Capital Region of Jakarta Tourist Expenses to Output Ten Largest Sectors, Year 2013

No	Sector	Value (Rp. Million)	Proportion
1	Hotel	21,863,890.95	23.47%
2	Air transport	10,472,611.96	11.24%
3	Bank, insurance and corporate services	7,997,484.77	8.58%
4	Restaurants	7,372,391.10	7.91%
5	Travel bureau services	5,454,296.81	5.85%
6	Entertainment services	5,105,070.39	5.48%
7	Textile Industry and leather goods	4,715,970.38	5.06%
8	Communication services	4,670,571.93	5.01%
9	Food, drinks, tobacco & cigarette industry	4,386,573.35	4.71%
10	Road transport	3,473,153.57	3.73%
11	Others	17,657,537.03	18.95%
Total		93,169,552.21	100.00%

Source : Central Body of Statistics Special Capital Region of Jakarta 2014 (Reprocessed)

There is a difference in the consumption pattern of tourists and the economic structure between the years 2003 and 2008. The difference of the economic structure is seen from the presence of differences in the input coefficient from the Special Capital Region of Jakarta IO table in the years 2000 and 2006. The presence of a difference in the consumption pattern and the difference of economic structure that causes the role difference of the tourism sector to the economy of the Special Capital Region of Jakarta for the period of 2003 – 2013. In the year 2003 the largest sectors that are influenced by the tourism sector are the trade sector, road transport sector, hotel sector, restaurant sector and the bank, insurance, and corporate services sector. While for the years 2008 and 2013 the hotel sector, air transport

sector, bank, insurance and corporate services sector, restaurant sector, and the travel bureau services sector are the 5 largest sectors which are influenced by the tourism sector- the commonality of sectors that are influenced is caused by the measuring impact of using the same IO table, which is the 2006 IO table.

The total impact of tourist expenditures to economic added value (Regional GDP), to household income, to indirect tax income which is received by the government and to the labour increase for the years 2003, 2008, and 2014 is shown as in table-8 below. Though nominally the added value increase occurs as a cause of tourist consumption that visit the Special Capital Region of Jakarta however the ratio value that is produced shows the presence of a tendency to decrease. The same pattern is also able to be seen for the components of household income, indirect tax, and also employment opportunities that are created- though the nominal value is seen to increase however basically the ratio decreases.

Table 4 The Impact of Tourist Consumption to Added Value, Income, Indirect Tax, and Employment Opportunities

Tourist Consumption Impact	2003	2008	2013
Added Value (Rp. million)	22,504,762.30	44,241,772	64,021,997.96
Income (Rp. million)	7,711,220.06	12,429,794	17,973,781.80
Indirect Tax (Rp. million)	337,718.54	1,284,087	1,941,629.44
Employment Opportunities (persons)	897,607.77	677,355.10	665,615.47

Source: Data processing results

Based on table 4 it is seen that there is an occurrence of economic added value increase as a cause of tourist consumption from as many as Rp. 22.5 trillion in the year 2003 to become each as large as Rp. 44.24 trillion and Rp. 64.02 trillion in the years 2008 and 2013. It is also like that with the nominal amount and other variables. Though it is seen that there is an increase nominally however basically there occurs a ratio decrease between the added value amounts that are raised to tourist expenditures, from as large as 1.17 in the year 2003 to become 0.85 in the years 2008 and 2013. The same pattern also occurs for other variables. The ratio amount for income, experienced a decrease from as large as 0.4 to become 0.24 and also for employment opportunities from as large as 0.05 to become 0.01 in the same period. The ratio from indirect tax does not experience change for the 2003 up to 2013 period, the number is still as large as 0.02.

Based on the results of the mentioned counting, it is able to be seen that basically the tourism sector in the Special Capital Region of Jakarta up to today still has a relatively small role in the economy of the Special Capital Region of Jakarta. The small size role of the tourism sector is also caused because of the low level of linkage between sectors from the 5 sectors of tourist consumption encouragement in the Special Capital Region of Jakarta, which are the hotel sector, air transport sector, bank, insurance and corporate services sector, restaurant sector, and the travel bureau services sector. From the five sectors that have the largest value of tourist consumption, only the restaurant sector and also only the bank, insurance, and corporate services sector that are categorized as superior sectors in the economy of the Special Capital Region of Jakarta.

If compared with the analysis count results of future linkage (power deployment) and also the linkage analysis to the past (power sensitivity), or the

value index of power deployment and the index of power sensitivity which is counted from the IO table of the Special Capital Region of Jakarta year 2006, it is able to be seen that the hotel sector which is the most consumed by tourists since 2008 turns out to have a power deployment index and a power sensitivity index of less than one- which each are only as large as 0.857 and 0.787- which means the hotel sector is not a superior sector in the economy of the Special Capital Region of Jakarta. The travel bureau services sector is also included in the sector category that is more forward linkage oriented- because only the power deployment index has a value of more than one- and it is not included in the superior sectors. Only the restaurant sector and also the bank, insurance and corporate services sector- are included in the superior sectors category- because they have a power deployment index and a power sensitivity index of more than one. As for the linkage number amounts between sectors in the economy of the Special Capital Region of Jakarta are shown as in table 5 below.

Table 5 The Linkage Value Between Sectors in the Economy of the Special Capital Region of Jakarta

No	Sector	Power Deployment	Sensitivity Degree	Index	
				Power Deployment	Sensitivity Degree
1	Plants of Foodstuffs	1.081	1.005	0.838	0.779
2	Plantation and forestry	1.110	1.005	0.861	0.779
3	Ranching	1.302	1.001	1.009	0.776
4	Fishery	1.123	1.008	0.870	0.781
5	Mining and excavation	1.098	1.069	0.851	0.829
6	Food, drinks, tobacco, and cigarette industry	1.433	1.798	1.111	1.394
7	Textile and leather goods industry	1.231	1.166	0.954	0.904
8	Raw wood and goods from wood industry	1.172	1.043	0.908	0.809
9	Paper and printing industry	1.274	1.129	0.988	0.875
10	Chemical industry	1.317	1.433	1.021	1.111
11	Medicine, cosmetics and cleanser industry	1.470	1.183	1.140	0.917
12	Goods from refinery production industry	1.152	1.004	0.893	0.778
13	Non-metal goods industry	1.349	1.265	1.046	0.981

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No	Sector	Power Deployment	Sensitivity Degree	Index	
				Power Deployment	Sensitivity Degree
14	Metal goods industry	1.366	1.403	1.059	1.087
15	Machine Industry	1.383	1.123	1.072	0.871
16	Transport equipment industry	1.500	1.342	1.163	1.040
17	Other industries	1.288	1.004	0.998	0.778
18	Electricity/gas/clean water	1.454	1.763	1.127	1.366
19	Buildings	1.287	1.675	0.998	1.298
20	Trade	1.177	2.822	0.913	2.188
21	Restaurant	1.294	1.355	1.003	1.050
22	Hotel	1.106	1.016	0.857	0.787
23	Train transport	1.398	1.000	1.084	0.775
24	Road transport	1.274	1.106	0.988	0.857
25	Sea, river, and lake transport	1.252	1.056	0.971	0.818
26	Air transport	1.286	1.001	0.997	0.776
27	Transport support services	1.176	1.099	0.912	0.852
28	Travel bureau services	1.341	1.043	1.039	0.808
29	Communication services	1.284	1.335	0.995	1.035
30	Bank, insurance and corporate services	1.297	2.866	1.005	2.221
31	Government	1.482	1.129	1.149	0.876
32	Social and other citizenship	1.354	1.094	1.049	0.848
33	Entertainment services	1.425	1.159	1.105	0.899
34	Workshops and other services	1.323	1.359	1.025	1.053

Source : IO Table Special Capital Region of Jakarta (2006), data is reprocessed

When tourists of the Special Capital Region of Jakarta consume more of the sectors that have not become superior sectors, the impact to the economy that is inflicted by tourism activity in the Special Capital Region of Jakarta is also very limited. Because of that it is very natural if the counting results of the impact of tourism activity in the Special Capital Region all this time has not yet provided a significant contribution neither in output increase, to the Regional GDP, to household income, to the increase of indirect tax nor to the increase of labour.

In the last part of this research a simulation is made about the role of the tourism sector to the economy if supposing the government implements planning through the coordination of tourism activity with the regional economy structure.

The simulation is implemented with the assumption that the tourists which visit the Special Capital Region of Jakarta will consume more of the sectors that provides many added values to the economy of the Special Capital Region of Jakarta-consume more in the sectors with a larger added value doubling. In other words, in the last part of this research a with or without policy analysis will be provided which is often used as the base of policy making in development planning.

The results of the implemented simulation is shown as in table 3 below. Table 6 illustrates simulation results for a change in the pattern of tourist consumption to the change of Regional GDP of the Special Capital Region of Jakarta in the year 2003 while table -7 and table-8 shows simulation results of the consumption pattern change to the change of the Regional GDP of the Special Capital Region of Jakarta for the years 2008 and 2013. Based on table – 6 it is seen that as a cause of the presence of tourism activity coordination in the year 2003 with the economic structure of the year 2000, the Regional GDP of the Special Capital Region of Jakarta in the year 2003 will raise as many as 154.4% compared with the actual Regional GDP- which increased from Rp. 22.5 trillion to become Rp. 34.75 trillion. While for the year 2008 and the year 2013, simulation results show that the increase in the Regional GDP of the Special Capital Region of Jakarta will become smaller if compared with the simulation of the year 2003 which is only as large as 116.97%. Simulation results in the year 2008 gave a change of the Regional GDP value from Rp. 44.24 trillion to as large as Rp. 51.75 trillion, while for the simulation results of the year 2013 the change of Regional GDP of the Special Capital Region of Jakarta will change from as large as Rp. 64.02 trillion to become Rp. 74.54 trillion.

The simulation Regional GDP value that is larger than the actual Regional GDP shows the ineffectiveness of the development planning of the tourism sector in the Special Capital Region of Jakarta for the period of 2003 up to 2013. The tourism activities in the Special Capital Region of Jakarta should be directed to the sectors that are able to encourage the increase of added values to be higher. For example for the year 2003 tourism activities of the Special Capital Region of Jakarta is directed to the MICE tourism with the development of hotels, also the development of tourism based on the fashion industry-the textile industry and leather goods-and also tourism activities that are able to encourage the transport support service and tourism based on entertainment services. While for the development of the tourism sector in the years 2008 and 2013 is still directed to the MICE tourism activity, the tourism activity that is able to encourage the development of transport support services, shopping tourism which encourages the trade sector which is supported by property activities which are able to encourage the wood building materials industry and goods from wood.

he more and more the decrease of the percentage value of Regional GDP increase as a cause of tourist consumption shows the presence of a role decrease of the tourism sector of the Special Capital Region of Jakarta in the period of 2003 up to 2013. The report results of the Satellite Balance of Regional Tourism Special Capital Region of Jakarta also shows that type of occurrence that the role of the tourism sector to the Regional GDP in the year 2003 is as large as 8.76% while in the years 2008 and 2013 the role of the tourism sector to the Regional GDP decreased to only 5.84%. In other words the tourism sector in the Special Capital Region of Jakarta has not yet become a priority sector that is developed by the Regional Government of the Special Capital Region of Jakarta.

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Table 6 Simulation of Tourist Expenditure Impact To Gross Added Value
Year 2003

No	Sector	Simulation Value (Rp. Million)	Nominal Value (Rp. Million)
1	Plants of Foodstuffs	1,288,597.76	187,093.27
2	Plantation and forestry	5,145,394.23	20,545.55
3	Ranching	137,537.53	2,907.87
4	Fishery	5,300.33	17,993.06
5	Mining and excavation	1,512,958.47	251.29
6	Food, drinks, tobacco, and cigarette industry	230,736.24	107,670.65
7	Textile and leather goods industry	5,464,360.76	455,677.68
8	Raw wood and goods from wood industry	388,297.91	23,305.42
9	Paper and printing industry	104,575.29	82,576.04
10	Chemical industry	55,344.38	17,505.45
11	Medicine, cosmetics and cleanser industry	51,066.13	178,950.23
12	Goods from refinery production industry	15,209.37	7,832.34
13	Non-metal goods industry	112,986.16	142,658.49
14	Metal goods industry	77,588.15	70,814.27
15	Machine Industry	32,296.65	11,985.26
16	Transport equipment industry	15,495.63	236,126.51
17	Other industries	586,236.42	200,788.41
18	Electricity/gas/clean water	962,821.53	377,167.67
19	Buildings	499,479.40	329,176.63
20	Trade	2,005,880.31	4,550,424.61
21	Restaurant	828,498.56	2,308,994.98
22	Hotel	5,316,227.44	3,549,474.47
23	Train transport	174,805.26	162,681.48
24	Road transport	232,320.10	3,302,054.23
25	Sea, river, and lake transport	409,013.13	901,877.23
26	Air transport	2,639.46	103,184.26
27	Transport support services	3,572,288.84	911,481.84
28	Travel bureau services	105,488.57	550,537.90
29	Communication services	562,108.95	369,342.00
30	Bank, insurance and corporate services	3,117,792.04	1,947,204.09
31	Government	162,470.04	158,060.57
32	Social and other citizenship	185,002.69	548,212.07
33	Entertainment services	935,091.87	572,056.80
34	Workshops and other services	455,821.99	98,149.68
Total		34,751,731.60	22,504,762.30

Source : Satellite Balance of Regional Tourism Special Capital Region of Jakarta 2004
(Reprocessed)

Table 7 Simulation of Tourist Expenditure Impact To Gross Added Value
Year 2008

No	Sector	Simulation Value (Rp. Million)	Nominal Value (Rp. Million)
1	Plants of Foodstuffs	12,604,160.84	42,134.00
2	Plantation and forestry	7,936,406.90	895.00
3	Ranching	3,167,482.41	13,853.00
4	Fishery	3,619,503.43	306,625.00
5	Mining and excavation	2,820,512.71	8,140.00
6	Food, drinks, tobacco, and cigarette industry	3,065,685.81	1,704,676.00
7	Textile and leather goods industry	2,294,914.52	2,073,502.00
8	Raw wood and goods from wood industry	2,278,979.76	178,022.00
9	Paper and printing industry	1,948,463.07	219,720.00
10	Chemical industry	1,698,367.57	125,515.00
11	Medicine, cosmetics and cleanser industry	900,045.47	594,443.00
12	Goods from refinery production industry	1,054,811.99	151,431.00
13	Non-metal goods industry	917,380.00	412,343.00
14	Metal goods industry	826,872.05	59,423.00
15	Machine Industry	396,982.71	46,716.00
16	Transport equipment industry	330,932.70	263,752.00
17	Other industries	290,942.18	137,322.00
18	Electricity/gas/clean water	628,349.10	416,524.00
19	Buildings	524,886.41	671,135.00
20	Trade	2,310,334.58	1,315,292.00
21	Restaurant	556,454.93	3,160,686.00
22	Hotel	184,424.92	10,682,950.00
23	Train transport	43,418.05	712,546.00
24	Road transport	83,903.89	1,803,070.00
25	Sea, river, and lake transport	41,978.03	898,204.00
26	Air transport	202.45	5,697,075.00
27	Transport support services	43,909.94	798,067.00
28	Travel bureau services	2,573.74	2,645,744.00
29	Communication services	93,408.54	2,011,152.00
30	Bank, insurance and corporate services	755,680.31	4,033,803.00
31	Government	44,573.30	145,470.00
32	Social and other citizenship	38,179.24	259,016.00
33	Entertainment services	40,558.10	1,962,566.00
34	Workshops and other services	204,268.36	689,957.00
	Total	51,749,548.00	44,241,772.00

Source : Satellite Balance of Regional Tourism Special Capital Region of Jakarta 2008
(Reprocessed)

Table 8 Simulation of Tourist Expenditure Impact To Gross Added Value Year 2013

No	Sector	Nominal Value (Rp. Million)	Simulation Value (Rp. Million)
1	Plants of Foodstuffs	52,783.44	12,112.58
2	Plantation and forestry	1,359.58	1,300.22
3	Ranching	15,412.08	525,676.86
4	Fishery	542,863.41	14,159.97
5	Mining and excavation	12,371.73	110,548.46
6	Food, drinks, tobacco, and cigarette industry	2,567,473.48	5,146,050.10
7	Textile and leather goods industry	3,338,374.03	134,348.07
8	Raw wood and goods from wood industry	312,219.97	19,229.01
9	Paper and printing industry	332,483.68	371,247.20
10	Chemical industry	183,518.82	1,345,771.47
11	Medicine, cosmetics and cleanser industry	805,616.59	4,884,110.35
12	Goods from refinery production industry	164,463.53	7,305.60
13	Non-metal goods industry	661,288.64	1,308,976.90
14	Metal goods industry	83,387.45	2,553,202.45
15	Machine Industry	66,496.43	2,067,514.90
16	Transport equipment industry	325,906.50	20,023,893.06
17	Other industries	230,732.90	218,834.98
18	Electricity/gas/clean water	614,045.81	5,721,889.03
19	Buildings	927,378.00	1,524,995.27
20	Trade	1,923,006.84	6,848,119.21
21	Restaurant	4,953,909.53	1,089,699.69
22	Hotel	17,380,113.20	62,667.09
23	Train transport	970,569.05	2,106,971.80
24	Road transport	2,359,116.90	217,103.03
25	Sea, river, and lake transport	977,668.56	139,397.45
26	Air transport	6,928,037.72	13,968.26
27	Transport support services	899,124.54	203,033.71
28	Travel bureau services	3,447,083.67	788,583.36
29	Communication services	3,155,670.95	502,451.18
30	Bank, insurance and corporate services	5,266,227.66	4,089,977.44
31	Government	198,167.72	6,839,978.84
32	Social and other citizenship	431,744.30	1,313,300.95
33	Entertainment services	3,028,777.13	3,261,230.74
34	Workshops and other services	864,604.13	1,072,276.70
	Total	64,021,997.96	74,539,925.92

Source : Central Body of Statistics Special Capital Region of Jakarta 2014 (Processed)

4. SUMMARY AND SUGGESTIONS

As the capital city of Indonesia the Province of the Special Capital Region of Jakarta has potential that is large enough in attracting tourists, neither foreign tourists nor domestic tourists for visiting the Special Capital Region of Jakarta- this is proven from almost one fourth of the number of foreign tourist visits that arrive to Indonesia through the Special Capital Region of Jakarta. The potential of the tourism sector in increasing the economy for the last 5 years is more focused on the activities of hotel service, air transport, restaurants, travel bureau services and activities that are related with financial services- bank, insurance, and corporate services. The contribution of the Special Capital Region of Jakarta tourism sector in the economy does not only come from the Regional GDP amount which is able to be raised, but also from the role for increasing household income, increasing employment opportunity and also the potential to increase tax.

The potential of tourism development in the Special Capital Region of Jakarta to the economy is actually able to be increased. One of the means for increasing the role of the tourism sector in the economy of the Special Capital Region of Jakarta is through tourism planning that is more optimal. Simulation results show that with a better tourism planning the potential of the increase in Regional GDP of the Special Capital Region of Jakarta is able to be increased. There are several tourism activities that need to be the attention of the Regional Government of the Special Capital Region of Jakarta, among others are the MICE tourism activities that rely on a better hotel service, tourism activities that are able to encourage the development of transport support services, and shopping tourism that encourages the trade sector.

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