# **Tourism Development in Boracay Island and its Impacts on the Local Communities**

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#### **Abstract**

The Philippines tourism industry is thriving over the years and creating many opportunities for the economy and the local people such as in Boracay Island. The island transition from having traditional tourism *Nipa* accommodation, traditional bamboo facilities has been modified to European style as the results of modernization. Tourism visiting the islands and related facilities increases over the years with new development. On the other hand the local people lifestyle and physical environment changes overtime as the results of tourism. Fishermen tend to search for better employment opportunities in tourism for survival rather than venture into fulltime fishermen. There is a need to understand tourism development and its impact.

Key words: tourism development, local communities, changes in lifestyle, impacts of tourism

#### 1. Introduction

Many parts of the Philippines have been developed through tourism. The promotion of the regional economy through creating an alternative source of income has generated foreign exchange, hence benefiting the primary industry. The Philippines central government, local authorities and private capital in various sectors are involved in tourism developments. In the Guimarus Island through the local government initiative, a development of social infrastructure has been established. Tourism is seen as an alternative to improve the social livelihood of the communities and also act as a program to assist the people from the impact of oil spill. Local government support systems enable local residents to participate in many forms of tourism activities, for instance the building of facilities to cater for tourists such as the traditional tourism facilities "Guisi" using private capital like in Punta Punting. There is also the introduction of modern tourists facilities using overseas capital such as the Puetra Al Paraizo located in various coastal areas build for tourisms and related activities is expected to contribute to the promotion of the regional economy. However, tourism development in coastal areas is still debatable because many have to weigh both positive and negative impacts to local communities. In the case of Japan on the development of tourism in the coastal waters, economic impact can be seen from a negative perspective, it can be pointed out that there are few issues in relation to land development.

# 2. Overview of Boracay Island

Boracay Island is located northwest of Panay Island. Aklan province is located near the town of Malay municipality and has a population of about 16,000 people. Barangay is divided into three areas Yapak, Balabag

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and Manoc-Manoc. Boracay Island is one of the famous local tourist destinations in the Philippines with white sandy beaches stretching for four kilometers. The beach located in the western side of the island from Balabag to Manoc-Manoc is the most popular tourist spot. The island has two seasons: the dry season from May to October and the rainy season from November to April. The peak season for tourists to visit the island is from April to May. In addition, access to Boracay Island from Kalibo Airport is also convenient. There are thirty flights from Manila to Kalibo per day and there is a flight to Cebu, Clark, Busuanga once or twice in a day. Travelling by plane from Kalibo Airport to Caticlan port is about ninety minutes whilst on a high speed boat to Cagban port is fifteen minutes.

When tourists arrive at the Cagban port,a guide liaises with the coordinator then the guests are transferred to their destinations such as hotels by either vans or tricycles. The guides receive individual commissions as their income. An individual business taking tourists by tricycle charges a hundred pesos. The transport business will transfer the tourists to the resort through the "Boracay Local Transport Multi Purpose Cooperative" and they have a fair distribution of income and control with their operations.

Suppliers and transportation companies operating in open competition with one another, presented with poor quality service, together with occurrence of acts of soliciting, were some of the problems of the past. From around the late 1980s, companies and high-speed boats operated by local transport businesses provide services to hotels, and a scheduled arrival routes and departures were finalized. There was a pool system adopted and the agreement of having unified prices and many situations has been improved from the past. In the defense force of the Philippines, the national police employed hundred and two people and twenty three coast guards, eighteen in the army, forty one for the navy and twenty seven in the firefighting; all to provide security and safety to the communities and tourists.



Source: Philippines International Bureau

Fig. 1. Map of Philippines and Boracay Island

## 3. Development of Boracay Island Tourism Sector

The Boracay Island Tourism sector was established in the late 1970s. In 1977, the Philippine Tourism Authority evaluated viable areas for tourism development. In1982, active plan by the Tourism Bureau started and they had an office in Boracay Island. At that time, there were few "*Nipa*" the traditional tourist accommodations, with the main form of accommodation of hotels made from bamboos housing catering around twenty to thirty people. Some of these 'hotels' had shared bathrooms and toilets and with a few styles at the beach camp. At present, tourists can now access the island through the daily services provided by the transport business, whereas in the past they had to hire pump boats. In addition, essential amenties such as water and electricity have now replaced gas lamps. The Boracay Island Tourism sector is now enjoying hosting tourists from various different countries such as the United States, France, Germany and Israel.

In 1970 to build buildings within hundred meters from the coastline was forbidden in the islands. In Boracay Island, the people who were interested in tourism were allowed to build within fifty meters from the coastline and the use of local materials with given height was regulated and enacted. In addition there was a land use plan enacted by the "Boracay Tourism Land Use Plan". In 1984, several local officials formed and organized the "Boracay Cottage Owners Association". In 1987 the United Boracay Island Business Association was reorganized and formed, and as the result of this special association, the existing buildings were able to be build thirty meters from the beach. However there were numerous cases of violation of this coastline rule, hence a formation of a special personnel to remove buildings within twenty-five meters from the beach. In 1988, the guidelines by the Tourism Board for building codes violations were established.

In the late 1980s the Philippine government aiming for economic development formulated the "Tourism Master Plan". At the beginning of the workshop for the Master plan, the building of series of tourism related facilities was initially planned. In 1990, new additions and guidelines were added to the master plans and there were investment on tourism development and private property. Around the same year this, Master Plan was terminated and in 1991 in line with tourism development a new master plan was developed and this aimed at tourism development for the local governments. Traditional hotels "Nipa" was still the main form of accommodation rather than the concrete facilities. In the 1990s, many of these traditional hotels were upgraded to concrete structures. In 1991, the master plan and environment assessment was applied and the tourism electrification projected commenced. Guidelines developed for beach erosion and regulations were introduced in 1996. In the same year, a guideline was approved regarding the worsening sand erosion out at sea and a regulation was introduced to minimize such impacts. In 1997, the Ordinance for building tourism infrastructures was enacted and established and the rule for building twenty-five meters from the beach was regulated by the National Mapping and Resource Information Authority (NAMRIA).

In 1998, the OECF "The Boracay Environmental Infrastructure Project Execution" provided assistance and development for wastewater and sewage disposal and also runoff control. During the year 2000, Aklan master plan was adopted for Tourism development and in 2007, a few issues regarding newly built buildings arouse but these issues were solved in the following year. In 2009, constructions of roads around Boracay Island began, together with the expansion of the adjacent international airport at Kalibo.

There are more than three hundred tourist accommodations (Table 1). These hotels compromise of tourism related facilities such as restaurants and souvenir shops (Table 2). Boracay Island was once a European capital and visible constructions of tourism related facilities are evident. Tourism main capital for tourism development is supplied by South Korea and there are also many companies from foreign countries entering joint ventures in the Philippines.

As there is a high availability of services and accommodations, many tourists from the United States, Germany and France, in addition to the rapid increase of tourists from South Korea and China, are encouraged to visit see Fig. 2. This has brought in revenue of about 120 billion pesos (Fig. 3), equivalent to about 240 billion yen (1 peso =  $\pm$  2).

The central government of the Philippines is managing tourism developments. The government in 1982 opened a local office in Boracay Island and the office has two government's officials. They have three main roles and objectives: first is grading hotel maintenance, staff welfare and quality of services; second is the promotion of tourism activities in Boracay; third is conducting seminars and trainings. Discussions for support services, responses to different problems, and training of staff and lifeguards seminar are conducted once every year.

Table 1. Levels of tourism facilities, number of hotels, number of rooms and price

Levels of Tourisms authorized	Number of Hotels	Number of	Price ( Peso)
by the Bureau		Rooms	
AAA	23	1656	12,000 ~ 120,000
AA	12	415	4,000 ~ 6,000
A	3	40	2,000 ~ 5,000
Under A	5	94	2,000 ~ 3,500
Not Permitted	292	5155	1,500 ~ 6,500
Total	334	7360	-

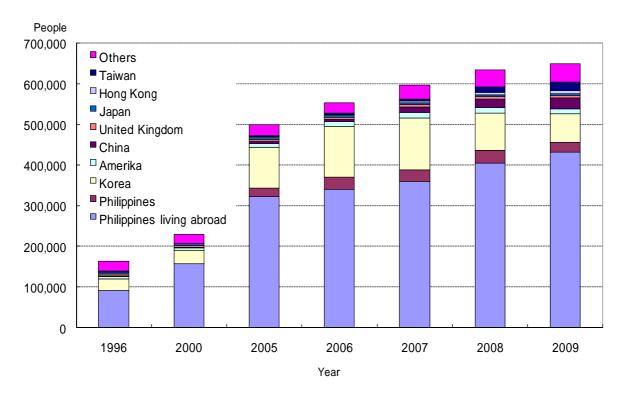
Source: Philippines International Bureau

Table 2. Different types of services for Tourists

Service Type	Total
Restaurant and Bar	107
Coffee shops and Internet Café	34
Massage Parlor	83
Motor Boat Rental Shop	47
Diving Shop	40
Souvenir Shop	104
Pump Boat Rental Shop	88

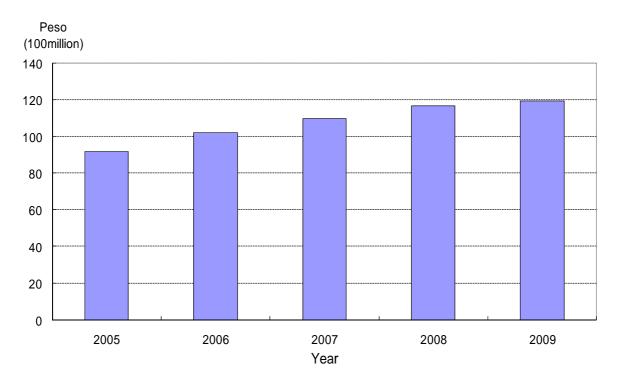
Source: Philippines International Bureau

Fig. 2. Number of tourists from different countries



Source: Philippines International Bureau

Fig.3. The financial gain from the Tourism Industry



#### 4. Impacts of Tourism Development

# 1) Changes in lifestyle

The progress of tourism development in Boracay has changed the island people's lifestyle significantly. Locals were originally involved in subsistence agriculture and fishing activities. Boracay waters are shallow and lack fish abundance; fishing and collection of shellfish were mainly done for self-consumptions while the surplus was primarily sold in Katekuran market. The northern part of Boracay Island "Puka" is rich with shellfish and is also very popular for necklace making. The Philippines and Chinese buyers purchased these products and they are also sent to Cebu and Manila for processing. In addition, locals are employed in tourism related facilities and services and also put to practice traditional knowledge of fishing, operating boats and being tour guides through diving, snorkeling, or working as cleaners or sales people. However, those who lived in the coastal regions had to move inland to allow for tourism activities on these coastal regions.

## 2) Structural changes in fish supply

The coastlines are lined up with many restaurants, food and beverage facilities and are visited by close to 650,000 tourists per year. Some of these are seafood restaurants. The demand for restaurants has changed many of the occupations in the island and presents an optional source of living from fishing which can be a difficult occupation. Originally Boracay waters are not rich with fish resources and are only sufficient for subsistence consumption. It is seen that the number of local focusing on fishing only is decreasing as they are opting for better employment opportunities in the tourism industry. Demand of fish and other marine delicacies from subsistence to commercial purposes now see an increase of harvest from the sea to cater demands from tourism-related facilities around Boracay Island and also from Panay Island that include Iloilo and Roxas. Boracay Island has a fish market and many fish suppliers are from Panay. Tourism related facilities purchase seafood from the markets and offer it to tourists. Emergence of large consumer market of seafood is likely economic effective originating from the nearby villagers and this is one of the challenges of future research.

#### 3) Improvement of living standards

The Philippines local economic conditions are classified into five levels. Boracay Island was once in the fourth grade. However, the results of progress in tourism development have now put the island in the top category. Water and electricity are all supplied from Panay Island, and even though the north of Boracay is not yet equipped with water facilities, but construction of such services are in process.

### 4) Conservation of coral reefs

Coral reefs are damaged by dynamite fishing and this method of fishing have always been considered a poor fishing method in the area. Dynamite fishing was one of the methods used mostly in subsistence purposes of fishing. However, the reduction of fishery exploitation came into effect when fishermen resorted to more careful methods when they got employed in tourism related facilities, allowing coral reefs to recover to a healthier state.

### 5) Changing rules and current status of coastlines

Buildings are restricted to be owned and built within twenty five meters from the coastline. The area across the road in front of hotels is a common area for the local residents who wants to sell their products to tourists. At night this area is open and authorized for businesses by the Tourism Bureau in which tables can be set up and removed after the business is conducted. Signs are installed informing the general public that the areas is

exclusively for hotel users.

#### 6) Environmental degradation

With tourism development, changes are evident in Boracay Island in terms of sand erosion, coastal pollution, and environmental changes such as the sporadic felling of timber. A wastewater treatment facility was built with a joint venture with Japan, and this facility is to keep pace with waste disposed from various tourism operations. However, wastewater is not properly treated and evidence of sulfide spills over to the shorelines. This has resulted in the sand having a strange smell and implications for the future remain negative.

### 7) The possibility of uneven distribution of wealth

Boracay Island is located at the level of income in the top five grades. But many wages of the workers in Boracay Island show that they are at the lowest level and this is a reflection of uneven distribution of wealth in this industry.

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