

A Study on the increasing number of Tourists is an Engine for Making Public Finance in Sri Lanka

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Abstract

Travel and tourism have benefited the economies of nearly every nation. Tourism is a significant industry in many poorer nations, bringing in hard currency and providing much-needed jobs and economic growth. Sri Lanka's tourism business has become increasingly important during the past two decades. In many third-world countries, including Sri Lanka, the tourism industry is the primary source of government revenue. The research aims to examine how the increasing number of tourists arriving is an engine for making public finance in Sri Lanka. This research relied solely on quantitative secondary data from established institutions. Information was gathered from the World Travel & Tourism Council, the Central Bank of Sri Lanka, and the Sri Lanka Tourism Development Authority for the years 1985 through 2020. SPSS, a statistical package for the social sciences, was used for linear regression analysis of the collected data. The research findings indicate that the independent variable, tourists' arrival has a significant and positive impact on public finance which is the dependent variable in this study. The results show that developing tourism allows governments to earn more money. It also includes suggestions for the future of Sri Lanka's tourism industry that policymakers should consider for its development.

Keywords: *engine, public finance, tourists arrival*