

Role of government and support agencies essay sample

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Introduction:

This paper will analyse the government's involvement in the tourism industry and review the range of roles of support organisations. This paper will cover the topics of: Reasons why the government is involved in tourism, nature and extent of government involvement, public sector support organisations, private sector support organisations, voluntary sector support organisations and international support organisations. Economics reasons for the government's involvement in tourism: One reason for government involvement in the Travel and Tourism industry is for the diverse employment opportunities. These employment opportunities are important to the industry which is suggested (in Tourism Alliance Stats., 2013) where it states that ' The UK tourism industry employs 2. 72 million people (2011). This industry is very diverse and fragmented. It is made up of core and peripheral industries and offers both direct and indirect employment opportunities.

The (Tourism Alliance Stats., 2013) imply that ' Core and peripheral sectors or the industry that provide employment and amenities, hospitality, attractions, education, publishers and financial services such as foreign exchange. The tourism industry is also labour intensive which has a high dependence on people. ' The sector is a large employer for school leavers and young people with 44% of people employed in the sector under the age of 30 compared to the national average of 24%' (Tourism Alliance Stats., 2013). Another reason for the government involvement in tourism is the government revenue from taxation. People employed in tourism earn money and pay income tax and national insurance to the government. (Tourism

Alliance Stats, 2013) ' Of the 27 European countries, the United Kingdom is one of only 4 that charge the full rate of VAT on tourism. The average VAT rate for accommodation in the other European countries is 10. 5%'. The government also enforces airport and fuel taxes to raise more income for the UK. (Tourism Alliance Stats., 2013)

' A family of 4 from China or India pay £324 in Air Passenger Duty (APD) to add the UK to their European itinerary. A couple from Australia pay £368 in APD to fly premium economy to the UK. The government collects £2. 8 billion per annum from passengers through APD. Since 2007 APD was increased by up to 360%'. Services such as accommodation, ticketing and leisure industries are also subject to the imposition of VAT. (Deloitte Tourism Jobs and Growth, Pg 30-31) ' Taxation contributed £24 billion to the government in 2013'. Another reason for the government's expenditure in the tourism industry is the balance of payments. The balance of payments is the trading account with the world, by selling what the country produces abroad earns foreign exchange. The exports of a country should be greater than the imports meaning that the earnings should be greater than the expenditure. (Visit Britain, Inbound Tourism Trends) ' In line with many other developed economies the UK has an international tourism balance deficit'.

When goods are brought from abroad the country spends foreign currency. (Visit Britain., tourism trends) facts suggest that ' The top three markets in terms of volume and value to the UK is the USA, Germany and France'.

Incoming tourism provides an injection of income to the economy. (Visit Britain., tourism trends) ' There is a significant value to the USA spend as

they spend almost £1billion more than the next market which makes them much more important with relevance to other countries'. One other reason for the government's involvement in tourism: One other reason for the impact on tourism by the government is managing the growth of the industry. There are various impacts which could be political, economic, social-cultural or environmental.

The government could also want to maximise benefits and minimise potential problems. Well planned and managed tourism repays government and host communities for example infrastructure improvements, employment and income opportunities, conservation of areas of natural beauty and maintenance historic sites and monuments. The government has a duty to ensure that the growth is controlled and sustainable for the future and develop the framework for tourism by setting out legislation, planning controls and financial incentives. Nature of government involvement in the UK and Abroad:

UK

Creation and maintenance of tourist boards are put in place to ensure that there is a proper promotion and development of tourism to and within the UK. ' Visit Britain is the national tourism agency, a non-departmental public body which is funded by the department for culture, media and sport, responsible for promoting Britain worldwide and developing its visitor economy.' (Visit Britain. 2011). Statutory tourist boards were established in 1969 by Act of parliament: The Development of Tourism. There is Visit Britain and national boards for each country within the UK. ' We promote

Britain internationally and work in partnership with the national tourist boards. For information on domestic marketing contact your national tourist boards using the details below.' (Visit Britain. 2011) Visit Britain states that (Visit Britain. 2011) ' Our strategy is to Inspire travellers from overseas to visit and explore Britain, Use our global network to support the promotion of British tourism overseas, Advise Government and the industry on tourism issues, particularly affecting our global and Maximise public investment through partner engagement and commercial activity.'

Visit Scotland oversees tourism in Scotland from the Scottish Governments point of view. Visit Scotland operates regionally through 14 ' hubs' all directly linked to HQ in Edinburgh. There was a major review of Visit Scotland in 2005. ' The new Visit Scotland network came into being. It consists of one single national tourism network with 14 area offices, each functioning as: a single point of contact for tourism businesses and acting as one team for tourism, the network is responsible for the delivery and implementation of a national strategy complemented by local tourism action plans.' (Visit Scotland 2010) Planning and facilitating tourism is devising policies and objectives provision of financial aid to tourism projects which is needed to develop facilities and infrastructure for travel and tourism. It is also a large part of government of any country is devolved to local government or town councils. The central government will set out laws and statutes and agree on large scale budgets and local government has a large say in how the budget is utilised.

The UK government's tourism policy has three distinct objectives; To fund a global advertising campaign to increase inbound tourism by attracting an additional four million visitors over the next four years, to increase the proportion of UK residents holidaying in Britain to match those who holiday abroad and to become one of the world's top five visitor economies for competitiveness. The Scottish government has developed responsibility for tourism policy and planning and in 2006 the published Scottish Tourism: The Next Decade - a Framework for Change. The strategy set out what was needed to meet the shared ambition of growing tourism revenue by 50% by 2015. " Current estimates therefore suggest that gross tourism revenues could increase by 50% by 2015." (Scottish Executives. 2006.) The Tourism Strategy 2020 vision is to make Britain a first choice destination with a mission of growing visitor spends through quality to £5. 5-6. 5 billion. " Tourism Scotland 2020 is a strategy for the industry, by the industry.

It's the product of extensive consultation, led by the Tourism Leadership Group, and it's the means by which the Scottish Tourism Alliance will lead the many different businesses and stakeholders across the sector to deliver one common goal for 2020 and beyond." (jpscotland 2012) Visit Scotland also has a role in planning and facilitation tourism as its core purpose as a national tourism organisation is to directly support the Scottish Government economic strategy, to achieve industry growth ambition as set in Tourism 2020 and to maximise the economic benefit of tourism in Scotland. At a level of local government, Glasgow City council, Scottish Enterprise and the Glasgow City Marketing Bureau have developed a tourism strategy for the city. Scottish Enterprise provide government support for the development of

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tourism in the city and includes; developing industry collaborations, initiating product development and investing in tourism infrastructure.

Promotions of the country via tourist boards are done through three main levels of government involvement in the marketing of tourism. Visit Britain is responsible for marketing in the UK at a national level; Visit Scotland is responsible for marketing at home and abroad. It also advises government and operates QA schemes and area tourist boards are responsible for marketing at a regional level advising business and providing information. Visit Scotland has ran various tourism campaigns such as Brilliant Scotland, The Year of Natural Scotland 2013, Homecoming and the Commonwealth Games. Homecoming 2014 is a campaign ran to promote ex pats and people with a Scottish heritage to return to Scotland for the various events held across the year of 2014. Thailand

Creation and maintenance of tourist boards in Thailand was established on the 18th March 1960. The Tourism Authority of Thailand was the first organisation to be specifically responsible for the promotion of tourism. The Tourism Authority of Thailand has the intent to supply information and data on tourist areas situated in Thailand to the public, encourage both Thai and international tourist to travel in and around Thailand and to conduct studies to set development plans for tourist destinations. Tourism Authority of Thailand has established 35 regional offices throughout Thailand and many offices overseas. Planning and facilitating tourism in Thailand is set out using the Strategic Tourist Planning: National Tourism Development Plan 2012-

2016 across Thailand. Studies show that between the years of 2007 and 2011 there were approximately 19.9 million visitors.

Phuket, Phang-nga and Krabi cluster remains the top destination of international tourists in Thailand which lead to government to devise a tourism development plan. This Strategic Tourist Planning: National Tourism Development Plan 2012-2016 suggests that “ The Government of Thailand’s Policy is to promote the development of infrastructure to support tourism, expedite improvement in the standard of facilities, safety and hygiene, with consideration given to accessibility to tourist destinations for the disabled and the elderly.”(Strategic Tourist Planning: National Tourism Development Plan. 2012.) Thailand’s Relationship of Government Policy & National Tourism Development Plan can be broken down into three key areas; National Administrative plan, 4 year operational plan and a budget plan. The National Administrative plan consists of a National Economic and Social Development Plan and both the 4 year operational plan and a budget plan consist of a National Tourism Development Plan Provincial Plan/Group of Provincial Plan/Local Plan.

The objective of the national tourism development plan suggested (Strategic Tourist Planning: National Tourism Development Plan. 2012.) is “ To move Thailand’s tourism competitiveness up at least 15 places, which would put it in one of the top five destinations in Asia. The plan also intends to increase tourism income by at least 5% during the five year period.” Promotions of the country via tourist boards in Thailand were done through the main tourist board which promote Thailand. The Amazing Thailand campaign market the

birthday of His Majesty King Bhumibhol Adulyadej. It presented the chance for Thailand to highlight the importance of tourism as part of recovery efforts as the region recover from the 1997 Asian Crisis. The TAT partnered with the public and private organisations to launch the campaign which featured sales and unique Thai tourism products including accommodation, entertainment, souvenirs and new destinations. " This resulted in a 7. 53% growth in visitor arrivals to 7. 76 million in 1998 and a further 10% increase to 8. 58 million in 1999."(TAT NEWS. 2013.)

Extent of government involvement in the UK and Abroad: UK

The extent of dependence on tourism is a countries income which can be categorised in three ways; Primary which represents living off the land, secondary which represents manufacturing and construction and tertiary which represents the service sector. Most countries have a mixture of these industries but some are almost dominated by one of the three. A country wholly reliant on tourism may experience fluctuation in demand due to a wide range of PEST factors for example the decline in traditional industry, impact of recession, natural disasters and war. The economy country profiles suggest ()" Tourism in the UK ranks 22 for tourism infrastructure scoring 5. 8." This then creates a strong services industry such as construction.

Tourism in the UK is of high importance as the key indicators state that in 2011 the gross domestic product per capita was 36, 521. 6 meaning that the UK depend on tourism however it is not one of their main sectors. The government's prioritisation of the travel and tourism industry ranks 47 with a score of 5. 7 and the travel and tourisms percentage of government

expenditure ranks 84 with a score of 2.8. The extent to which the country is developed in the UK is very high as the country is well established with the value of tourism being recognised with an act of parliament in 1969. The act created four statutory tourist boards to develop the industry in the UK. Different countries are at different stages of tourism development when political barriers change or transportation and communication improve accessibility. Thailand

The extent to which the country is dependent on tourism in Thailand is lower than the UK as they rank 76 for travel and tourism regulatory framework with a score of 4.47. In comparison Thailand ranks 43 out of 140 in 2013 whereas the UK ranked 5 out of 140 on the competitive index for tourism. The gross domestic product per capita in Thailand is 9,398.5 making them less dependent on tourism compared to the UK. The main extent which the country depends on is the secondary sector where they export their goods and services. Tourism ranks relatively low on dependence however as more tourists are beginning to visit Thailand this is likely to rise. The extent to which the country is developed in Thailand started in the 1960s when there was a development of international air transport. This then led to the hotel and rail industry expanding and this then the standards of living increase. The tourist numbers in Thailand have grown to over 22 million international guests in 2012. In 2008, Bangkok ranked 3rd behind London and New York in the list of top city destinations with 10,209,900 visitors. In comparison with the UK it appears that Thailand is still developing its tourism with regards to improved communication whereas the UK is already a developed country. 3

UK Public Sector Organisations:

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Historic Scotland

Historic Scotland's role in planning for sustainable tourism is to provide advice to planning authorities, developers and others on the potential impacts of development on the historic environment, while preserving the most significant features of our historic environment. The advice we offer as part of this process relates to scheduled monuments and their setting, category A listed buildings and their setting, Inventory battlefields and Inventory gardens and designed landscapes and historic marine protected areas. Historic Scotland also works with planning authorities during the preparation of development plans to ensure that the historic environment is considered in a positive way. Their advice is targeted at assessing the likely effects of proposed allocations on Scotland protected sites. Historic Scotland also provides advice on the Strategic Environmental Assessment of development plans and works with authorities on development plan delivery initiatives such as preparation of supplementary guidance, master plans and development briefs. The National Trust for Scotland

The national trust for Scotland's role in the planning system is to provide professional conservation advice and activity to properties and colleagues to a consistent and high standard, serve as a ' Conservation Conscience' for the Trust, ensuring awareness and delivery of the Trust's Conservation Principles and they support the organisation through the effective management of our central project and property planning functions. Their responsibility is to retain the significance of all that has been entrusted to us for the benefit of future generations. All National Trust for Scotland visitor centres are members of the Green Tourism Business Scheme (GTBS) as are an

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increasing number of our holiday cottages. Through this, they aim to contribute to Scotland as a sustainable tourism destination.

Visit Scotland

The Weir Charitable Trust supports Scottish-based community groups and small charities to provide services across Scotland to help the Scottish community. This trust fund has the following qualifying categories; sport, recreational facilities, animal welfare, health and culture. The average award granted is approximately £3500 however there can be exceptions made. This programme is available through visit Scotland. Visit Scotland's growth fund support a range of regional, national and sectorial groups. The fund is open to groups of independent tourism businesses, including destination organisations and sectorial groups. To apply the organisation needs to be eligible for funding and the funding is a core visit Scotland grant award. This funding can cover 50% of the approved marketing costs from a minimum of £5000 to a maximum of £40,000. Visit Scotland also have a planning outlined for the years 2013 to 2016. This plan directly supports the Scottish Government's Economic Strategy and outlines what Visit Scotland intend to do to contribute to the government's purpose to increase sustainable economic growth.

The five corporate objectives are outlines which are all closely integrated, with linkages and interdependencies between each one: 1. Marketing: We will market Scotland and its outstanding assets to visitors from all parts of the world, including the promotion of Scotland to people living in Scotland to visit different parts of the country. 2. Information provision: We will provide

information and inspiration to visitors both locally and globally via their preferred choice of medium. 3. Quality and sustainability: We will provide support and advice to businesses, with the goal of improving the quality and sustainability of the tourism sector in Scotland. We will provide assurance to visitors through our Quality Schemes. 4. Working in partnership: We will listen to and work with the industry, partners and stakeholders to shape our offering and support. 5. Events: We will maximise the benefits from the “Winning Years” and their legacy. We will implement the national events strategy, and sustain, develop and promote Scotland’s international profile as one of the world’s foremost events destinations. 3 UK Private Sector Organisations:

Scottish Tourism Alliance

The Scottish Tourism Alliance is an independent trade body comprising of trade associations, individual businesses, marketing services and local area tourism groups who earn their living from tourism or have an active interest in tourism. Their role in the planning system is facilitate, co-ordinate and provide support to industry to help enable the successful delivery of the National Strategy: Tourism Scotland 2020 objectives and vision and on behalf of the Scottish Tourism Alliances members they: Collaborate with and represents industry views to government and agencies, Offer advice and information to it’s members on key industry matters and provide a platform for networking across industry sectors through regular events.

The Scottish Tourism Alliances vision, for 2020 and beyond is to make:

Scotland a destination of first choice for a high quality, value for money and

memorable customer experience, delivered by skilled and passionate people.

The National Strategy: Tourism Scotland 2020 was launched in June 2012.

The strategy was developed to target those markets that offer us the greatest growth potential, to collaborate within and across Scotland's tourism destinations and to develop the authentic memorable experiences today's visitors seek, delivered to the consistently high quality they expect.

ABTA

ABTA has begun to implement an ambitious new Plan, which outlines ABTA's and its Members' role in building a successful and sustainable future for the travel industry. ABTA's mission is to build confidence at the heart of travel – confidence for customers to book; confidence for companies to trade and invest; confidence that the industry is building a sustainable future. The Plan is represented as sections of a circle which comes together as a picture of a sustainable industry where successful businesses offer quality products to confident customers. Thriving destinations continue to attract investment and reap the social and economic rewards of tourism, while their long term sustainability is achieved through responsible use of resources in a finite world. The industry will continue to provide rewarding jobs in the UK and overseas, and the full recognition of its economic contribution will result in a fair and proportionate tax take. The Association of independent tour operators

When The Association of independent tour operators was established it was in response to the problems posed for smaller travel companies by a sharp increase in bonding levels following a couple of high profile collapses. It was

soon realised, however, that smaller, specialist businesses have more in common than a concern with regulatory issues. Thus the Association has evolved – as the industry has become ever more polarised between large and small companies, with fewer and fewer occupying the middle ground – into a unique trade body with a number of objectives. AITO is run by a Council of (unpaid) members who elect one of their numbers to the position of Chairman. The Council which meets regularly throughout the year, is supported by a team of permanent staff based in Twickenham, managed by a full-time Executive Director. AITO's great strength comes from the diversity of its membership and the expertise of its respective owners. Together, AITO companies find strength in numbers to purchase services of various kinds, to make their collective voice heard on a range of issues, to promote the association's values and to market the remarkable variety of members' holidays.

2 UK Voluntary Sector Organisations:

Responsible Tourism

Responsible Tourism is tourism that creates better places for people to live in and better places to visit. Responsible tourism is an approach to the management of tourism, aimed at maximising economic, social and environmental benefits and minimising costs to destinations. A responsible tourism approach aims to achieve the 'triple-bottom line' outcomes of sustainable development i. e. economic growth, environmental integrity and social justice. The unique characteristic of the approach is the focus on the responsibility of role-players in the tourism sector, and destinations in general, to take action to achieve sustainable tourism development.

Research has shown that consumers around the world are increasingly

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aware of the potential impact of their tourism spend, with socially responsible and environmentally sustainable tourism becoming a leading market segment globally.

The Travel Foundation

The Travel Foundation was founded in 2003. It is an independent charity working with the travel industry towards a sustainable future. The Travel Foundation enables travel companies to integrate sustainable tourism into their business – to protect the environment and create opportunities for local people in tourism destinations. The Travel Foundation provides a Forum where stakeholders from industry, Government and NGOs (non-governmental associations) can work together to create a step-change in the implementation of sustainable tourism practices by the UK outbound tourism industry, and build the foundation for an ongoing process of continual improvement and engagement. The Travel Foundation seeks to make progress in the following target areas:

Promotion of sustainable livelihoods for local communities through participation in tourism
Minimising the use of scarce resources – land, soil, energy and water
Reducing pollution, waste, noise and congestion

Addressing tourism's contribution to climate change

Conservation of plants, animals, ecosystems and landscapes including protected areas
Respecting the integrity of the local cultures and avoiding negative effects on social structures of communities affected by the tourism industry
Increasing the economic and social benefits from tourism to destination communities
Encouraging responsible behaviour by tourists

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Integration of actions to address sustainability issues into core business practice

The Travel Foundation recognises that progress will be maximised if UK companies adopt a common approach to introducing sustainable tourism practice in partnership with other stakeholders. We will develop and introduce quantitative indicators to set targets and assess progress. Members of the Forum will work together in a process of continuous improvement in sustainable tourism practice. Implementation of the initial approaches will lead to more ambitious and stretching programmes. Initial priority actions will be: Implementation of preferred codes of practice supported by practical tools that allow continuous improvement in the environmental and social performance of supply chain partners in destinations. This will be undertaken in close co-operation with the partners with an initial priority focus on hotels, Building multi - stakeholder partnerships in destinations to identify and address priority areas in promoting sustainable tourism practice and developing a communication process that will engage consumers and other stakeholders in sustainable tourism issues

2 International Support Organisations:

World Travel and Tourism Council

The World Travel & Tourism Council is the forum for business leaders in the travel and tourism industry. With chief executives of over 100 of the world's leading travel and tourism companies as its members, the world travel and tourism council has a distinctive order and overview on all matters related to

travel and tourism. The council's mission is to make people more aware that travel and tourism is one of the world's largest industries. Travel and tourism supports 260 million jobs and generates 9 per cent of world's GDP. The world travel and Tourism Council have partnership between the public and private sectors and they deliver the results that match the needs of economies, local and regional authorities and local communities based on: Governments identifying travel and tourism as a top priority, Businesses balancing economics with people, culture and environment and a shared pursuit of long-term growth and prosperity.

The council often sets strategic priorities with a view of recognising the issues which delay the operation or development of the sector the most. In order for planning, the world travel and tourism council prioritises in research. They believe that research should be conducted in order to Measure the size and growth of the travel and tourism sector around the world. This is important so that they can gain an understanding of its contribution to the economy. The council believes that is only with reliable economic facts that messages in support of the industry will be acknowledged.

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