

European Commission

EUROPEAN TOURISM

NEW PARTNERSHIPS FOR JOBS




**Conclusions and Recommendations of the High Level Group on Tourism and
Employment**

October 1998

Chairman:

Dr. Ralf Corsten

Table of contents

	I. THE ECONOMIC IMPACT OF TOURISM AND ITS POTENTIAL FOR FURTHER GROWTH	8
	II. CONDITIONS AND MEANS FOR ENCOURAGING GROWTH AND EMPLOYMENT	10
	1. Activate tourism businesses to meeting the needs of guests	10
	2. Making the tourism market work better by improving the business environment	12
	3. Modernising and improving the efficiency of tourism-related infrastructures	14
	4. Up-grading human resources in tourism	16
	5. Encouraging sustainable development of tourism	20
	III. GETTING THE POLITICAL RECOGNITION EUROPEAN TOURISM DESERVES AS A LEADING PLAYER	22



Foreword

The report of the High Level Group on Tourism and Employment confirms, once again, the major role tourism plays in the achievement of the goals of the European Union.

Tourism generates growth through a wide variety of services and economic sectors, assists regional development and creates employment.

In order to fully exploit the potential which tourism offers, we need to develop partnerships and co-operation at all levels: European, national, regional and local, and between all the private and public partners.

The conclusions and recommendations of the High Level Group will be a valuable instrument for our future work.

The European Commission will examine the extent to which these recommendations can be implemented at Community level under existing programmes, and which recommendations would require supplementary measures to be adopted by the Council and by the Member States. The Commission will report to the European Parliament and to the Council of Ministers by giving an overall assessment of the report and orientations for follow up actions.

I am grateful to the President of the High Level Group, Dr. Corsten, and to all its members, for the important contribution they have made to the identification of the main challenges to be faced by the European tourism industry to improve its competitiveness, and for having shown clearly the opportunities which tourism can provide in terms of growth and employment.

The direct commitment to this process by leading decision-makers in tourism from all the Member States encourages us to continue to work together towards a wider political recognition of the contribution of tourism to growth and employment, and towards the development of a policy which reflects the importance of the industry.

A handwritten signature in blue ink, consisting of a stylized 'C' followed by 'PAPATOUSIS' and a horizontal line extending to the right.

Christos PAPAOUTSIS
Member of the European Commission

Letter from the Chairman

D? RALF CORSTEN

October, 15th 1998

Mr. Christian Papoutsis
Member of the
European Commission
Rue de la Loi 200

B-1049 Bruxelles

Dear Mr. Papoutsis,

I am pleased to submit to you the report of the High Level Group on Tourism and Employment.

The mandate given to us, namely to examine the conditions in which tourism could make a greater contribution to growth and stability in employment in Europe, has been at the same time a challenge and an important opportunity. The huge scope of the task has meant that our report could not be exhaustive in its analysis of all aspects and that a pragmatic approach has had to be taken to the issues investigated and to the choice of recommendations made. The Group's work has been enriched by the wide range of experience and the variety of cultural and professional backgrounds of its members, reflecting also the complexity of tourism in Europe and the different situation in the Member States. And, despite some differences of emphasis on the importance to be given to particular issues, the report is a balanced reflection of the discussions within the Group and the written contributions made by individual members.

The in-depth investigation carried out by eight working teams and the outcome of research and debate on guidelines for action by businesses and public authorities at various levels, are presented in more detail in a complementary report attached to the conclusions and recommendations.

TUI

Many valuable suggestions were made in the course of the Group's work. The choice of issues to bring to the attention of policy-makers and other decision-makers at European, national and regional levels has been determined by the need to give priority to common problems seen as fundamental to encourage better and more qualified jobs through tourism.

The Group is firmly convinced that:

- the contribution of tourism to growth and employment requires greater political recognition at all levels, and that this should lead to positive action which will reinforce the potential of the tourism industry to bring further and sustainable growth;
- the greater integration of tourism preoccupations and priorities into the development and implementation of Community programmes and policies presents a unique opportunity for the Community to contribute to greater competitiveness of the European industry;
- the development of effective consultation and cooperation among the parties concerned at local, regional, national and European levels is an essential pre-requisite to maximising the contribution of tourism to growth.

The early publication and dissemination of the Group's conclusions and recommendations would be helpful, and we look forward with interest to the reactions of Community institutions, the Member States, the industry and other organisations concerned, in the context of establishing a consensus on the follow-up needed to ensure that the recommendations will be put into practice.

On behalf of all of the members of the group, I would like to thank you for the confidence placed in us, and to say that we are at the Commission's disposal for further advice.

Yours sincerely,



Dr. Ralf Corsten
Chairman of the High Level Group

MEMBERS OF THE HIGH LEVEL GROUP

PRESIDENT:

Dr. Ralf Corsten President of Board of Directors TUI GmbH

MEMBERS:

Mr. Andreas Andreadis Vice-President of Sani Beach Holiday Resort, Vice-President of the Greek federation of Hotel owners

Mr. Paul Brett Chief Executive Officer Thomson Group

Mr. Juan Careaga Member of the Tourism Committee of *Confederacion Espanola de Organizaciones Empresariales (CEOE)* & of *Mesa del Turismo*

Mr.C. Charpentier President Havas Group

Mr. J.A.T. Cornelissen Director of Nederlands Bureau voor Toerisme

Prof. G. De Brabander Professor of Economics, University of Antwerp

Prof. Elio Fontana Former Member of the Italian Parliament – Industry and Tourism Committee

Mr. Peter Forssman Consultant Gullers Group in Sweden

Dr. Heinz J. Handler Director of the Economic Policy Section - Austrian Federal Ministry of Economic Affairs

Mrs. Anne-Mette Hjalager Associate Research Professor at the Aarhus School of Business

Mr. Jean Jacques Knaff Director of Luxembourg Congrès S.A.

Mr. Brendan Leahy Chief Executive of the Irish Tourist Industry Confederation (ITIC)

Mr. Geoffrey H. Lipman President World Travel and Tourism Council

Mr.A. Potamianos President of Greek Shipowners Association

Mrs. Carmen Riu Güell Financial Director RIU Hotels s.a.

Mr. Franco Rosso President of Francorosso International Spa

Mr. Juha Rydman Chief Executive of the Finnish Hotel and Restaurant Association

Mrs. Ursula Schörcher Président of Deutsche Zentrale für Tourismus (DZT)

Mr. Albino Jose Silva Professor of Economy, University of Algarve

Mr. Jean Viard President of *Groupe de Prospective de la demande touristique - Commissariat du Plan à la Direction du Tourisme en France*

Mrs. Anne Walker Director Springboard UK

Mr. Harald Wiedenhofer General Secretary of the European Committee of food, catering and allied workers union and member of the ETUC Executive Committee

OBSERVER

Mr. Knut Sevaldsen Managing Director Reiselivsutvikling sa.

be in an annual range from:

- 2.5 - 4% in terms of turnover;
- 1.0 - 1.5 % in terms of employment.

This means that by the end of the next decade there will be opportunities to create between 2.2 and 3.3 million new jobs in tourism activities in the European Union. Further employment will be generated as a result of the impact of tourism on other economic activities. The growth potential of European tourism can only be fully exploited if appropriate framework conditions are provided by public authorities at all levels. In addition, it is essential that businesses and policy makers combine to remove structural barriers to growth.

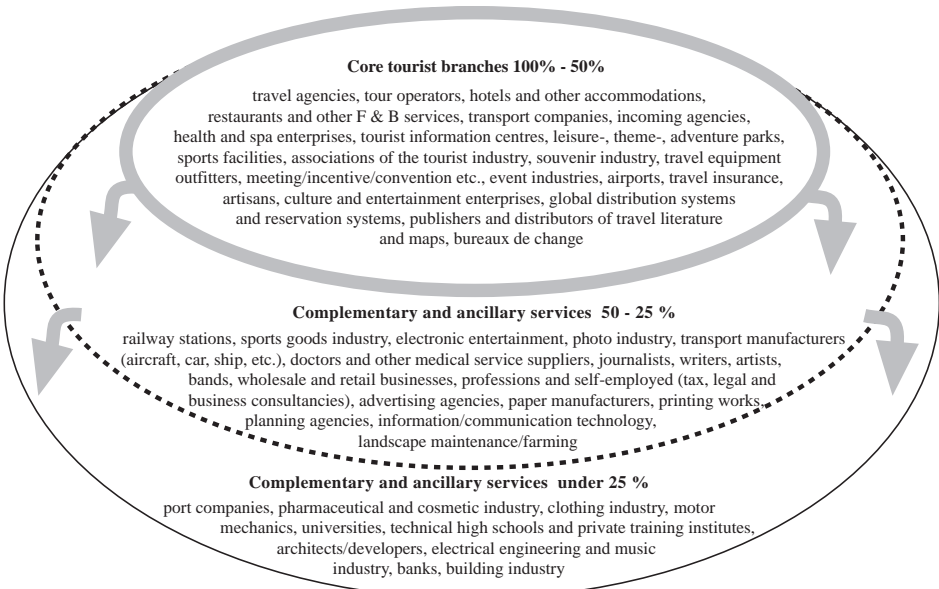
Tourism is a complex of services and products, provided to meet consumer, business and public sector demand for

domestic and foreign travel. It is largely decentralised and woven into the economy due to the mobility and variety of tourists' needs, and because tourism-related products and services are bought before, during and occasionally after the journey.

Recent analysis and new impact models provide, below, an indication of the turnover rate generated on average by consumption of tourists in relevant branches.

The establishment of Satellite accounts for tourism, built on rigorous and widely acknowledged methodology in compliance with EU and OECD standards, and which reflect both public and private sector needs, would ensure the availability of comprehensive and reliable information on the impact of tourism activities, including projections and forecasts.

Turnover Share Generated by Tourism



II. CONDITIONS AND MEANS FOR ENCOURAGING GROWTH AND EMPLOYMENT

I

ACTIVATE TOURISM BUSINESSES TO MEETING THE NEEDS OF GUESTS

From the demand side, the expansion and evolution of the tourist market is directly linked to demographic changes in the population, to improving purchasing power of consumers, to the increasing availability and recognition of leisure time, and to the growing variety of desires and preferences of the public.

The inclination towards mobility, the need for safety, the desire for personalised, comfortable, authentic and value-for-money tourist services, are among the main features of tourists' expectations. Such expectations will be met mainly through widening the range of products and services made available, through the improvement of their quality and through raising awareness of their availability on the market.

As tourism is largely a "people delivered activity" it is a sector where gains in productivity tend to be weak, and where increases in the level of tourist activity lead to the creation of new jobs. Despite the rationalisation of the

production process in tourist services, accelerated by the application of new technologies, opportunities for additional jobs and for better and more varied occupations can be expected.

Most European countries are highly developed in terms of tourism-related businesses and should be in a position to meet future challenges. Nevertheless, there is still scope for improvement in order to overcome the constraints which currently prevent European tourism-related businesses, especially SMEs, from benefiting from these favourable market perspectives. Among these are:

- ✓ lack of strategic knowledge of tourist demand and on the use of this information in operational terms;
- ✓ poor application of quality control and quality management techniques in the production, marketing and provision of tourist services;

- ✓ insufficient appreciation of the richness and diversity of attractions available throughout Europe, and which could become the basis for new and original tourist products and destinations.

The increasing demand of tourists for high-quality, personalised tourist services is often difficult to meet, as some sectors of tourism lack sufficiently qualified staff, and suffer from a high staff turnover, often due to an unattractive working environment in tourism.

The HLG considers that, with the aim of ensuring timely, reliable and comparable information, there is the need to exploit existing EC instruments such as the Eurobarometer, to up-grade them in relation to business needs, and to ensure greater synergies on complementary actions, through public-private cooperation.

The HLG

urges the European Community to:

- ✗ establish an on line “observatory network” which will link together proven sources of market and employment information on tourism, and will facilitate business-friendly access and use;
- ✗ encourage the development on a voluntary basis of quality standards, intelligible at the European level, and which would improve the transparency and attractiveness of products and services;
- ✗ promote the collection and dissemination of good practices and of imaginative ideas for tourism products and services, anticipating new needs of tourist markets through the establishment of a free accessible “web site“.

recommends to public authorities and tourist offices:

- ✗ the promotion of private-public cooperation, notably at the transnational level, for the development of bookable tourist products and services which enhance the richness of European natural and cultural attractions.

encourages tourist businesses:

- ✗ to develop forms of partnerships and cooperation which can improve the integration of the services involved in the “tourism chain“ and encourage fair relationships between intermediaries and providers of tourist services.

encourages the social partners to :

- ✗ create working conditions and terms of employment which enhance the attractiveness of jobs and careers in tourism, and the profitability of businesses.

MAKING THE TOURISM MARKET WORK BETTER BY IMPROVING THE BUSINESS ENVIRONMENT

It is the private sector which, in the last analysis, will create jobs through its investment decisions and development of its activities in tourism. Public authorities have an essential role also, acting at various levels of authority, to create the legal, financial, and administrative framework conditions which enable entrepreneurs to start and develop their businesses. And, while these requirements apply to business as a whole, they have a particular relevance to tourism:

- ✓ the importance of some key factors of production, for example natural and cultural resources and infrastructures, are under the responsibility of the public sector and represent a vital asset in terms of the attractiveness of tourist destinations and the competitiveness of tourist businesses;
- ✓ the high number, and at times the inconsistency, of administrations involved, and the extensive administrative formalities governing tourism activities;
- ✓ the added complexity of the regulatory environment for tourist professionals aiming to benefit from the growing "Europeanisation" of tourist flows, and willing to develop

their business operating in an international context;

- ✓ fragmentation in the range of public financial instruments, and difficulties in getting information on procedures associated with initiatives for local and national development;
- ✓ as regards taxation and administrative charges, a lack of overall coherence, and at times the overlapping of regulatory measures which give different treatment to similar/complementary tourist products and services;
- ✓ high charges on labour, affecting in particular labour-intensive tourism businesses, involving ancillary labour costs, are considered as one of the reasons which can lead to undeclared work in some tourism activities.

Notable progress has been made recently at the European level on the simplification of regulations for businesses. The recommendations put forward earlier this year by the Business Environment Simplification Task Force (BEST) are warmly welcomed and their implementation at Community, national and regional levels would be highly beneficial to business

development in tourism. There are, however, specific requirements for tourism businesses, especially as regards tax harmonisation and the effective functioning of the European single market, which need to be strengthened.

Improving the competitive position of SMEs, which represent the large majority of total businesses in tourism, is central to the development of the entire industry. The proposed “Agenda

2010 – Framework for action in support of SMEs in tourism“ drawn up following the European conference held at Llandudno (Wales) in May 1998 contains valuable guidelines in relation to priority actions, for example, on training, information technology, on industry cooperation involving SMEs. These should be considered for better integrating tourism SMEs into the mainstream of enterprise policy generally.

The HLG

recommends to the European Community and to the Member States:

- X** the development of further convergence and, as far as possible, the harmonisation of tax systems, and the reduction of charges on labour, towards the application of rates which will underpin the expansion of tourism activity and growth in employment;
- X** the promotion of tourism businesses in existing networks supported by the European Community;
- X** the promotion of “Tourism Advisory Centres“ and of business-friendly background instruments to provide up-to-date information on regulatory aspects and on funding to tourism;
- X** the establishment of a Community initiative which promotes the development of innovative tourist businesses by young entrepreneurs, notably for the promotion of new tourist attractions;
- X** the development of more effective consultation and cooperation with representatives of the tourist industry, including social partners, and leading decision-makers, in relation to measures likely to affect tourism development;
- X** the preparation and dissemination of a report on the structure, performance and competitiveness of European tourism, the report to be regularly up-dated and to be the basis for an annual examination by Ministers of initiatives required at Community and at member State level.

urges national and regional authorities:

- X** to limit charges and fees on tourism services and, where these apply, to use the related income in a transparent manner for improving investment and facilities in tourism.

recommends to tourist businesses and professional associations:

- X** to review their activities at all levels so as to ensure their full contribution to the consultation and cooperation processes established at the various decision making levels, especially at European Community level.

MODERNISING AND IMPROVING THE EFFICIENCY OF TOURISM-RELATED INFRASTRUCTURES

Worldwide tourism, based on mobility and communication, is a function of the development of transport infrastructure and technology.

Significant progress has been made in Europe in recent years through strategic initiatives taken at the Community and at the national levels to expand systems and means of transport and communications, and to liberalise their access and use. This has led to substantial investments throughout Europe, supported in disadvantaged regions by Community funds, and to rapid progress in the liberalisation of transport, most evidently in air transport. Continual expansion of demand requires further instruments and improvements to guarantee an efficient and reliable global technological and infrastructural basis for mobility.

The rapid growth in air traffic, the continuous growth in car and coach traffic towards European tourist destinations, together with the emergence of an increasing interest of holiday makers in cruising, is placing growing pressure on the capacity of existing infrastructure and on the environment, often generating additional costs.

The insufficient inter-connection and inter-operability of Europe's transport network and of information technology systems exacerbate the difficulties for tourists and for businesses. The case of air traffic control in Europe is a typical example: 49 control centres, with 22 different operating systems, 31 national systems, 30 software programmes and 18 different hardware producers. The consequences in terms of additional costs for airlines due to delays in air



transport is estimated at some 2.5 billion ECU in 1997.

The limits in terms of inter-operability of the current information and reservation systems, which cover different tourist services including transport, tends to be an important obstacle for tourist SMEs to access, apply and use

information technologies in their daily work. The rapid expansion of electronic commerce and of direct booking in tourist services can help SMEs to take advantage of new marketing and management instruments, which in certain cases also, could threaten their existence.

The HLG

urges the European Community and the Member States:

- X** to promote the establishment of a coordinated air traffic control system at the European level and to ensure complete liberalisation of air transport-related services;
- X** to encourage effective networking and greater inter-operability of transport and information technology infrastructures and means;
- X** to promote the development of transport infrastructures, as a priority in deficient areas, to complete the European system of communication;
- X** to support European and national initiatives which integrate environmental concerns into tourist mobility;
- X** to take the initiative to promote information technologies in tourism, and encourage partnerships between tourist enterprises and technology suppliers;
- X** to promote the exchange of best practices on new technology applications involving SMEs, larger businesses and local authorities.



UP-GRADING HUMAN RESOURCES IN TOURISM

Tourist consumption, and related activities, create jobs in the first instance in core sectors such as accommodation, tour operators, travel agencies, catering, transportation and attractions. But substantial indirect job creation takes place also through complementary activities, for example, food processing industries and construction. Likewise, job creation occurs in the public sector, for example, provision of advice, public security and environmental care services. This wider impact of tourism should be taken into account in specific training and qualification requirements and, more generally in human resources policies and practices.

The rapid changes in tourists' preferences and profiles, in the structure and organisation of tourist businesses, and in the application of information technology, have a significant impact upon the nature, quantity and quality of employment in European tourism.

Notable adjustments are taking place in European tourism which are crucial to enhancing its competitiveness and which lead to important changes in the tourism labour market. Among these are:

- ✓ re-focusing of core competencies,
- ✓ deskilling of operational tasks in some sub-branches,
- ✓ upgrading skills and specialisation, in particular in large enterprises and tourist organisations and in complementary services,
- ✓ creating new professional profiles for meeting tourists' needs and preferences.

The transfer of work operations, from traditional core sectors to ancillary service industries and suppliers, can mean that industry leaders are undertaking investments and exploiting strategic alliances that are essential to the renewal of European tourist products. This shows also that innova-



tive tourism businesses are increasingly adopting modern strategic management instruments such as outsourcing and purchasing/production/marketing alliances.

Adopting these strategies can be seen as a business response to major, and European wide, problems of retaining qualified personnel in the tourist sector; problems connected with seasonality, low wages and limited job prestige. However, in the absence of joint actions involving the various levels of responsibility (in the public sector) and wider expertise (in larger and in innovative enterprises), tourism SMEs and traditional tourist destinations (seasonally sensitive) could be at risk of a “brain drain”, “competence drain” and “capital drain”.

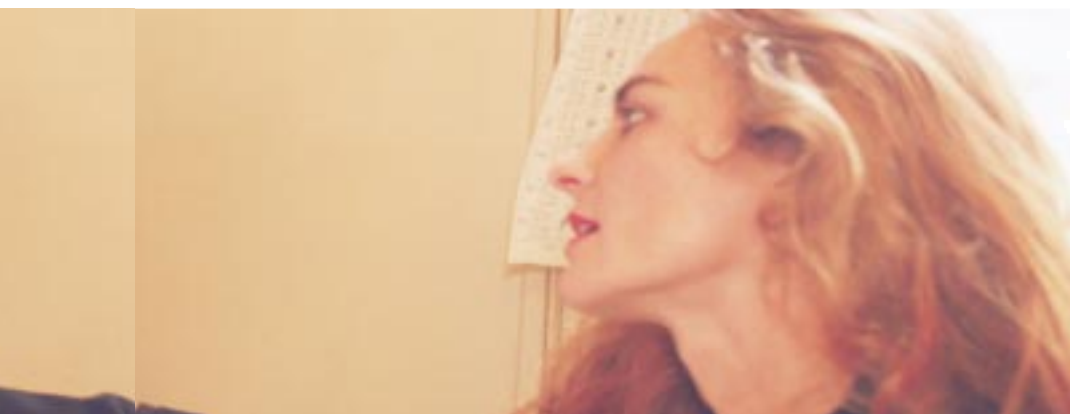
The diversity in skills requirements of those willing and able to work in tourism has important implications for the nature, range and organisation of tourism qualifications which are offered.

From a demand-side perspective, the major impact on employment practices is the level of seasonality and other forms of variable demand which, with

few exceptions, apply throughout the sector. Tourism has problems in providing sustained and sustainable employment on a year-round basis for its entire, high season workforce. This has an important impact on the quality of employment on offer and on the investment which both employers and employees are willing to make to upgrade skills and qualifications. Yet, seasonal work could provide specific opportunities for acquiring qualifications, for example, by offering training in the inter-season, a possibility which has not been exploited sufficiently. The prospects for retaining qualified staff could be improved also by guaranteeing re-employment in successive seasons.

Investment and innovation in human resources in tourism is at least as important as other forms of investment. Outstanding examples of successful investment in tourism-related businesses show that the measurable increase in profits due to improved quality service and reduction in costs can be of as much as 3 times the investment in training.

The need for numerical flexibility in tourism should be linked to the



openness of segments of the labour market to offer flexible work practices in exchange for non-traditional benefits. Traditional approaches towards encouraging a positive use of numerical flexibility have concentrated, on the one hand, on ensuring employee protection and the avoidance of exploitation, while at the same time encouraging the development of flexible and transferable skills (“multi-skilling”) so that several tasks can be consolidated into a single real job.

Alternative strategies are now likely to be required which will encourage employers to learn from successful image-enhancement initiatives by some businesses, and to identify also which benefits potential employees value most in return from flexible working practices.

There are also worthwhile opportunities, through the flexible working environment of tourism, for integrating youth and disadvantaged segments of the labour market into economic and social activities; this arises from:

- ✓ the high level of entrepreneurial ambition among young people beginning their careers in tourism: many see their career goals in terms of owning their own businesses, and their early work, especially the first job in tourism, as an “apprenticeship” for the future;
- ✓ the opportunities in tourism available to people with a multicultural background, together with the range of low-skill jobs involved, can help to

integrate those who tend to be marginalised on account of language or cultural differences, for example, immigrants.

It is essential that a qualitative leap be made throughout Europe in designing and implementing renewed human resources policies in tourism which take full account of market diversity. The willingness of tourism entrepreneurs and employees to play their part in a “European qualification offensive” for tourism professions needs to be encouraged. More effective measures are needed, in line with the evolving characteristics of tourism, and which take account of the different situations in various branches and destinations.

This approach should involve more structured and responsible partnerships among businesses, educational and training institutes, and public authorities concerned by tourism development. Effective dialogue between the social partners in the various branches would be an essential element in this process. Experience shows that existing social problems and new challenges can be better tackled when all parties concerned jointly attempt to find a balanced solution through mutual consultation. Such dialogue should try to move beyond the regulation/deregulation debate, leading to the implementation of innovative measures which could be tested at the level of the enterprise, and further adapted and extended to a more general level with the agreement of the social partners.

The HLG

recommends to the European Community and to the Member States, in cooperation with professional associations representing employers and employees interests, businesses, universities and training institutes to:

- ✘ give tourism in all its aspects a prominent place in the implementation of the European employment strategy, and in the priority actions to fight social exclusion and unemployment;
- ✘ ensure that education and training policies and supporting initiatives throughout the EU reflect tourism needs in study curricula and careers development programmes;
- ✘ establish a system to monitor the impact and effectiveness of training initiatives, best job-creation programmes and labour market developments, and disseminate best practices, for example, through an annual award scheme in this area;
- ✘ support the establishment or further development, in cooperation with professional associations, of training and employment advisory units, providing guidance and assistance to micro and small tourism businesses on human resources-related issues;
- ✘ encourage partnership programmes between international tourism businesses and education/training institutions in order to develop new professional profiles and create attractive career opportunities;
- ✘ improve the access to existing information mechanisms which could give greater transparency to the tourism labour market, allowing a timely and effective matching between the supply and demand of jobs;
- ✘ continue ongoing work on the improvement of transnational recognition of qualifications and mobility in tourism;
- ✘ support the development of a joint private-public initiative in favour of young people, notably those with a multiple cultural and language background, in order to facilitate a first employment experience in tourism.

recommends to the social partners at business, regional, national and European levels to:

- ✘ develop social dialogue and consultations on the economic and social aspects in tourism, particularly on employment, qualifications and working conditions;
- ✘ improve the employability of workers by facilitating mobility between the different professional career paths and the acquisition of multiple skills.

ENCOURAGING SUSTAINABLE DEVELOPMENT OF TOURISM

The natural and cultural environment influences employment at three levels:

- ✓ safeguarding existing jobs through quality assurance for an ecologically intact environment at holiday locations;
- ✓ creating new jobs through investment in ecological modernisation and quality programmes, mainly at holiday resorts;
- ✓ developing the basis for revitalising or launching new professions in complementary services, including traditional crafts.

The expansion of tourist demand and supply is not unlimited in the case of any given destination. If the limits are ignored, tourism activity will be compromised and destinations will be seriously devalued.

Implementation of sustainable development principles, established at the EU and wider levels through “Agenda 21”, at destinations and in the various branches of tourism, adds value to the attractiveness of destinations, provides a marketing asset in view of the greater sensitivity of tourists to environmental problems, contributes to reduce costs (in energy and water supply), and creates further opportunities for new products, new services and new jobs.

Unspoilt countryside, together with cultural and biological diversity, are irreplaceable resources for tourist activities. Positive action in this area

serves for long-term, sustainable, economically beneficial use of natural resources. At the same time it helps to safeguard the competitive position of traditional European tourist regions faced with competitors from long-distance travel destinations, whose promotion efforts often focus on unspoilt nature.

There is great awareness of environmental pollution among European holiday makers, who give it a high priority in their choice of holidays. The evidence shows also that the environment is a leading concern when tourists come to rank their level of satisfaction with their holidays.

The economic benefits for structurally disadvantaged regions through tourism have to be weighed against the increasingly complex ecological consequences of developing tourism. Nevertheless, compared with other industries, tourism has a unique potential for the conservation of nature and for the enhancement of cultural assets, while at the same time providing added income and contributing to employment.

Within the private sector, “green thinking” has made much progress in recent years; nevertheless, there are still too many holiday destinations where environmental problems are growing (water supply, quality of drinking and bathing water, soil erosion, desertification, forest fires, uncontrolled housing development, traffic congestion, etc.).

A number of promising approaches to meeting these problems have been tested, but the efforts made are still too isolated and are too little known.

Europe has to establish itself as the leader in this process, which is an essential element in competitiveness.

A number of product features and marketing approaches have been developed which are well suited to promotion and tourist development, with a

strong focus on cultural heritage, nature and the environment. This trend requires suitable education programmes to prepare for expansion and diversification of the range of tourist offers.

The guiding principle is that the greater the concern and response to sustainability issues, the greater will be the long term employment opportunities and benefits for the competitive position of European destinations.

The HLG

recommends to the European Community and to the Member States to:

- X** utilize available Community funds to ensure the full integration of sustainable development principles into tourism development plans and strategies, and to ensure that an environment impact assessment is made in the case of projects supported by public funds provided by them in Europe and abroad;
- X** launch a revitalisation programme involving several different types of declining tourist destinations affected by mass tourism, to serve as a model for other areas;
- X** support education and training in sustainable tourism, and incentives for companies to build such concerns into their recruitment and staff development programmes;
- X** develop appropriate economic incentives that encourage environmentally-friendly practices and techniques in tourist businesses;
- X** promote the exchange of experience and best practice on traffic and visitor management in tourist destinations;
- X** provide reliable and comparable information on environmental standards at European tourist destinations.

to tourist businesses and tourist offices:

- X** the promotion of off-season holiday packages and tourist services targeted on specific segments of the market, encouraging the staggering of holidays;
- X** the preparation and dissemination of key information on environmentally-friendly attitudes which could be taken by individual tourists to reduce the impact of their activities at holiday destinations.

III. GETTING THE POLITICAL RECOGNITION EUROPEAN TOURISM DESERVES AS A LEADING PLAYER

The development of tourism in Europe contributes to the progressive consolidation of the European Union by bringing together regions and countries, with their variety of cultures, languages, traditions and systems.

The convergence of individual Member States' concerns leading to major Community initiatives, such as the single European market, the single European currency, and to the promotion of sustainable economic growth and employment, creates in turn favourable framework conditions for tourism to prosper and develop.

Despite the clear evidence of the importance of tourism in economic and social terms, and of its undisputed prospects for further growth over the next decade, tourism has had serious

difficulties in gaining the political recognition in line with its contribution and potential. This situation is true at the Community level and reflects in large part similar experience in the Member States.

A concerted effort is needed at several levels to redress this situation, and to demonstrate to the political decision-makers that tourism can provide new opportunities to meet major political objectives such as employment.

The contacts and investigations made in the course of the work of the High Level Group have shown that there is a widespread willingness on the part of the industry to contribute to this objective through the process of developing further business-to-business cooperation and private-public partnerships.



The establishment of coherent frameworks for actions at the local, regional, national and Community levels, is an essential pre-requisite for a combined effort to meet the challenge of quality and competitiveness, which is central to employment. This will guarantee the integration of tourism concerns into economic development strategies and plans, and the definition of a new place for tourism in the decision-making process.

The socio-economic impact, including the effects on employment, should be taken into account in relevant measures planned by the European Community and by Member States.

The Members of the HLG will bring to the attention of decision-makers in their countries and in their fields of activity the conclusions and recommendations agreed by the Group with a view to ensuring a practical follow-up.

The HLG

invites the European Commission

- X** to ensure effective, coherent and systematic coordination among its Services and cooperation with member States on all measures which affect tourism, and the integration of tourism development as a key factor in Agenda 2000 and in the European employment strategy;
- X** with a view to ensuring a regular and comprehensive exchange of views on the issues involved, to organise an Annual Tourism Summit, involving entrepreneurs, employees' representatives, policy makers and public authorities, researchers and professionals in education and training;
- X** to make an assessment of the follow-up made to this report by the end of 1999.



