

TOURISM SPECIAL

- On the eve of a summer season to which everyone is looking forward, EUROFOCUS has decided to devote its eight pages to an appropriate theme -- tourism. As an economic factor, a social development and an element of understanding between peoples tourism is expanding annually. It has by now achieved a global scale, but Europe still remains an important attraction.

In this number, you will read :

- . on page 2 : An imaginary person : the tourist
Sun-soaked beaches or peaceful mountain retreats. Historic cities with luxury hotels or adventure under canvas. How does a tourist decide where to holiday ? How does he or she pass the time ?
- . on page 4 : Sunshine and dreams, but also a major industry
Europe each year is visited by about 200 million tourists who provide work for some 22 million persons in the transport, hotel, tourist agency and other sectors. But if tourism is an advantage for some countries, it is also a disadvantage to others.
- . on page 5 : The not-always pleasant social consequences
In some rural or traditional regions, the massive influx of tourists is looked upon as a mixed blessing. Nevertheless, European governments see it as an important factor in regional development ...
- . on page 7 : A new field for Community action
By abolishing border formalities and by participating in the development of European regions or transport networks, or by harmonising summer time, the European Community takes an active role in the promotion of tourism.

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Commission of the European Communities,
Rue de la Loi 200 - 1049 Brussels um.
Tel. 736 60 00 - Telex 21877 COMEU B.

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Editor : Will. J. Reckman



A fictitious character : The tourist

The average tourist ? Almost everyone has a mental image of someone wearing flowery shirts, shorts, sandals, an amusing hat, the inevitable sun glasses and a camera at the ready at all moments.

But behind these stereotypes, it emerges that tourism is a highly-individualistic activity and that vacationers' tastes are extremely diversified. There are the incorrigible beach loungers and sun worshippers, the lovers of wildlife and exotic settings, the curious avidly in search of archeological and cultural treasures, the sports enthusiasts clocking in mile after mile, nudists, Don Juans and many others. There is one thread common to all these different families of tourists, the desire to take a break from their professional and household cares, if only for a short period of time.

A poll conducted in Germany by a specialised organisation has revealed that vacation sites are selected first of all because of the scenery and setting by 56 per cent of the sampling. Other qualities sought include the weather, chosen by 40 per cent, the cost of the holiday (32 per cent) and the peacefulness of the location (27 per cent).

A more precise description of the average European tourist surfaces with the knowledge that he or she tends to be young and an urban dweller. In fact, young persons proportionally travel more to foreign countries than adults. Their modest means don't seem to stop them : with a rucksack on their back and thumb poised for hitch-hiking they seem ready to travel to the other side of the world knowing they will try to economise wherever they go. In addition, all the studies indicate that the desire to go on vacation increases with the level of urbanisation. Not all Europeans go on vacation; far from it. The number of departures registered in France, Germany and the Benelux fluctuate between 50 and 60 per cent of the population. The Swedes hold the European record with nearly 80 per cent of the population, followed by the Swiss (74 per cent).

Another interesting question involves who goes where ? The Germans rush collectively towards Italy and Turkey and to a lesser extent to Spain, Portugal and Great Britain. The French are likely to find themselves along the Spanish coast and on the Italian peninsula while their own country is invaded by Belgian and Dutch tourists. The British, seem to prefer the Irish countryside, Portugese sites and the Greek Islands. They are also

along with the Italians, great fans of shipboard cruises. The European cruise fleet is the largest in the world, with the British fleet in the lead, followed by Greek and Norwegian cruises. Another characteristic is that, of the Dutch who vacation in France, 52 per cent of them camp or use a caravan.

The recent development which has had the greatest influence of tourism is incontestably the extension of paid holidays. In France and the Benelux, the period is already five weeks. The Germans are not far behind with 4.7 weeks, while the British lag behind with 3.8 weeks.

This extension encourages workers to take their holidays in small segments. For the most fortunate, the long working period that separates two summers is broken up with one or two weeks of winter sports. And small outings are on the rise. If the calendar offers the possibility of a long weekend, it's off to the coast or the countryside.

The opportunity for travel is never lacking. Carnival time, for instance, attracts an ever-increasing public to Venice, Munich or other sites. The European football cup matches warrant a mobilisation of all types of transportation, with trains and special charter flights snapped up by team supporters. Major cultural events are also not overlooked, with many persons not hesitating to go to Paris, London or Brussels for an important Picasso or Breughel exhibit or for the annual festival in Bayreuth or the Passion of Oberammergau.

It is also no longer exceptional to cross the Channel on a shopping expedition. And many a business trip is capped with an evening at the Lido or the Folies-Bergères.

Tourism therefore takes many varied forms. Finally, two types are currently expanding rapidly and spectacularly. First, "green tourism" which ranges from shipping or hunting trips to Scotland, voyages by horse-drawn carts in Ireland, canoe trips in the Ardèche or wanderings on foot or bicycle. The second is the purchase of holiday retreats in a foreign country. Germans and Dutch have acquired a large number of houses in the south of Europe, while Sardinia is in the hands of the British, and the French, after having bought in Spain, are now casting an eye towards Greece. Little by little the borders of the European Community are disappearing.

THE TOURIST INDUSTRY : It's not all just fun and play

Although for most people tourism means getting away from the job and everyday worries to relax and visit some place different, for an estimated 22 million Europeans and entire economies it is a vital means of livelihood. It's no secret that tourism is big business on which certain villages, areas or even countries depend. But the importance of this business is truly staggering.

While the basic figures are eloquent, the ramifications of tourism on other sectors is often overlooked and needs to be underlined. Tourism is not just going to the beach or visiting historic sites. It also gives employment to agents or guides. It means using transportation systems or personal cars, which have to be paid for or purchased. It means traveling on roads, aircraft, trains or ships which must be built and operated. It also means staying at hotels which must be staffed and eating food which must be supplied and prepared. In all, it means employment for some 22 million persons and estimated income of \$ 50 billion in 1979 in Europe alone, according to figures supplied by the European Commission on tourism. These figures, along with the estimated 196 million tourists in that year, placed Europe, including Eastern Europe, far ahead of every other world region in every major category. While the impact of tourism is therefore not negligible, it can also be either positive or negative depending on where you come from or where you're going. This is logically because there are countries which export tourists and countries which import them and, contrary to trade in most other products or services, it is economically more advantageous to import tourists rather than ship them out. While virtually all countries try to attract them as well, it is evident that because of the lack of sunshine, mountains or other magnets in their possession to seduce the tourist, some have a negative trade balance in tourism.

In Europe, it is primarily the northern countries, with the exceptions of Great Britain and Finland, which see more of their residents migrating towards other countries than foreigners visiting them. The situation is especially dramatic for Germany, whose citizens have become Europe's great travellers, and which in 1979 had a negative trade balance of \$ 12.1 billion. The main beneficiaries were Spain, Greece, Austria, Portugal, Italy and Switzerland. These countries experienced handsome surpluses in the tourist trade balance, which in the cases of Spain and Italy amounted to more than \$ 5 or 6 billion respectively. In the first three cases, Spain, Greece and Austria, tourism represented more than 20 per cent of their earnings from the outside.

During the sixties the tourist industry was marked by a period of rapid expansion. As is often the case, statistics vary from year to year but, on average, it increased by 8% annually from 1963 to 1973. Tourist receipts were 233% higher in 1973 than those of 1963. Expansion almost came to a halt in 1974, when the oil crisis had a detrimental effect on the industry, causing the rate of growth to drop to about 3%. Tourism the world over suffered, but quickly regained momentum the following year.

Political events and their effects on the value of currencies had a considerable effect on the tourist flow. In this respect a certain degree of stability was established by the introduction of the EEC's Monetary System. Gradually, tourism has taken on a new European dimension. For example, a well developed railway system connects all of the Community states. Special package deals enable the youth to discover the continent. Likewise, bus companies are rapidly expanding to meet new demands.

Despite this, however, it seems that 75% of the traveling population still prefer to see the sights by car. And why not? You can travel comfortably from Denmark to the South of Italy without having to leave the motorway. Many hotel chains and new vacation resorts have sprung up all over Europe. They welcome a clientele which is fast becoming very cosmopolitan. Even camping is taking on a European air. It's now possible to go to a four-star camp-site!

Without a doubt, of all the industries, tourism has become one of the most European.

The not so happy social effects of tourism

The sudden development of tourism in any region always provokes a series of wide-ranging social and economic changes. The massive arrival of moneyed tourists - both national and foreign - can crush or destroy a local economy and lead to a fundamental change in the activities of local populations. Farmers can become interested in money-earning pursuits outside their normal scope of action, leaving their farm jobs for the services sector. While in some cases this leads to the creation of new jobs and an increase in income, it can destroy traditional family life, leading to social tensions - an increase in the divorce rate, for instance - delinquency, etc.

Farms give way to casinos, night clubs and discotheques. Instead of local architecture, a particular brand of "modern" construction receives priority. Prices rise and inflation becomes rampant. No wonder then, that some local populations resent the tourist development of their particular region. This

hostility is most marked among people who do not benefit directly from the obvious economic repercussions of tourist development. Or those who are "shocked" by the relaxed and liberal behaviour of holiday-makers. The growth of the tourist sector in recent years has prompted a number of Community governments to set up new tourist development centres designed to stimulate the economic development of backward regions.

Germany, for instance, decided to set up a tourism council in 1976. This was designed to allow professional organisations, trade unions, economists and specialists to give their opinions on the solution of questions related to tourism.

In Belgium, tourism is the second major economic activity and is included in the 1976-1980 development plan.

A new regional plan in Denmark is designed to influence the development of tourism.

France has also tried to develop tourism in certain regions. Ireland believes that tourism can be a boon for areas where neither agriculture nor industry can flourish.

In the United Kingdom, priority has been given to specially identified "fragile zones" which would benefit from the development of their tourist potential.

All EEC countries have given aid to the development of this sector. As of this year, the Community as such will also participate in efforts to promote tourism in Europe.

A new area of action for the Community

Since January 1, 1981, a European Commissioner has been made specially responsible for tourism -- the Greek Commissioner Contogeorgis is now in charge of the establishment of a European tourism policy.

The Community did not wait until 1981, however, to open its eyes to the economic and social importance of tourism. A number of actions, with direct repercussions on the sector, have already been undertaken by the European Commission.

For example, the Ten have systematically simplified customs formalities and, since 1969, installed tax free facilities for travellers going from one member country to another. These facilities are improving gradually. Today, travellers do not have to pay tax on up to 750 grammes of coffee, 3/8 litres of toilet water, 4 litres of wine, 400 grammes of tobacco or 300 cigarettes. Customs duties are not applied on purchases made in foreign countries whose total valued is no higher than 180 ECU, that is about £ 100 per traveller older than fifteen years (see table).

The European Community has also made a major effort to improve transport infrastructure. A number of specific actions have been undertaken to improve railways, eliminate traffic bottlenecks, harmonise train and airplane tariffs, protect against noise and pollution from hydrocarbons. The recent harmonisation of national summertimes should also help to simplify intra-Community travel.

The next step will include the adoption of a European driving licence and passport. The green card is no longer required in the ten EEC countries, in Austria, Switzerland, Norway, Sweden or Finland.

In cooperation with eight other European countries, the Ten have also initialled an agreement designed to liberalise car traffic in Western Europe. This is the first agreement signed by the EEC as such in the transport sector.

Another recent action included the attribution through the "non-quota" section of the regional fund of direct aid designed to develop tourism in the Italian Mezzogiorno, in Ireland and in several French regions : Aquitaine, South Pyrenees, Languedoc Roussillon. The aid will be used for the development of infrastructure directly linked to tourism and recreational activities.

Finally, the Community has, since 1976, a budget aimed at backing actions connected with efforts to protect Europe's architectural heritage which

is an important pole of attraction for tourists. This money has been used essentially for the training of students in the techniques of restoration, and the search for new methods of preservation.

Other measures are currently being studied. These include the harmonisation of tourist insurances (see Eurofocus 1/81). The European Commission has recommended the introduction of a uniform regulation fixing a certain number of minimum conditions which must be respected by all European companies offering this type of insurance.

So, even if the Danish or Sicilian tourist is not really aware of the EEC, the word "Europe" should already mean something to him.

COMMUNITY TAX-FREE ALLOWANCES

	EEC traveller	Third country traveller
- <u>Tax-free allowances</u>	180 ECU (*)	40 ECU
- <u>Travellers of less than 15</u>	50 ECU	20 ECU
- <u>Products</u>		
. <u>Tobacco</u>		
cigarettes	300	200
or cigarillos	150	100
or cigars	75	50
or tobacco	400 g	250 g
. <u>Alcohol</u>		
spirits + 22°	1,5 litres	0,7 to 1 l
or spirits - 22°	3 litres	2 l
wines	4 litres	2 l
. <u>Perfumes</u>	75 g	50 g
toilet waters	3/8 litres	1/4 l
. <u>Coffee</u>	750 g	500 g
. <u>Tea</u>	150 g	100 g

(Some exceptions exist for Denmark and people living near frontiers).

(*) On May 1981, 1 ECU = 0,53 ₣