

Discussion Paper – Sustainable Tourism

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Overview

Tourism is a cornerstone of Scotland's economy, and is vital to the economic success of towns, cities and regions across the length and breadth of Scotland. It's an integral part of our economic strategy and, as the other sessions show, it links into issues like digital connectivity, Developing the Young Workforce, skills and infrastructure. This discussion group will focus on continuing to secure sustainable growth in Scotland's visitor economy: helping to secure opportunities and address challenges in the future.

It will provide information on the actions by the Scottish Government and partners to deliver the current *Tourism Scotland 2020* strategy, but will also encourage discussion on the future priorities for tourism in Scotland, particularly in rural economies. The aim is to further strengthen the collaborative, approach between the tourism industry, the Scottish Government and partners in framing the evolving strategic context and policy programme for tourism in Scotland.

Background

The recent publication "[Tourism in Scotland: The Economic Contribution of the Sector](#)" was commissioned by the Tourism Leadership Group, with a membership of Scottish Government, VisitScotland, Highlands and Islands, Scottish Enterprise and the Scottish Tourism Alliance.

The report sets out economic data and trends on tourism across Scotland, including visitor numbers and expenditure, the business base and workforce, and the sector's contribution to Scotland's employment and GDP. The report highlighted the importance of Tourism to Scotland's economic performance, illustrating that:

- Scotland had almost 14.3 million overnight visitors in 2016, spending £4.75 billion. There were 2.7 million overseas visitors in 2016 – up 17% since 2011 – spending almost £1.9 billion.
- Tourism contributes around £6 billion of GDP to the Scottish economy.
- It employs 207,000 people – 8 per cent of employment, or 1 in 12 jobs in Scotland.
- There are over 14,000 tourism businesses in Scotland – 1 in 12 of registered Scottish businesses.
- Tourism makes up a substantial share of employment across Scotland, but particularly in the Highlands, Argyll and Bute, Perth and Kinross, South Ayrshire, East Lothian, Edinburgh, Dumfries and Galloway and the Scottish Borders.

Tourism makes an important contribution to achieving the aims set out in Scotland's Economic Strategy. It makes an important contribution to the international image of Scotland abroad, while the employment and economic opportunities it supports across Scotland, particularly for young people, can play an important role in delivering more inclusive growth. Improving the sector's productivity will also make an important contribution to improving Scotland's economic performance.

Strategic aims

To guide and encourage the development of tourism in Scotland, the tourism sector has taken forward [*Tourism Scotland 2020*](#). This strategy sets out a clear ambition for Scotland to be, “*...a destination of first choice for a high quality, value for money and memorable customer experience, delivered by skilled and passionate people*”.

The strategy centres on improving the performance through improving **leadership** and **digital** capabilities across the sector; encouraging and influencing **investment** in the sector and supporting infrastructure; and on improving the **quality of the visitor experience** across Scotland.

Delivering these priorities will play an important role in developing the sector, and further increasing its importance and contribution to Scotland’s economy.

Possible Areas for Discussion

1. What are the key elements that should identify Scotland’s unique place as a world-class tourism destination?
2. What challenges does the sector face in strengthening its performance, particularly in rural areas?
3. With women living in rural Scotland having the lowest annual income of any group, and the largest median gender pay gap at £5,076 - how do we ensure that the growth of our visitor economy is inclusive?
4. With Scotland’s tourism sector overwhelmingly composed of SMEs and productivity relatively low - how can we develop innovative business approaches that will increase productivity levels, whilst retaining our warm and welcoming reputation?
5. How do we encourage our tourism and hospitality businesses to embrace fair employment practices?
6. How can our destinations work collaboratively across all the sectors that comprise the visitor economy?