

Global Opportunities & Legacy: Towards 2020 & Beyond

Richard Walsh

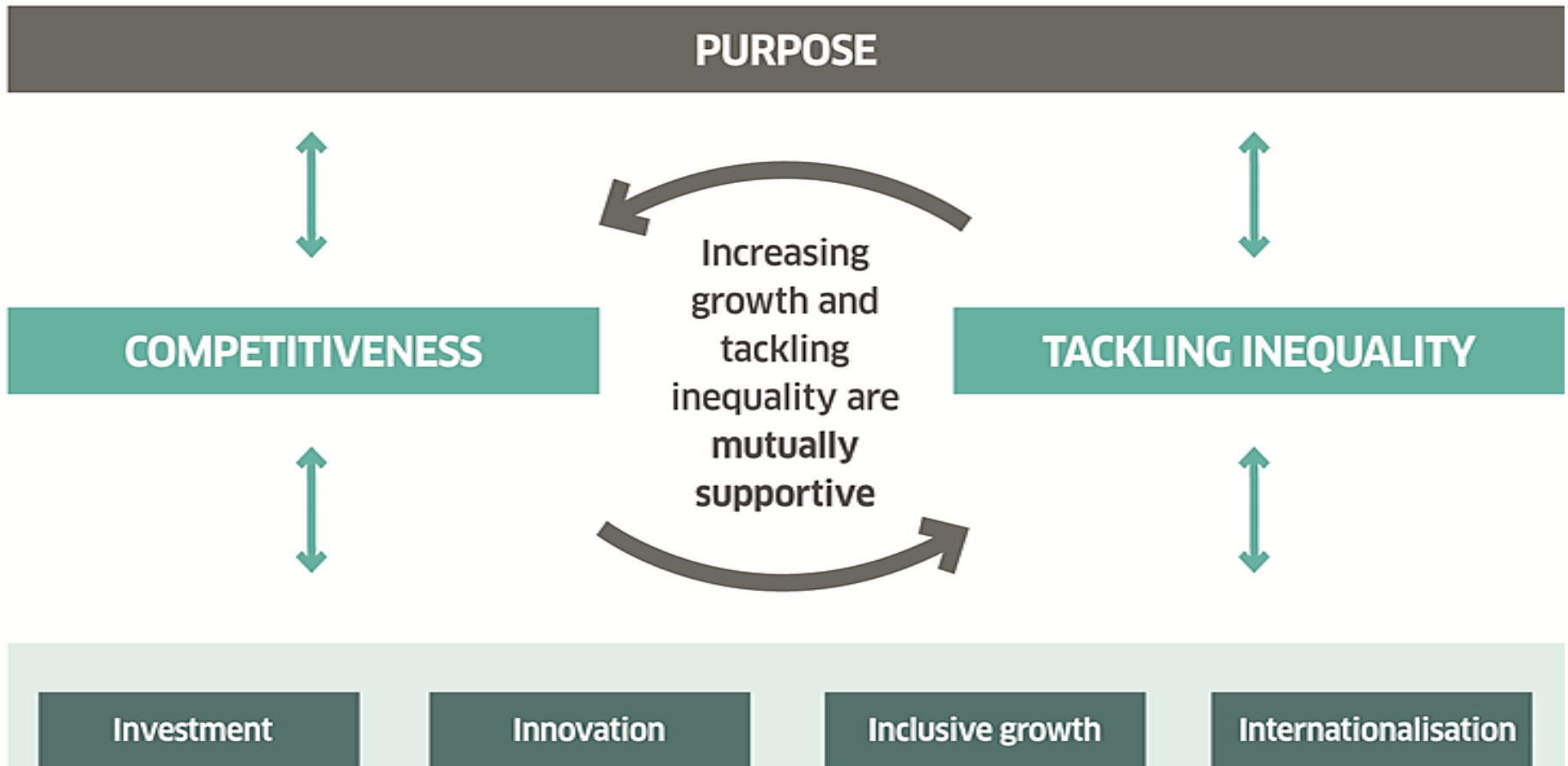
16 May 2018



Scottish Government
Riaghaltas na h-Alba
gov.scot

Scottish Government Priorities

Figure E.1: Scotland's Economic Framework



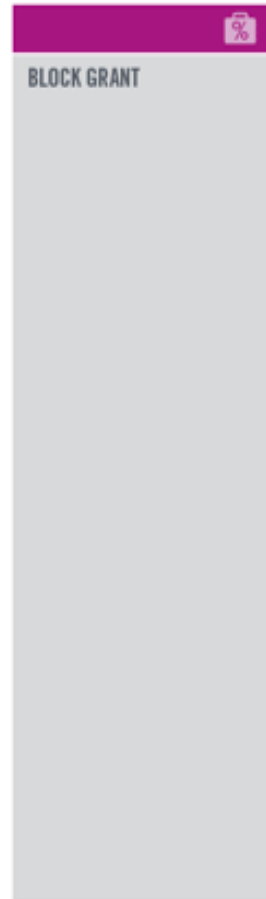
How our funding system is changing

WHERE THE SCOTTISH GOVERNMENT BUDGET COMES FROM

-  AIR PASSENGER DUTY
-  SCOTTISH RATE OF INCOME TAX / INCOME TAX
-  SCOTTISH LANDFILL TAX
-  LAND AND BUILDINGS TRANSACTION TAX
-  NON DOMESTIC RATES
-  VAT
-  BLOCK GRANT

TABLE PROVIDES ILLUSTRATIVE SHARE OF BUDGET IN YEARS BASED ON ESTIMATES FROM 2016-17 FIGURES. ACTUAL PERCENTAGES IN GIVEN YEARS WILL VARY.

IN ADDITION LOCAL AUTHORITIES SET AND RAISE COUNCIL TAX TO FUND LOCAL SERVICES, BUT THIS IS OUTWITH THE SCOTTISH BUDGET.



SCOTLAND ACT 1998



SCOTLAND ACT 2012



SCOTLAND ACT 2016

ESTIMATES ONCE ALL FISCAL POWERS HAVE BEEN DEVOLVED BY 2019-20





Tourism Sector – An Overview

- * One of seven key growth sectors
- * Generates £11 billion of economic activity
- * Contributes £6 billion to Scottish GDP
- * Helps create strong Scotland identity and profile
- * Strong Government support
- * Mature sector with coherent strategy and established leadership group



TOURISM CONTRIBUTES
AROUND £6BN
OF GDP TO THE
SCOTTISH ECONOMY,
5% OF THE TOTAL



EACH ADDITIONAL
£100 MILLION
SPENT BY TOURISTS
**SUPPORTS AROUND
£65 MILLION OF GDP**
IN THE WIDER ECONOMY



**TOURISM EMPLOYS
207,000 PEOPLE,**
AROUND ONE IN 12
JOBS IN THE ECONOMY

**TOURISM EMPLOYMENT
HAS GROWN 12%**
SINCE 2011, CREATING
AN EXTRA 20,000 JOBS



**OVER 9% OF THE
SECTOR'S WORKFORCE**
ARE NON-UK EU NATIONALS,
COMPARED WITH 5% FOR
SCOTLAND AS A WHOLE



THERE ARE OVER **14,000
TOURISM BUSINESSES** IN
SCOTLAND, AROUND ONE
IN 12 OF SCOTLAND'S
REGISTERED BUSINESSES



IN 2016 **ALMOST
£4.8 BILLION** WAS
SPENT BY OVERNIGHT
VISITORS TO SCOTLAND



**OVER 2.7 MILLION
OVERSEAS VISITORS**
CAME TO SCOTLAND IN 2016 -
UP 17% SINCE 2011

IN 2016, SCOTLAND'S TOP FIVE MARKETS
FOR INTERNATIONAL VISITORS WERE:

**USA, GERMANY, FRANCE,
CANADA, POLAND (BY VOLUME)**
**USA, GERMANY, CANADA,
AUSTRALIA, ITALY (BY VALUE)**

SCOTLAND WAS VOTED AS
**THE MOST BEAUTIFUL
AND MOST WELCOMING
COUNTRY IN THE WORLD***

BY ROUGH GUIDE READERS IN 2017



SCOTLAND IS HOME TO
**SIX UNESCO WORLD
HERITAGE SITES**
ONE FIFTH OF
THE UK'S TOTAL**



THE NATIONAL MUSEUM OF SCOTLAND AND EDINBURGH CASTLE
EACH **ATTRACTED OVER 2 MILLION VISITORS** IN 2017 -
THE MOST VISITED UK ATTRACTIONS OUTSIDE OF LONDON

SCOTLAND IS THE HOME OF



GOLF, WHISKY & TARTAN

*Source: Most Beautiful: <https://www.roughguides.com/gallery/most-beautiful-country-in-the-world/>

Most Welcoming: <https://www.roughguides.com/special-features/rough-guides-reader-awards-2017-the-winners/>

**Source: Scotland's UNESCO sites are the Old and New Towns of Edinburgh; New Lanark; Heart of Neolithic Orkney; St Kilda; the Antonine Wall; and the Forth Rail Bridge. <https://wbc.unesco.org/en/statesparties/gb>

Marine and coastal sector

- * Coherent and agreed Strategic Plan in “Awakening the Giant”
- * 2015 - marine recreation and tourism contributed £485 million in GVA and employed 29,500 workers.
- * In 2015, marine recreation and tourism accounted for 10 per cent of GVA and 37 per cent of employment in the core marine sector.
- * In 2015, marine tourism accounted for 13 per cent of total Scottish tourism GVA, and 14 per cent of all employment in the sector.

And why now?

- * Funding constraints & competing pressures.
- * Brexit priority.
- * Importance of tourism to rural economies
- * Need to tackle sector constraints to growth more quickly and effectively.
- * Major investments take time to deliver – need to be planning for post 2020 strategy.



How we aim to work

- * Continue to make the case for tourism
- * Clearly linked to the Economic Strategy and 4is
- * True collaborative approach (1 strategy & 1 set of priorities)
- * 1 agreed long term plan
- * Evidenced business cases
- * Access to a range of funding from a range of partners



Steps in the right direction

- * High level Tourism Working Group - February 2017
- * Remit
 - * to look at opportunities to support accelerated economic growth.
- * Deliverables:
 - * a long term economic vision
 - * short term funding priorities for the 18/19 and 19/20 spending review



Steps in the right direction (2)

- * Single economic narrative signals collaborative approach
- * Will:
 - * demonstrate the economic importance of the tourism sector
 - * provide the context and evidence to support high business growth
 - * deliver 'one version' of the truth and a common dataset
 - * inform public sector spending and strategic priorities and delivery
 - * Provide the departure point for the new tourism strategy



Future Work

- Preparation for the post 2020 Tourism Strategy
- Economic Research
- Coping with success?
- SG Response to Scottish Expert Advisory Panel on the Collaborative Economy
- *Likely* Culture, Tourism, Europe & External Relations Committee Inquiry into “Capacity in the tourism sector to meet the Scottish Tourism 2020 targets”
- Continuing to engage with stakeholders



Economic Research

Tourism in Scotland: the Economic Contribution of the Sector

Year of Coasts and Waters 2020

- Reflects our ongoing commitment to marine and coastal tourism
- Latest stats show £485m GVA
- Detailed negotiations underway with SG and EventScotland prior to further announcements later in 2018
- Legacy is key:
 - Infrastructure
 - Skills
 - Global reputation
 - Confidence of the sector



Conclusions, questions and contacts

Richard Walsh
Tourism Team
Tourism and Major Events Division
Victoria Quay
Edinburgh
EH6 6QQ

richard.walsh@gov.scot

0131 244 0030