

SWISS TOURISM POLICY - BACKGROUND REPORT - CONCLUSIONS

Switzerland has long been a tourist destination, given the country's exceptional geographic location and its assets—both natural and man-made. The Alps are still the main attraction, but urban tourism and convention-related tourism have taken on considerable importance in recent years. Tourism ranks third amongst the Swiss economy's exporting sectors, and it has a significant impact on growth and employment.

In 2000, aggregate tourist revenue will exceed 5% of GDP. International revenue is expected to total USD 7 billion (CHF 12.6 billion), or 10% of exports. Switzerland is also one of the biggest spenders on outbound tourism.

In 1998, a recovery took hold after the country's difficult recession. Swiss tourism had in fact suffered from the intensification of competition, the emergence of new destinations, fairly unfavourable general economic conditions and the industry's inability to adapt to the new contours of the global tourism market by rectifying its fragmentation.

It was in this context that the OECD Tourism Committee reviewed the policy, programmes and means of action of Swiss tourism, on 3 July 2000, under the chairmanship of Committee Vice-Chairman Berry Eijgendaal.

Amongst the new orientations and reforms instituted in recent years by tourism policy in Switzerland, the Committee welcomed:

- The government's creation and implementation of an interministerial commission to improve the framework conditions for tourism and make tourism policy a growth-oriented economic policy. The Swiss Government now views tourism as a strategic economic sector because of its magnitude and growth potential, its high multiplier effect and the high level of value added per employee as compared with the other OECD economies.
- The reorganisation of the Swiss National Tourism Office, now called "Switzerland Tourism", along with destination marketing that is more market- and results-oriented, and the creation of new resources based on information technologies, such as the information and reservation system and the "MySwitzerland.com" Internet site. This reform has enabled the government to make substantial savings on fixed costs and to boost appropriations for the country's tourism products.
- The institution of a new tourism policy instrument to promote innovation and co-operation in the area of tourism (InnoTour). This programme strengthens inter-company and inter-industry initiatives that are ready to be launched and contributes directly to boosting revenue in the tourism industry.
- The considerable efforts expended since the introduction of the Switzerland Tourism concept in the early 1980s, in connection with overall policy for sustainable economic and territorial

development, in order to improve the integration of tourism into environmental policy, in particular by putting the emphasis on qualitative, rather than quantitative, growth in the industry.

- The formulation and implementation of a public/private partnership strategy for promoting and marketing the tourism “product” so that the entire industry can achieve economies of scale and of scope.
- The overhaul of the National Tourism Administration (NTA), whose staff is modest, and whose spending on tourism policy accounts for barely 0.1% of the entire federal budget. The NTA limits its action to strategic supervision of how market-oriented federal bodies implement ways to promote tourism policy.
- The considerable research and development efforts that have been deployed, including the introduction of a tourism satellite account and other instruments, such as the report assessing Swiss tourism at international level and the introduction of tourism forecasts.

The Tourism Committee did note, however, that a number of structural problems remained, pointing out that the rebound of tourism in Switzerland was still fragile, and that reforms ought to be pursued and, in some cases, broadened.

The Tourism Committee invites Switzerland to:

- Keep up its efforts to enhance the structure and quality of tourism services and products, and to adapt them to the new competitive environment.
- Undertake an extensive evaluation of InnoTour in order to obtain feedback about the lessons learned and to extend the programme in areas in which structural changes are still necessary.
- Re-examine the federal mechanism of financial aid to the hotel and lodging sector and, in particular, the activities of the Swiss Hotel Credit Corporation. This reform should focus on renovating the industry and bolstering the equity base of innovative and co-operative SMEs.
- Pay special attention to labour market conditions in the tourism sector and intensify analytical work in order to determine appropriate initiatives that could enhance the industry’s attractiveness and quality, along with the career prospects of tourism professionals. At the same time, Switzerland should formulate an integrated occupational training concept so as to better tailor teaching and training to the industry’s needs.