

Tourism taxes, our National Parks and the need for public investment in the countryside

Description



■ Vehicles parked along the road as thousands of tourists visit The Storr on Skye during the height of the season.

Lonely Planet's Best in Travel 2019.

1. Piedmont, Italy (right)
2. The Catskills, USA
3. Northern Peru
4. The Red Centre, Australia (below)
5. Scotland's Highlands and islands
6. Russian Far East
7. Gujarat, India
8. Manitoba, Canada
9. Normandy, France
10. Elqui Valley, Chile

Extract from article in Herald Tuesday 23rd October about consequences of Scotland ranking the So

While the move to develop a tourist tax gathers apace in Edinburgh and is now being advocated for other cities ([see here for article by Marianne Taylor in Herald](#)) there continues to be silence on this issue from our National Park Authorities. The issue of inadequate investment in tourist infrastructure in the countryside is as serious, if not more serious, than that facing our largest cities. After all the publicity about Skye being overrun by tourists this summer, it does not take a genius to work out there is likely to be even more pressure next year. What should be an enormous opportunity for sustainable economic development in the countryside â?? we are always being told about the fragile rural economy â?? is being turned into a crisis because almost no-one publicly is prepared to call for the public investment needed.

Tourist tax vital

THERE is indeed a strong case, as Marianne Taylor has made, for Glasgow to tax its tourists ("Glasgow must join Edinburgh and demand a tourist tax", The Herald, October 22). We have just returned from a stunning corner of Scotland, where even in late October, the hotels, B&Bs, restaurants – and car parks – were full. Yet despite this wealth of income, the roads, especially in the north, were full of potholes (deep ones), and there was not a public convenience to be seen. No place needs a tourist tax more than the Isle of Skye.

Ruth Hird,
East Crossgates, Inchture.

What's more there is now a serious risk that Scotland's high tourist

ratings, which are due to its perceived wild and unspoilt landscape, will be undermined by the experience of potholes, overcrowded roads (linked to lack of public transport), locked toilets, lack of chemical disposal points for campervans, inadequately maintained footpaths, litter and so on which should be easy to fix with a little investment. That international reputation is also threatened by the proliferation of windfarms, powerlines, inappropriately located hydro schemes and hill tracks but those are matters that concern how we treat our landscape, not tourism infrastructure as such.

What we need is public investment in tourism infrastructure and quick, the question is how? Our National Parks were set up in no small part to address these very issues but instead of giving a lead which could be adopted on Skye and other places have generally been conspicuous by their silence ([see here](#)) (an honourable exception being Grant Moir's call for a more strategic approach to investment in paths referred to in that post).



Pete Crane @PeteCrane5 · Oct 20

Surveys tell us about 1/4 million people enjoy the **mountains** of #Cairngorms each year. It would be great if a few more of us could support the much needed path work of #MendOurMountains crowdfunder.co.uk/mend-the-cairn...



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Despite their Chief Executive's call for a strategic approach to path investment, CNPA staff are still having to put out appeals for voluntary contributions to fund essential work

In terms of the wider picture, I do not believe that the answer to the collapse in public investment and infrastructure across Scotland due to austerity is hypothecated taxes, i.e taxes raised and devoted to a particular purpose. First because when £345 billion was created by the Bank of England out of nothing ([see here](#)) and given to the banks in "quantitative easing" to help their balance sheets, we could, given the political will (and if outside the EC whose rules currently prohibit the printing of money) create money to invest in infrastructure. Second, because the 1% have done very well since the financial crash at the expense of everyone else and we need taxes which redistribute wealth from the rich to the rest of society (eg through returning corporation tax to its previous levels and a zero tolerance approach to tax avoidance and loopholes). However, even if more money were to be invested in the economy by these routes, with all the other urgent need for public expenditure everything from the NHS to local parks it's hard to see tourist infrastructure being a priority when it comes to UK or Scottish Government expenditure.

We need therefore to consider how we fund investment in tourism infrastructure in the countryside as part of the wider picture. My view, based on their widespread and successful use abroad ([see here](#)), is a tourism bed-night tax scores very highly here on a list of possible options

Arguments for a tourism bed-night tax

- Most tourists by definition have disposable income. Yet at present they contribute very little financially to the infrastructure they use. This where it exists, is funded by others, many of whom have lower incomes, through general taxation
- While Scottish and UK tourists do contribute through the general taxes they pay, the financial contribution of tourists from abroad mainly comes from VAT and Fuel tax little of which is re-invested in the countryside
- It would be easy to collect if national infrastructure for doing so was put in place (e.g software and systems to record bed nights and transfer money to approved local bodies)
- It offers far more comprehensive coverage that other options, e.g.car park charges, is more difficult to evade and at the same time fairer
- There is no evidence it deters tourism – a frequent argument of business – if set at appropriate levels. At a time when we being ‘swamped’ by tourists, even if the small charges did deter the type of person who wants to avoid paying any tax whatsoever, this would be outweighed by the number of people attracted or encouraged to come back because of the provision of better infrastructure.
- It could be graduated so that those using more expensive accommodation paid more. Edinburgh has touted £2 a night, but why not £1 for campsites, £3 for those staying in expensive hotels?
- It would help empower local communities, who know what is most needed and where. They have been completely starved of funds by austerity and the continued move to centralise control of expenditure in Scotland.

Arguments against a tourism bed night tax

- It would not raise sufficient money to fund the expenditure needed in rural areas. That is true and the disastrous consequences of believing that it might can be seen in Argyll and Bute’s decision to try and raise money for general services from their £9 a day car park charge in Arrochar. A tourist tax won’t actually pay to fix the potholes in our roads but it shouldn’t be used for things that should be funded from general taxation
- Businesses argue they already pay VAT. This is wrong. Its the tourist that pays the VAT and would pay the tourist tax. The argument is about whether such taxes deter visitors to the detriment of the local economy.
- It would deter people. Only if set at a very high level: the tax to stay in Bhutan, where you need to spend \$200 a day, is certainly a deterrent to most people (rich tourists still go), but £2 a night?
- There are other ways to fund infrastructure/ services used by tourists, such as:
 - charges for museums. Charges for specific visitor attractions, including rural museums, only help pay for those resources, not wider basic infrastructure: they are compatible with but not an alternative to a tourist tax.
 - Car park charging, such as that being developed by the Loch Lomond and Trossachs National Park Authority. These don’t just affect tourists but day visitors and local residents and the LLTNPA in deciding to try and implement car park charges at Balmaha for example decided to devise a complex and costly system for exempting local residents. Charges are also hard and expensive to enforce – hence LLTNPA’s attempts to

procure automated number plate recognition systems ([see here](#)) and to cover all the places people park in our National Parks would require a massive suburbanisation programme. Added to which they are effectively a charge on access ([see here](#)). While proportionate car park charges have a place, linked to any specific facilities provided, they are not a fair way of raising income for tourist infrastructure.

So why have our National Parks been silent on tourism taxes to date?

Its not as though our National Parks have ignored the question of inadequate resources and the need to invest. Back in 2013 the LLTNPA Board approved a paper on how to secure the necessary resources to fund essential visitor infrastructure entitled [National Park Authority Commercial Strategy](#):

Vision:

This world class destination requires excellent visitor infrastructure, facilities, sites and services which generate contributions that can be reinvested into the sustainability of National Park services, to mitigate the ongoing burden to the public purse and create a catalyst to support Conservation, Visitor Experience and Rural Development.

Pillars:

- Scottish Government Funding
- Asset Commercialisation
- Charging Facilities & Services
- Retail & On-line
- Sponsorship & Business/Community Engagement
- Infrastructure Development/Partnership Opportunities

The pillars of this strategy, which has driven what the LLTNPA has done ever since, are neo-liberal to their core. Instead of acting as a National Park and articulating what resources are needed, the LLTNPA tried to turn itself into a business and raise money that way. Its not worked, indeed one shambles has been followed by another (letting out LLTNPA for commercial use has resulted in a series of disasters involving non-payment of rent, eviction of tenants etc). Time therefore, one might think, for the LLTNPA Board to ask staff for a comprehensive review of the success or otherwise of the strategy to date?

One problem is that the current Convener, James Stuart, while no doubt having the knowledge and skills to do this coming as he does from Entrepreneurial Scotland ([see here](#)), is unlikely because of being a managing director there be able to admit that the entrepreneurial approach is not what our National Parks need. Indeed, since he came into post, the Senior Management Team have all been sent on courses organised by Entrepreneurial Scotland.

The wider problem, which prevents our National Parks taking a lead on rural tourist investment, lies with the Scottish Government and their general opposition to any new taxes, a stance which in the end benefits the rich most. The Scottish Government's continued insistence that it wants to abolish Air Passenger Duty, allegedly to attract more tourists to Scotland, when both our towns and countryside are swamped with tourists illustrates the scale of the problem. With such attitudes, its not surprising that the Scottish Government has totally distanced itself from Edinburgh's tourist tax proposal despite the obvious problems the city faces and the government's failure to offer other

solutions. Our National Parks are in a similar position to Edinburgh but are so beholden to the Scottish Government and so frightened their budgets might be cut further if they challenge government orthodoxy that they have kept silent. Worse, they have tried to hide the crisis, maintain the fiction that public authorities can keep improving on less and less and pretend that voluntary donations can make up the difference.

Voluntary donations, whether to Mend our Mountains (above) or the Friends of Loch Lomonds and Trossachs Business Supporter Scheme ([see here](#)), do fund many worthwhile initiatives but no-one should pretend that they are a substitute for proper public investment.

Thankfully neo-liberal ideology now bears so little resemblance to what is happening in the real world that its being increasingly challenged, even by public authorities, as is happening in Edinburgh. This new context provides opportunities for our National Parks both to articulate what resources are really needed and to consider mechanisms for securing them.

I have half a hope that Xander McDade, the young new convener of the Cairngorms National Park Authority, might take a lead here and ask his Board to consider the case for a Cairngorms tourism tax. He has a keen interest in local communities – what better way to empower them at present than a tourism tax in the National Park?

Category

1. Cairngorms
2. Loch Lomond and Trossachs

Tags

1. access rights
2. CNPA
3. landscape
4. LLTNPA
5. Scottish Government
6. Tourism
7. visitor management

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Author

nickkempe