

Tourism

IMPORTANCE OF THE SECTOR

Economic Impact

In 1990, Tourism in France is an industry valued at about \$87 billion or 8% of Gross National Product. Of this amount, more than \$16 billion is derived from expenditures in France by foreign visitors.

The industry employs 1,600,000 persons or almost 10% of the active population. French households spend some 10% of their disposable income on domestic tourism, a percentage which is increasing.

Strengths and Weaknesses of France's tourism sector

a) *Principal strengths:*

- a world renowned for reputation quality;
- a good network of hotels and restaurants;
- excellent road and rail systems;
- a broad range of natural offerings; and
- a recognized professionalism, particularly by service companies and local initiatives groups.

b) *Primary weaknesses:*

- high prices, particularly for luxury services;
- weak travel agencies; and
- a cool welcome, particularly in Paris.

Export Performance

Despite the fact that its residents are great travellers, France is one of the few highly industrialized countries which has a positive balance of payments in tourism, \$8 billion in 1991. Tourism is in fact one of only a very few trade surplus sectors in France. Receipts are in the order of \$21 billion and outflows total some \$13 billion.

The Demand

According to the Insee (Institut National de la Statistique et des Etudes Economiques), 33 million French people took holidays in 1990, of which 6 million went outside France. It is estimated that 5,9 million French people are interested in taking long-distance trips, i.e. to destinations outside Europe and North Africa.