

The Venice Report

Demography, Tourism, Financing and Change of Use of Buildings



INTRODUCTION

By Anna
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The chapters of the Venice Report, commissioned by Venice in Peril in collaboration with the Department of Architecture of Cambridge University, reveal that things are changing fast in Venice. After the great flood of 1966 until early this century, Venice became a city where policy was made very cautiously, where the authorities seemed to prefer to do nothing, or even oppose action, rather than do the wrong thing. Hence the many years it took for MOSE, the mobile flood barriers, to begin to be built. The Arsenale, the obsolete naval dockyard, is another case in point. After 50 years, the only, very limited, progress in adapting it to new use has taken place when outside private or semi-private bodies, the Biennale and the Consorzio Venezia Nuova, have twisted the arm of the authorities.

Lately, however, Italy has been trying to liberalise its economy and the dirigiste power of Rome has diminished as the regions have negotiated greater autonomy. The reduction in public funding has also been very influential. In Venice, the key moment was 2002, when the go-ahead was finally given for MOSE. On the one hand, Venice will be protected from the acque alte after 2014, its expected completion date. On the other, the lavish cushion of money that the Comune used to enjoy from the Special Laws for Venice has grown a great deal thinner, perhaps too thin, if work on maintaining the canals and fabric of Venice is put at risk. The current mayor, Massimo Cacciari, talks constantly about his lack of funds, justifying the huge ads in St Mark's Square and the proposal to put Coca Cola vending machines in the calli and campi on those grounds.

Venice is a fertile forcing house; it is remarkable how quickly growth has come as soon as the private sector has been given its head. In just seven years, the number of B&Bs and rooms to rent has risen 1008 per cent. The number of cruise ships sailing through Venice has risen from 200 to 510 a year since 2000, facilitated by the privatization of the passenger port management. Five years ago Venice was a city without noticeable advertising; now huge ads appear on most public buildings under restoration. Venice, whose economy is mysterious because so much of it is undeclared, nevertheless is estimated by Ciset, a research



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body at Ca' Foscari University, to turn over €1.5 billion a year. Venice is a cash cow for Venetians, but increasingly also for outside interests.

The Venice Report describes the plans for a very big development at Tessera, around the airport. This is not only to have a huge hotel by prestige architect Frank Gehry, but a casino, shopping centres and a stadium. It is as much directed at the mainland as at Venice, but the guaranteed attraction of the Serenissima, the apparently endless curiosity to see this city, certainly encourages the investors. Could this be a kind of antechamber to Venice, where tourists would stay, and, as the economist John Kay suggested in his speech to the Istituto Veneto in 2008, pass through a didactic preparation for the transcendent experience of sailing down the Grand Canal? Or will it be an economic machine

Venice is at a **crossroads:** **choices now** could be decisive, for **good or for very bad**

dependant on forcing more and more people into the already crowded calli of the historic city?

Not for nothing does the airport have shares in the passenger port of Venice, which boasts of generating 10 per cent of the tourist economy of the city. Not for nothing is this port expanding; expect to see even more vast cruise ships dwarfing the Piazzetta of St Mark.

None of the above is irreversible, but the plans for a commercial port and transport hub, big enough to rival Trieste, at Marghera on edge of the lagoon would almost certainly be permanent in its effect on the city. Such a port would be very welcome for the mainland economy because the petrochemical works there are obsolescent, and central government is looking for an alternative source of employment to be able to cease subsidizing them.

But to make such a port economic requires the deep dredging of the channel from the Malamocco inlet to Marghera to let in the big bulk carriers, and it is precisely these deep channels that over the years contributed, with other environmental factors, to the degradation of the lagoon and the chronically raised water levels in the city. There is a great deal of scientific research and consensus on this matter, so it cannot just be brushed aside. The Autorità Portuale, in its submission to the Italian Senate this May about this project, not only ignores this evidence, but makes a completely unproven statement: "the situation regarding the lagoon is completely changed and the problem of its hydraulic equilibrium is solved because it will be possible to manage it through judicious use of the MOSE system". And with that statement, which confuses the role of MOSE in defending Venice from flooding events with the question of the degradation of the lagoon, the submission dispatches all the environmental risk to Venice of the port development project.

Who can speak up for Venice in such a situation? The mayor of Venice cannot be any more than a lobbyist with central government as he or she has no legal control over what happens with the port, it being an autonomous public body of the state. There is the Comitato (big committee) for major policy decisions regarding Venice, made up of government ministers and representatives of local government, and presided over by the prime minister. But in Silvio Berlusconi's government, with its belief in big infrastructure projects,

disregard for the environment and its political indebtedness to north east Italy, the Comitato is unlikely to favour caution. And neither is the project likely to be opposed by the electorate of Venice, as only 30 per cent of it inhabits the historic city and lagoon islands, while 70 per cent is on the mainland and is more likely to benefit in the short term from the developments.

Of course, the whole economy of the Veneto, indeed of Italy, benefits from Venice, one of the greatest tourist attractions in the world, but this seems to be so taken for granted that it is not explicitly part of the political discussion. It is therefore indispensable and urgent that a realistic study (also taking account of the black economy) gets carried out, showing who spends the money and who benefits.

Especially now that a greater degree of free enterprise is being allowed in and around Venice, two basic economic tools also need to be applied by the authorities —and investors: risk assessment (particularly where the plans for the port are concerned) and cost-benefit analysis. For example, is it worth investing billions in a port and transport hub if, as a consequence, you have to spend billions longterm protecting the buildings of Venice from the water? Is it worth bringing in more and more day-trippers if they crowd out the tourists who stay at least one night in Venice and spend more money there?

It is exciting to see that the latest, excellent study by the research group COSES has for the first time, and at the request of the Comune (municipality), worked out what the maximum number of tourists in Venice might be (86,000 a day, but they do not recommend it).

It is fascinating reading for anyone who has experienced alley-rage in one of the main routes through Venice; the Tourism Chapter describes its methodology and gives a summary of its findings. This is the first sign that the Comune is thinking of how to manage the numbers of visitors, rather than continuing with the laissez-faire policy it has defended hitherto. The question is whether they will be able make the investors in the business interests around Venice into allies, so that a policy bringing dividends in the long rather than the short term will prevail. Nobody should forget: the prize is the most beautiful city on earth, one of the most marvelous creations of man. That is beyond price.

SUMMARY

● The officially resident population of the historic city of Venice is 60,209, barely a third of 60 years ago. Although the water city is still the seat of the Veneto regional government and the Comune's offices are still next to the Rialto Bridge, the reality is that with its dwindling voter base representing only 20% of the whole municipality, the historic city and its interests sway the elections less than the interests of the mainland.

● But the city is not "dying" for lack of inhabitants, as frequently stated; besides the officially registered residents, it has 15,000 people living at least sporadically in second homes and around 4,000 residing students.

● A new, important study of tourism in Venice has come up with the first assessment of how many tourists the city can hold comfortably and safely; a minimum of 31,000 if the tourist industry is to keep going, with 86,000 as the disagreeable saturation point (in 2007, 59,000 visitors came to Venice). An online incentive/disincentive advance booking scheme, Venice Connected, run by the Comune is a first step towards managing the flow.

● Government funds for running and maintaining the historic city have diminished sharply. Since 2002, much of special government funding Venice used to receive has been diverted towards the building of MOSE, the mobile flood barriers that are expected to cost €4.271 billion. So while the Comune received €592 million extra in 2002, in 2007, it was only €133 million. This means that vital maintenance such as the dredging and repair

of canals may slow down. Central government funding for the maintenance of listed buildings has also been cut, by 25.8% in 2009, which is the reason the authorities give for having allowed huge adverts to appear on iconic buildings such as the Doge's Palace.

● Over the last five to 10 years, the private sector has begun to play a far bigger role in the future of the city. Planning laws have been liberalized to allow private homes to be turned into B&Bs and rooms to rent. On the one hand, this has ensured the maintenance of these buildings, on the other it has reduced the number of habitations available to residents by about 420 units and has contributed to the doubling of property prices since 2000, further encouraging residents to leave. The airport and passenger port of Venice, both run by private companies, are planning major expansions on the basis of growth in tourist traffic. The number of cruise ships sailing through Venice was 200 in 2000 but 510 in 2007, and the number of berths for the big ships is being increased.

● There are plans for a huge expansion around the airport and of the commercial port of Venice at Marghera on the mainland, partly to replace the economy of the obsolescent chemical factories there. The size of the investment required would consolidate the need to keep the lagoon channels dredged to a depth of at least 12 m when there is good scientific evidence that these deep channels are one of the causes of the degradation of the Venice lagoon, which is damaging to the historic city.

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HOW MANY TOURISTS

NUMBERS OF LEISURE VISITORS (PRESENCES + DAY-TRIPPERS) P.A.

By access points to Venice.

Source: COSES, 2008



Basing its conclusions on information supplied by the services that transport people into Venice, the report arrives at 42 million transits a year, equating to 115,000-116,000 people entering or leaving Venice a day.

Of these, in round numbers:

- 8 million p.a. (21,500 a day) are commuters;
- 33 million p.a. are leisure travellers coming and going (therefore 16.5 million arrivals p.a.).

Of these 16.5 million:

- around 4 million p.a. spend at least one night in the municipality of Venice, an average of 9-10 million bed/nights p.a. (25,300 a day);
- 12.5 million p.a. are day-trippers (nearly 34,000 a day).

Conclusion: there were over 21 million tourist "presences" in Venice in 2007 (ie: 9-10 million p.a. day-trippers or slightly over 59,000 "presences" a day (Table 1).

This is already 26,000 more than the 1988 report considered the optimal number of daily presences and is very close to the psychologically important moment when it overtakes the officially resident population of 60,028.

The COSES report points out that most of the numbers are approximate because they are based on information that in some cases is out of date (the last survey of overall numbers entering the city was conducted in 1997, and of commuters, in 2001) and in some cases, does not take account of seasonal variations (eg: in public transport by road). Furthermore, there is the fabled "black economy" of Venice to contend with, and the report duly takes account of this in its estimate of the number of annual bed/nights, because a recent web-based survey³ shows that there is a 22 per cent discrepancy between the number of rooms-to-rent and B&Bs advertised on the web and the number officially authorized by the Province of Venice.

1. LEISURE VISITORS TO VENICE, 2007

by method of transport.

Source: COSES

METHODS OF TRANSPORT	ARRIVALS	PRESENCES (A)	DAY-TRIPPERS (B) FROM			TOTAL VISITORS (A+B)
			The Lido	Terraferma	Beyond	
Venice & Treviso Airports	1,262,000	3,450,000	-	-	-	3,450,000
Train	509,000	1,347,000	-	450,000	6,667,000	8,467,000
Car	95,000	268,000	-	-	751,000	1,019,000
Tourist Bus	131,000	365,000	-	547,000	1,787,000	2,699,000
Scheduled Bus	44,000	120,000	-	1,110,000	600,00	1,830,000
Cruise Ship	239,000	843,000*	-	-	-	1,278,000
Water Transport	-	-	466,000	160,000	2,235,000	2,861,000
Total Visitors	2,280,000	6,393,000	466,000	2,267,000	12,043,000	21,604,000
Equivalent Population**	6,247	17,515	1,277	6,211	32,995	59,189

*514,000 nights spend on board ** Visitors p.a. divided by 365 days

³ See Indagine Strutture Ricettive Extraalberghiere, Indagini sui Siti Web, July 2008, Comune di Venezia, Assessorato alle Politiche della Residenza

21m

*The number of tourist
"presences" in Venice in 2007*

How people get to Venice

Unless you have a boat of your own and push off from somewhere on the shoreline of the lagoon, you will be using one of the seven official ways of entering the city, six of them by water and the seventh via the Ponte della Libertà, which connects Venice to the mainland, carrying trains, buses and cars.

By air

Many passengers arriving at Treviso airport, used mostly by Ryanair, are en route to Venice, while this is the case for only slightly over half those arriving at Venice Marco Polo airport, which also serves the whole of the prosperous north east of Italy. The two together account for 1,262,000 tourist arrivals a year; unsurprisingly, they also represent the largest proportion of visitors spending at least one night in Venice.

Air traffic has greatly increased in recent decades, notably through the development of low-cost airlines, and the demand for air travel has brought about a considerable enhancement of infrastructure and services at Venice's Marco Polo Airport, Italy's third largest (by traffic volume) after Rome and Milan.

Marco Polo and Treviso are run by the SAVE

group, one of the largest publicly quoted companies in the region, with 1,474 employees (2006). SAVE S.p.A. was incorporated in 1987 and it runs other transport industries and services such as catering and airport shops, the growth of which have made it the largest tourism operator in the Veneto. The company is one of the principal beneficiaries of the growth of tourism and its strategies and policies have a direct impact on the development of tourism in the city (see Cruise ships, pages 44-45, and Chapter 2, Venice on the Mainland). Marco Polo provides links to 148 destinations in 44 countries and has 62 scheduled flights and 76 charter flights per day. The company's revenues in 2008 amounted to €327.6 million (first quarter revenues for 2009 were 13.1 per cent down on the prior year's results for the same period). As such a dominant force in bringing tourists to Venice,

Venice Connected: a first, small step towards managing tourist flows

The closest the Venice municipality has got so far to managing the tourists is a new on-line system that gives them the opportunity to book tickets in advance for services such as public transport, museums and car parking. The scheme, which is called Venice Connected, was launched on 1 February 2009. As well as saving participants' time, it can also save them money as ticket prices depending on their chosen travel dates. Those wishing to come during busy periods will pay more than those who come during quieter seasons.

"Through this system, Venice wants to welcome tourists at its best," explained deputy mayor of Venice, Michele Vianello. "They know in advance if the city is going to be full or not and can save money by planning to come in less crowded periods."

The booking system is available in Italian, English, Spanish, French and German. Clients are assigned a voucher number that guarantees direct access to services in order to avoid queues. Tickets can be booked from seven days in advance.

The first client, Kelly Vilven, a 25-year-old engineer from Seattle was enthusiastic. "I definitely recommend the web

site because it is in English and easy to understand and if there are further details needed they get back to you by e-mail right away." Ms Vilven says that, after consulting the scheme's calendar, she chose to visit Venice at a less crowded moment.

According to Mr Vianello, by May there had been around 100,000 visitors to the site, eight per cent of whom made a booking. "This is an extremely satisfactory rate of conversion for e-commerce," said the deputy mayor. Customers are already booking as far ahead as November, which is indicated as low season. It is too early to tell if the scheme is making a difference to tourist flows. The most popular purchases have been 72-hour and weekly transport passes, followed by passes for the municipal museum network. "The largest number of customers are French and Belgian followed by the British," observes Mr Vianello, adding that e-commerce is well established in France and Belgium. The council is close to an agreement with the Venice hoteliers' association that would give visitors the chance of booking hotels through Venice Connected. He hopes that major Venice tour operators and the national railway network will also collaborate in future.