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ITIC: €20 million Government investment needed to mitigate impact of Brexit on Irish tourism

Irish Tourism Industry Confederation launch pre budget submission

5th September, 2017: The Chief Executive Officer of The Irish Tourism Industry Confederation (ITIC), has today expressed serious concern in the need for government investment in Irish Tourism to mitigate the negative impact of Brexit. Speaking at the launch of ITIC's 2018 Pre Budget Submission in Dublin today, CEO Eoghan O'Mara Walsh, outlined his concerns and recommendations for tourism in Ireland which include a €20m investment in tourism to Brexit proof the industry in Ireland.

A major objective of the upcoming budget must be to retain and improve Ireland's competitiveness, according to ITIC, the representative body of the Irish tourism industry. ITIC highlighted the juncture that Budget 2018 brings for the Irish economy as the UK is set to leave the EU and Single Market, and Ireland's tourism industry faces considerable challenges. ITIC also called on the Government to ensure that Ireland's tourism VAT rate remains at 9% and competitive with the rest of the Eurozone.

Speaking at the launch event, Eoghan O'Mara Walsh, CEO of ITIC, said: "Tourism is Ireland's largest indigenous sector in terms of employment – employing over 225,000 people in Ireland. Last year Irish tourism was valued at €8.3 billion annually and it is estimated that in 2016 tourism contributed €1.91 billion to the exchequer in terms of direct tax receipts. However, to sustain growth in the sector and secure regional employment, the government needs to look seriously at investment and to retain and improve Ireland's competitiveness."

Mr O'Mara Walsh highlighted his concern that spending by the Irish state on tourism budgets has fallen by 40% since 2008 despite the return on investment in tourism being self-evident. ITIC propose a €20 million investment in current tourism budgets to Brexit-proof the sector and support regions, as well as a multi-annual capital programme into the future.

Also speaking at the event, Maurice Pratt Chairman of ITIC, said, "Irish tourism has enjoyed strong growth in recent years but 2017 is proving more challenging and our biggest and nearest tourism market, that of Britain, is in decline. Brexit is having a real and material impact on Irish tourism and we estimate that it will cost Irish tourism at least €100m this year. We are calling on the Government to make a sensible investment in tourism that reflect the current challenges facing Ireland's largest indigenous sector."

Mr O'Mara Walsh commented further: "In order to realise the future potential of Irish tourism as an engine of economic growth and regional balance, the level of state capital support for the sector needs to increase significantly. The ongoing review of the Government's capital expenditure is an opportune time to allocate additional capital budgets to Irish tourism – new experiences of scale and international appeal must be developed so that Ireland remains a compelling destination for visitors."

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About ITIC:

ITIC is the Irish Tourism Industry Confederation. As the representative body of the Irish tourism industry, ITIC works with Government Agencies, Tourist Boards, North and South, Tourism Ireland Limited, the EU, and other organisations whose activities impact on tourism. ITIC's case-making is based on a strong research programme. Membership consists of over 30 representative organisations, covering all sectors of Irish tourism – i.e. accommodation, access transport, internal transport, visitor attractions, incoming tour operators, ports and airports.

For more information visit www.itic.ie

