

Irish tourism industry earned €5.3bn from overseas visitors in 2023

Despite capacity and competitiveness concerns, sector can grow in value by 5% in real terms in 2024 with North American market offering best prospects

Government must do more to support Ireland's largest indigenous industry with cost of business challenges and capacity constraints

27th December 2023: The Irish Tourism Industry Confederation (ITIC) has today issued its 2023 Review and 2024 Outlook which shows that Irish tourism remains robust despite domestic cost challenges and international geopolitical events.

It is estimated that €5.3 billion will have been spent by international visitors while visiting Ireland in 2023 with 254,000 people working in the sector making it the country's largest indigenous industry and biggest regional employer.

Looking ahead, ITIC forecast that Irish tourism can achieve 5% revenue growth in real terms in 2024 with the North American market offering the best prospects.

Elaina Fitzgerald Kane, Chair of ITIC, said *"The Irish tourism and hospitality industry has once again proved its resilience – it is vital to regional Ireland in particular providing livelihoods and economic activity where other sectors simply can't reach"*.

Fitzgerald added that with the right market mix there can be further revenue growth in 2024 however she highlighted that there could be an element of frustrated demand due to capacity and competitiveness concerns.

ITIC has highlighted tourism accommodation constraints as being a handbrake on growth with 20% of hotel and guesthouse beds contracted to Government for refugees and asylum seekers and new short-term rental legislation likely to impact on self-catering properties. The tourism body has also said that Dublin Airport needs to be allowed grow beyond its current passenger cap.

CEO of ITIC, Eoghan O'Mara Walsh, said that businesses are concerned with rising costs as a result of Government legislation *"The labour costs alone being imposed on businesses across the economy amount to about €4 billion annually – this poses a significant burden for SMEs with tight profit margins and some of these costs should be offset by Government or else Irish competitiveness will be further eroded"*

O'Mara Walsh reiterated Irish tourism's commitment to sustainability and highlighted the significant efforts that are being made including all Shannon boat cruisers operating off hydro-treated vegetable oil next year rather than diesel.

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ITIC pointed to the conflict in the Middle East and the war in Ukraine as events that could impact on consumer confidence. Fitzgerald Kane said *“Government cannot influence international events but the challenges affecting the industry domestically do lie in their gift. Action is needed on ameliorating cost challenges, addressing capacity concerns and improving competitiveness and this will all help Ireland’s tourism and hospitality industry to continue on its path to full recovery.”*

ITIC’s 2023 Review and 2024 Outlook can be accessed here: <https://www.itic.ie/ye23-outlook24/>

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Notes to Editor

About the Irish Tourism Industry Confederation:

The Irish Tourism Industry Confederation was founded in 1984 and is the umbrella group representing the leading tourism interests in Ireland. Its members come from key tourism stakeholders across the public and private sector and include Aer Lingus, Irish Ferries, daa, Shannon Group, Irish Hotels Federation, Incoming Tour Operators Association, Guinness Storehouse, Restaurants Association of Ireland, Vintners Federation of Ireland and Association of Visitor Experiences & Attractions amongst others. A full list of member organizations can be seen on www.itic.ie.

Tourism is Ireland’s largest indigenous industry and is a critical component of the export economy. Key tourism facts in 2019 (last full calendar year of data) according to the CSO:

- Tourism consumption amounted to **€10 billion** in 2019 – 73% from inbound tourists and 27% from domestic trips.
- Tourism accounted for **4.4% share of Gross Value Added (GVA)** in the Irish economy.
- **284,800 directly employed** in almost **46,000 tourism-related enterprises**, based on full time job equivalents – **13% share of total employment** across the economy. Total employment related to tourism is estimated to increase to **352,000**, when jobs in non-specific tourism businesses are taken into account.
- Tourism generated approximately **€2,000 per head** of population.
- According to Fáilte Ireland, for every euro spent by tourists 23c is generated in tax

Ends