



**Embargoed** – Thursday, December 28<sup>th</sup> 2017

## **Tourism Review of 2017 & Outlook for 2018**

- Irish tourism industry now worth €8.7 billion in record year
- Overseas visitors' spend in Ireland increases 6% to €4.9 billion
  - Tourism now employs 230,000 nationally
- Industry body estimates further growth in 2018 but warns against complacency
  - ITIC to launch new strategy for tourism growth to 2025

### **2017 – A new record year for Irish tourism**

Irish tourism hit new highs in 2017 with a record number of international visitors and the industry worth an estimated €8.7 billion annually.

Ireland earned an estimated €6.5 billion from overseas tourism in 2017 which was made up of €4.9 billion spent by overseas visitors when in Ireland and €1.6 billion spent with Irish airline and ferry companies. €1.9 billion was generated in domestic tourism revenue and a further €300 million earned from Northern Ireland visitors.

Expenditure by international visitors to Ireland was up 6% on the previous year as tourism added another 25,000 new jobs in 2017 with the sector now employing 230,000 people nationwide.

The Irish Tourism Industry Confederation (ITIC), the umbrella group representing Irish tourism interests, estimates that earnings from tourism for the year accrued over €2 billion to the exchequer in direct tourism-related taxes as Ireland's largest indigenous industry delivered record volume, value and employment numbers.

According to latest CSO data, the number of overseas visitors grew by 3% to 8.9 million - the highest number on record - with North America, Mainland Europe, and long-haul markets all showing record growth levels. The British market, Ireland's largest single source market, did show a sharp decline though of 7% as Brexit impacted on Irish tourism, chiefly through the impact of weaker sterling.

*"It has been another strong year for Irish tourism with record visitor numbers in both volume and value terms. 25,000 new jobs have been created in the sector in the last 12 months and tourism remains Ireland's largest indigenous employer. This is testament to the quality of Ireland's tourism product and the competitiveness of the tourism industry on the ground"* Maurice Pratt, ITIC Chairman, said.

He added: *"Brexit though is a major ongoing concern for Irish tourism. A weak sterling and weak consumer confidence in the UK has resulted in that market falling by 7%. The strong performance of other markets has been vital to ensure that Irish tourism continues to prosper."*

## **2018 – Growth set to continue overall despite challenges**

Irish tourism businesses are positive about 2018 despite Brexit worries. The Irish tourism industry has investing significantly in new hotels, routes, and attractions and has committed substantial sums to marketing and promotion with a key focus on the need to continue delivering good value for money. The Government decision to maintain the 9% VAT rate on tourism services continues to support Ireland's competitiveness on the back of operating efficiencies and better value offerings from tourism businesses.

The domestic market, which underpins many tourism enterprises, is expected to see further pick-up in the demand for short leisure breaks as personal finances improve.

Brexit will continue to impact on tourism in 2018 and ITIC CEO Eoghan O'Mara Walsh said *"The fact that the Common Travel Area has been retained and that there will be no hard border on the island are positives for Irish tourism. However Open Skies and a liberal aviation market are vital to secure in Phase 2 of talks between the EU and UK"*

Despite Brexit concerns and accommodation capacity constraints, ITIC believes that the tourism industry can grow by a further 5% in overseas visitor numbers and 7% in export revenue for 2018, given the increased air and sea access into Ireland and generally strong healthy state of key source market economies.

However, growth is not guaranteed and there is much work to be done to underpin and sustain progress to date. Mr O'Mara Walsh said: *"Tourism has much more potential for Ireland, but only if the right strategies and investment policies are pursued. ITIC believes that, based on anticipated tourism flows, at least a further 10,000 jobs can be created in the tourism industry in the year ahead. However the Government must support the marketing of Ireland as a tourism destination and increase investment in new tourism product development. It is one of the few industries that provides regional balance and delivers jobs in all parts of the country"*.

## **A new strategy for Irish Tourism to 2025 and beyond**

ITIC has announced that this year it will publish *Tourism 2025+: An Industry Strategy for Growth*. This will outline the potential of the value of inbound tourism to increase by 50% in a sustainable way if the right policies are adopted and implemented.

ITIC is confident that the sector can deliver on this if there is enabling support from Government and state agencies. Mr O'Mara Walsh said: *"The current national tourism targets to 2025 are unambitious and modest. It is high time that a new strategy is put in place for tourism growth that is led by the industry and facilitated by pro-tourism policies from the Government"*.

Mr O'Mara Walsh stressed how important a vibrant tourism industry is to Ireland: *"Tourism is at a key juncture currently and it is vital that the sector is supported so that the Irish tourism industry can plan ambitiously for the future. As a sector we can increase jobs, provide additional exchequer income, and help with regional balance jobs in the immediate and longer term"*.

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ITIC's full year-end Review for 2017 and Outlook for 2018 can be seen at [www.itic.ie](http://www.itic.ie).

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**Notes to Editor:**

The Irish Tourism Industry Confederation was founded in 1984 and is the umbrella group representing the leading tourism interests in Ireland. The full ITIC Review of 2017 and Outlook for 2018 can be seen on [www.itic.ie](http://www.itic.ie). Tourism is Ireland's largest indigenous industry by employment numbers and is a critical component of the export economy. Key tourism facts:

- Worth €8.7 billion annually – a new record
- 8.9 million staying international staying visitors in 2017 – up 3%
- Spend by international visitors to Ireland increased by 6% in 2017
- Tourism employs 230,000 nationally
- 1 in 9 jobs nationally in tourism & hospitality sector
- Average spend per US visitor while in Ireland: €730
- According to Fáilte Ireland, for every euro spent by tourists 23c is generated in tax to the exchequer