

Irish Tourism Industry Confederation

PRESS RELEASE

For immediate release

Spend by tourists down 4% in Q1 as CSO show 2019 a tougher year for Irish tourism industry

Brexit and Vat increase impacting on Ireland's largest industry

Industry body holds Council meeting in Killarney and urges Government to prioritise tourism sector

June 12, 2019: CSO figures just released for tourism for January to March identify a significant slowdown in tourism growth. Although headline “arrivals” figures were at +5.1% for the first quarter, the spend by these visitors was down 4%. Spend from all markets, with the exception of North America, is down for the first quarter.

The Chairperson of the Irish Tourism Industry Confederation (ITIC) today warned that trading conditions for tourism and hospitality businesses were more challenging this year and there was an onus on Government to improve the competitiveness of Irish tourism. Speaking at an ITIC event held in Killarney Ruth Andrews, Chairperson of ITIC, stated that the CSO figures confirm industry sentiment on the ground: “Latest official tourism numbers highlight the impact of increased costs and Brexit uncertainly on tourism businesses throughout the country.”

ITIC has criticized the Government for drift on tourism policy including increased taxation, rising costs of business, inadequate overseas marketing budgets, and confusion over new regulations curbing self-catering tourism accommodation. ITIC estimates that growth in 2019 at 3% will only be half of what official estimates had stated earlier in the year.

Chief Executive of ITIC Eoghan O'Mara Walsh said: “Here in Killarney you get a very good sense for the tourism season and undoubtedly 2019 is looking more challenging. Costs of business have soared in recent times and the tourism and hospitality sector are reporting an average of 28% increase in insurance premiums in the last year alone.”

At a time of significant Brexit uncertainty, and a tightening of air services into Ireland, ITIC has called on the Government to prove its commitment to tourism and not lose the opportunity for regional growth. Weakened competitiveness is apparent across a number of areas and ITIC has developed an 8-point plan to strengthen Irish tourism's competitiveness and urges the Government to adopt the same. This will help underpin Irish tourism's competitiveness, support and sustain the sector at this key time, and help secure jobs and exchequer returns.

Speaking from Killarney, Andrews said: “The impact of Brexit is already being felt and this coupled with the VAT hike in the last budget will hurt tourism. Businesses are investing significantly in developing and improving their product – this is evident from Center Parcs investment in the Midlands through to the rejuvenated Killarney House here in the home of Irish tourism and many other examples. We're at a key junction in Irish tourism and the Government must take a lead to help restore Irish tourism's competitiveness at this uncertain time”.

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O'Mara Walsh urged more investment by the Government in tourism “the increase in state funding this year only brings tourism funding back to 2008 levels – that is a long decade of underinvestment. If the Government is serious about tourism it must support the sector. Too many jobs are at stake and this is regional Ireland’s biggest employer by some distance”. One in six jobs in Killarney are estimated to be in the tourism and hospitality sector as ITIC held their Council meeting in the Brehon Hotel.

For more information on the Irish Tourism Industry Confederation and to review its 2025 strategy go to www.itic.ie.

ENDS

Image attached: Chairperson of the Irish Tourism Industry Confederation – Ruth Andrews

For more information:

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Notes to Editors:

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, Restaurants Association of Ireland, Vintners Federation of Ireland and Association of Visitor Experiences & Attractions amongst others. Tourism state agencies, Fáilte Ireland and Tourism Ireland are also members and the full list can be seen on www.itic.ie.
