

Irish Tourism Industry Confederation

PRESS RELEASE

Embargoed, 7am October 1st, 2020

ITIC call for leadership from Taoiseach on international travel restrictions in open letter

Loss of international tourists costing industry €27 million per day and 300,000 jobs in danger if no Government intervention

Budget is “last chance” to save tourism and hospitality industry and business continuity grants, improved wage subsidy scheme and Vat reduction “imperative to survival”

Government’s Save & Spend Scheme “ineffective” due to Covid restrictions

Ireland – October 1st, 2020: The Irish Tourism Industry Confederation (ITIC) has written an [open letter](#) to the Taoiseach calling for personal leadership to ensure Ireland signs up to the European Commission’s proposal on free movement due to be discussed by EU Council next month.

In the letter, co-signed by amongst others Aer Lingus, daa, Shannon Airport, Irish Ferries and Stena Line, ITIC state that public health must remain the priority but “saving lives cannot be seen as mutually exclusive to saving livelihoods”. ITIC point out that the current situation pertaining to international travel is akin to a closed sign above Ireland for inbound tourism and, if maintained, could result in up to 300,000 job losses.

“It need not be like this” said Eoghan O’Mara Walsh, ITIC CEO “75% of Ireland’s tourism economy is made up of inbound visitation and is vital that we recommence international travel in a safe and sensible manner. The absence of international tourists has cost the Irish tourism industry €27 million per day over the summer months.”

The European proposal centres around a traffic light system, based on Covid infection rates, and would allow for the free movement of people traveling from both green and orange coded areas with a testing regime to be considered for those countries coded red. The European Centre for Disease Control (ECDC) has confirmed their support of such a proposal.

With less than two weeks to go before Budget 2021 ITIC has called for an enhanced wage subsidy scheme for the tourism and hospitality sector, a reduced Vat rate, and a €500 million package of business continuity grants.

“Tourism and hospitality businesses have been disproportionately hit by the pandemic and shut downs and Government must not let Ireland’s largest indigenous industry and biggest regional employer perish” said O’Mara Walsh pointing out that occupancy rates in hotels are at just 9% next month.

Government’s “Save & Spend” scheme comes into effect today which was part of the July stimulus package and an effort to stimulate the domestic holiday market. O’Mara Walsh pointed out that due to Covid restrictions its impact was likely to be ineffective over the winter. “Government valued the scheme at €275 million which at this point would be far better off being converted to business survival grants for tourism businesses as the winter months will be cold and bleak with demand negligible”.

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In their pre-budget [submission](#), agreed by all tourism and hospitality stakeholders, ITIC have argued for 5 key policy asks including a rapid Covid-19 testing regime to allow for international travel and tourism to recommence safely, an improved employment wage subsidy scheme, a €500 million package of business continuity grants, Vat reduction to 9%, and a waiving of commercial rates to April 2021.

A petition supporting these 5 policy asks has already been signed by over 5,000 businesses.

O'Mara Walsh warned that a disorderly Brexit would be a further hammer blow for the sector and pointed out that in the last budget Minister Paschal Donohoe had allocated an additional €40 million to tourism budgets in the event of a hard Brexit,

O'Mara Walsh noted that within the Programme for Government, it is stated that "tourism will be placed at the centre of the National Economic Plan" and he said that it is high time that Government matches words with deeds. He expressed frustration that recommendations from the Government's own Tourism Recovery Taskforce and Aviation Recovery Taskforce had so far been ignored.

ENDS

For further information contact:

Eoghan O'Mara Walsh, Chief Executive, ITIC: 086 6057909

Michael Moriarty, Fleishman Hillard: 087 2432550

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 industries and is a critical component of the export economy. Key tourism facts:

- Worth €9.2 billion annually
- 9.68 million international staying visitors in 2019
- Tourism employed 265,000 nationally in 2019
- 1 in 9 jobs nationally are in tourism & hospitality sector
- According to Fáilte Ireland, for every euro spent by tourists 23c is generated in tax

For further information and full details on ITIC's *Tourism Call to Action* see www.itic.ie.