

ITIC welcome Budget 2021 as important first step on road to tourism industry recovery

Reduction in Vat, financial scheme to support Covid-impacted enterprises, and €55 million business continuity grants all crucial survival measures for tourism sector

Disappointment that value of wage subsidy scheme not enhanced

Ireland – October 13th, 2020: The Irish Tourism Industry Confederation (ITIC) has welcomed Budget 2021 delivered earlier today by Ministers Paschal Donohoe and Michael McGrath.

Measures in the budget including the reduced Vat rate, the financial scheme of up to €5,000 per week to support enterprises most affected by Covid restrictions, and the €55 million business continuity fund to be administered by Fáilte Ireland “are all positive steps to help tourism and hospitality businesses survive this existential crisis” according to ITIC CEO Eoghan O’Mara Walsh.

There was disappointment that the value of the wage subsidy scheme was not enhanced and this puts tourism businesses under immense financial strain over the winter to maintain staff while demand is so negligible.

“The devil is in the detail as with all budgets” said O’Mara Walsh “but we broadly support the measures brought in today and give credit to the Government for acknowledging that tourism and hospitality has been one of the hardest hit sectors by the pandemic”.

On ITIC’s prompting the last Government had set up a Tourism Recovery Taskforce back in May independently chaired and with strong representation of industry leaders. Minister Catherine Martin brought the Taskforce report to cabinet last week and the survival recommendations were plainly taken on board.

“Budget 2021 is a very important first step in ensuring the survival of tourism businesses over the next few months” said O’Mara Walsh noting that Covid and a hard Brexit will continue to wreak havoc on one of Ireland’s most important industries and its biggest regional employer. “It is vital that tourism support is maximized from Government so that as many businesses can survive a long and cold winter when demand will unfortunately be very weak” he said.

ITIC also welcomed Ireland’s adoption of the pan European international travel agreement and urged Government to implement it fully including developing a comprehensive pre-travel testing regime. “If Irish tourism is to prosper again we need to survive the next 6 months and then see international arrivals resume in a safe manner” said O’Mara Walsh.

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For further information contact:

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

Michael Moriarty, Fleishman Hillard: 087 2432550

Irish Tourism Industry Confederation

PRESS RELEASE

October 13th 2020

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.