Hospitality industry demands higher state spending

After a consultation period lasting 12 months, the **Irish Tourism Industry Confederation** has published a new, eight-year tourism policy strategy to develop the sector and has demanded that the government "must match the industry's ambitions and commit appropriate funds to overseas marketing and new product development so that tourism can realise its potential".

The strategy, ***Tourism: An Industry Strategy for Growth to 2025***, finds that existing national tourism policy is already "out-dated and overtaken by events such as Brexit". The ITIC strategy estimates that earnings from overseas tourism can increase by 65% to €8.1 billion annually by 2025 if the right policies and investment strategies are adopted. This would mean 80,000 more jobs nationwide and an increase to the exchequer in direct tourism-related taxes from overseas visitors to just under €2 billion annually.

The strategy outlines ambitious goals and contains 40 recommendations for ten pillar areas. It identifies key enabling factors including the construction of new hotels, the expansion of Dublin Airport, maintaining competitiveness, maintenance of the industry's ability to match and exceed visitor expectations, and increased state investment in overseas marketing and tourism investment.

• ***Download ITIC Tourism Growth Strategy 2025***

Brexit is the major issue for Irish tourism at present, it says, and the British market is in retreat with Fáilte Ireland estimating that the Brexit cost to Irish tourism last year was €86m.

ITIC chairman **Maurice Pratt** said: "The Irish tourism industry is confident of future growth and it estimates that tourism revenue from overseas visitors to our shores can grow by 65%, to €8.1 billion, by 2025. This is significantly more than the national tourism policy target which is €5 billion for the same period.

"The government must match the industry's ambitions and commit appropriate funds to overseas marketing and new product development."

ITIC says that its new strategy has the support of Ibec, the IFA and the Irish Exporters Association. It argues that the engine behind tourism development is the private sector, which is committing €2.5 billion on new aircraft, ferries, attractions and hotels by 2021 alone as it invests in capacity to meet projected demand.

Examples of such investment include Aer Lingus's transatlantic expansion plans, two new ferries for Irish Ferries, 6,000 new hotel bedrooms, attraction expansion plans such as those of the Guinness Storehouse and Westport House, and the development of the new Center Parcs visitor centre in Longford.

Chief executive **Eoghan O'Mara Walsh** commented: "State investment in new product developments is also vital. It's disappointing that, in the recent National Development Plan, tourism was only allocated €300m from an exchequer envelope of €91 billion.

"There are many options to add to Ireland's tourism experiences but the state must be proactive and take the first steps — hotels, restaurants and tour operators will all follow but, like the shining example of the Wild Atlantic Way, the government must make the initial move, with capital investment budgets to help create iconic attractors."

The stratgey advocates that €50m more per annum of taxpayers' funds should be committed to tourism state agencies to increase overseas marketing and industry supports. ITIC also proposes a National Tourism Day, already marked in the US, Canada, and England as well as the EU — to raise the profile of the industry and celebrate the importance of tourism in Ireland.