Minister Martin welcomes Tourism Recovery Plan

From Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media

Published at 6 October 2020

Last updated 6 October 2020

The Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, Catherine Martin TD, today (6 October 2020) welcomed the publication of the <u>Tourism Recovery Plan 2020 - 2023</u> from the Tourism Recovery Taskforce.

Tourism is one of the most directly affected sectors in the current pandemic. COVID-19 has had a devastating impact on employment and the viability of thousands of businesses in Irish tourism. A Tourism Recovery Taskforce was appointed in May to prepare a Tourism Recovery Plan including recommendations on how best the Irish tourism sector can adapt and recover in a changed tourism environment as a result of the crisis.

As part of its work, the Taskforce undertook a widespread stakeholder consultation process which was very helpful in generating ideas and inputs for its final report. The Taskforce has now completed its work and its Chairperson, Ms. Ruth Andrews, submitted the Recovery Plan to the Minister last week. The Plan was noted by Government earlier today. You can view the plan in full here.

The Taskforce makes a number of recommendations, both to help ensure the survival of tourism businesses and jobs and also to help the sector to stabilise and recover in the years to come. Within this, it has identified a number of priority recommendations aimed at ensuring the survival of tourism businesses and jobs, in areas such as:

- business continuity grants and additional operational supports for enterprises
- professional development supports for workers in the sector
- liquidity measures to support vulnerable but viable businesses
- facilitating the resumption of inbound international tourism
- increasing competitiveness through a VAT reduction and actions to increase the cost and supply of insurance
- · increased domestic and overseas marketing expenditure

Commenting on the report, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, Catherine Martin TD stated:

"I very much welcome the Recovery Plan submitted by the Tourism Recovery Taskforce and thank each and every member of the Taskforce for their time, expertise and commitment in this hugely difficult time. I met with the Taskforce in one of my first days in office and was struck both by the members' dedication and also the seriousness of the situation facing

tourism. I have since met with the Chairperson, Ruth Andrews, on a couple of occasions and have been kept informed as to progress.

"The Taskforce was tasked with coming up with recommendations that can help the tourism sector to survive the crisis and recover in a stable manner. Its Recovery Plan will be hugely beneficial to me and my colleagues in Government as we examine ways to help the tourism sector emerge from the very difficult position in which it finds itself. I note in particular the Taskforce's assessment that, of the 260,000 jobs in the sector prior to the pandemic, 180,000 jobs are either lost or vulnerable. I am under no illusions about the scale of the challenge and the many competing priorities facing Government. However, as we work towards the Budget and the National Economic Plan, I will be pushing hard for further support for the sector following on from the measures I introduced as part of the July Stimulus package."

Ruth Andrews, Chairperson of the Tourism Recovery Taskforce, added:

"I am delighted that the Tourism Recovery Taskforce has completed our work and submitted the Recovery Plan to the Minister. I must give a huge thanks to my colleagues on the Taskforce who committed so much time and effort in a period which was so difficult and full of uncertainty. I would also like to thank all those who made submissions during the consultation stage, all of which were a significant influence on the Taskforce's deliberations.

"The impact of COVID-19 on tourism has been existential, devastating employment, businesses and livelihoods across the sector. Nevertheless, even in these incredibly difficult times, I and my colleagues on the Taskforce are confident that the Irish tourism industry can recover and develop as a world leader in sustainable tourism practices.

"Tourism is as integral to the national economic recovery now as it was in the last recession. The sector is uniquely positioned to contribute strongly to job creation and reversing unemployment in communities and among the young throughout the country. This recovery provides an opportunity to strengthen the industry and reaffirm the importance of the sector as an economic driver and export led industry.

"Taking the necessary action now can save and restore jobs and income and avoid the need for long-term State intervention to support those left behind by the crisis. The TRT strongly believes that with the right investment and support, particularly in the survival phase, tourism can retain capacity, skills and strategic assets that will strengthen the pace of recovery when restrictions are eased to enable international tourism. We look forward to working with Government to make this happen."

ENDS

Notes

Tourism Recovery Taskforce

Tourism is one of the most directly affected sectors in the current crisis. The impact of COVID-19 on tourism globally has been overwhelming and immediate with unprecedented consequences for Ireland's tourism and hospitality sector. The pandemic and the

consequential public health measures have devastated the sector here and it is estimated that, of 260,000 jobs in the sector prior to COVID-19, 180,000 are either lost or vulnerable.

A Tourism Recovery Taskforce was appointed in May to prepare a Tourism Recovery Plan which includes a set of recommendations on how best the Irish Tourism sector can adapt and recover in a changed tourism environment as a result of the crisis.

The Taskforce comprised an independent chairperson and 13 other members from a broad spectrum of backgrounds including tourism policy, tourism enterprise, international, private and public service. The membership of the Taskforce is as follows:

- Ruth Andrews, Taskforce Chair, CEO of ITOA Ireland and Chair of ITIC
- Elaina Fitzgerald Kane, Director, Fitzgerald's Woodlands House Hotel and Spa, Adare Co. Limerick. Since Feb 2020 President of the IHF
- Eimear Killian, General Manager of "Brasserie on the Corner" Restaurant, Galway
- John Kelly, (Acting) Head of Tourism and Sport, D/TCAGSM
- Paul Kelly, CEO Fáilte Ireland (National Tourism Development Authority)
- Niall Gibbons, CEO Tourism Ireland (Overseas marketing agency)
- Stephen Kavanagh, Board member and former CEO of Aer Lingus; current board member of aircraft leasing company CDB Aviation
- Jane Stacey, Head of the Tourism Unit in the OECD Centre for Entrepreneurship, SMEs, Regions and Cities
- John Herlihy, VP EMEA and LATAM at LinkedIn
- Pat O'Leary, chair of Kerry Tourism Industry Federation; former MD of International Maritime Division, Liebherr Group
- Tom Enright, CEO Wexford County Council
- Eoghan Corry, Travel industry commentator and broadcaster
- Martin Dalby, CEO, Center Parcs
- John McLaughlin, CEO, North & West Coast Links Golf

The Taskforce has been highly engaged in the period since its establishment with a view to drawing up its report:

- it met sixteen times in total up to the end of September
- it submitted an Initial Report to the Minister in June recommending a number of measures to help save jobs and businesses across the tourism sector until the end of 2020 this report informed the consideration of the July Stimulus package
- it held a public consultation in June which attracted a total of 813 responses as well as 60 separate submissions by interested parties, many of whom presented directly to the Taskforce
- it set up a number of discrete workstreams led by TRT members and including external experts to examine particular areas of importance for the survival and recovery of tourism. These workstreams identified draft recommendations which were sent forward to the full TRT for consideration for its final report

The Taskforce has now completed its work and the Chair has presented the report to the Minster. The Plan makes a number of recommendations to help tourism businesses to survive, stabilise and recover from the COVID-19 pandemic. These are set out hereunder:

Summary of Recovery Plan Recommendations

Immediate Priority Recommendations for Survival

Supporting Business Survival

Modify existing or introduce new measures to help those tourism businesses significantly impacted by public health measures to survive the current crisis and be in a position to fast-track and contribute to a sustainable recovery, as follows:

- adjust the Employee Wage Support Scheme so that businesses struggling to retain employees can avail of the subsidy rates which applied for the Temporary Wage Subsidy Scheme based on a scale of income reduction
- deliver business continuity grants of €120 million to enable key strategic tourism businesses survive the crisis with a focus on those with the greatest reduction in turnover in 2020
- extend and modify the COVID-19 Adaptation Fund by €30 million to facilitate flexibility, such as increased outdoor dining capacity, in the context of the Living with COVID-19 Plan
- invest €50 million Exchequer funding in 2021 to be combined with a €100 million credit facility from ISIF to create a €150 million Tourism specific loan scheme to be jointly administered by Fáilte Ireland and ISIF to allow long term viable but short term vulnerable tourism businesses to survive until demand returns

Enhancing Sustainable Employment

Introduce a \in 10 million programme of professional development supports with strong digital content to keep those laid off or on reduced working hours engaged in the tourism sector to ensure that skilled workers are available to drive the recovery in the sector.

Re-Establishing International Access

- facilitate the resumption of overseas tourism into Ireland as soon as is practicable and in line with public health guidance by identifying and communicating a targeted reopening date
- the removal of the period of quarantine for arrivals and its replacement by a comprehensive, rapid test, track and isolate (TTI) system or a system more facilitative for inbound tourism
- Government should actively develop and fully commit to the forthcoming EU 'traffic light' system that aims to open up international travel across Europe

Strengthening Marketing Investment

- increase domestic marketing spend from €10 million to €30 million in 2021 to drive demand for home holidays throughout the year
- double the overseas tourism marketing fund from €47 million to €94 million to help protect Ireland's existing brand position internationally and kick-start the recovery in inbound tourism. Evidence shows that early and increased investment following previous downturns yielded significant market share gains for Ireland

Promoting Competitiveness

- reduce VAT rate for tourism and hospitality sector from 13.5% to 9% with immediate effect
- introduce legislation and regulatory measures to increase supply and reduce the costs
 of insurance. These should inter-alia include protecting businesses from unwarranted
 and excessive claims through re-defining 'occupiers' duty of care, revising guidelines
 on levels of claims, and acting quickly on any CCPC recommendations to enhance
 competition in the sector

TRT Recommendations for Stabilisation and Recovery

Supporting Business Survival

- increase and spread domestic demand for holidays by varying the timing of school holidays in different areas of the country to take advantage of capacity
- consider the merits of introducing an additional bank holiday in the off-peak season

Enhancing Sustainable Employment

- strengthen Fáilte Ireland's Careers Oversight Group and formalise a relationship with the Department of Further and Higher Education, Research, Innovation and Science to ensure programme development and coordination of tourism education and training
- develop National Tourism Education Gateway as a one stop shop access to education for all tourism employees
- ensure consistency in terms of quality and content of education and training provided by education providers engaged in the tourism sector in consultation with industry to meet adapting needs and trends

Re-establishing International Access

- implement an assurance domestic guarantee for inbound leisure and business, with industry committing to return deposits / allow flexibility for people to change their date of travel, and Government providing backstop in case of business failure
- a Temporary Incentive Scheme to be immediately introduced by all airports and ports in Ireland to incentivise additional traffic

Strengthening Marketing Investment

• implement a €92 million Industry Activation Fund over three years for extensive overseas sales and marketing activities by the industry, to replace lost spend by industry stakeholders and protect inbound operators 'strategic assets' in vital supply and distribution channels

Increasing Investment in Tourism Product

- undertake a comprehensive review of Ireland's tourism product to identify strengths, gaps, opportunities and impediments to inform future investment in the development of the visitor offering
- focus Government investment in tourism capital projects on improving product quality and innovation, and the development and enhancement of cultural and heritage experiences to attract a wide range of visitors to Ireland

- establish a co-ordination body to oversee a consistent approach to the investment in and operation, management and marketing of Ireland's state owned natural, cultural and heritage assets
- as part of the development of the proposed National Outdoor Recreation Strategy Government should introduce new measures to facilitate access to public and private lands
- invest in a small number of major international festivals and events which will act as a demand driver for both domestic and overseas tourism
- establish a department led steering group to oversee the development of a Global Invitation Programme (the Year of the Invitation) to stimulate additional international demand. The programme should ideally incorporate six to ten large scale events capable of attracting significant international audiences

Promoting Competitiveness

- fund and implement the development of a Tourism Satellite Account as a matter of urgency
- develop schemes to enable the tourism sector to invest in digital technology, with a
 particular focus on sectors with low digital presence such as visitor attractions and
 activities
- strengthen Ireland's international competitiveness in Asia and developing markets by offering a free 90-day visa waiver programme for short term holiday visits and a once off/one year promotion of a free 5 year visa application to encourage repeat visits
- develop a Competitive Balanced Scorecard to enable the setting of wide-ranging targets to support policy objective delivery and competitive benchmarking

Building a Sustainable Tourism Industry

- Ireland should have the ambition to be amongst the world-leaders in sustainable tourism practices. The Sustainable Tourism Working Group should develop a suite of actions to promote the sustainable development of tourism by the end of 2020, which should underpin the development of a sustainable tourism policy to be adopted by the government
- schemes and supports which promote the concept of and business case for sustainable tourism both at the enterprise level and the consumer level should be identified for implementation during the sustainability and recovery phase, for example Origin Green

Overseeing Implementation of the Plan

Establish an independently chaired Recovery Oversight Group to monitor the implementation of the recommendations in this report and monitor the sector's recovery.