Tourism: statistics and policy

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Summary

This note includes statistics on inbound and outbound visitors to and from the UK, domestic tourism in the UK, the contribution of tourism to the UK economy and the Government’s tourism policy.

In 2017 the UK had the highest number of both inbound and outbound visits ever recorded. This chart shows the trend since 1980:

Visitor numbers:

• There were 39.2 million inbound visits to the UK in 2017, 4% more than in 2016. London was the most popular destination in the UK, attracting 51% of all visits.
• There were 72.8 million outbound visits from the UK, an increase of 3% on 2016. Spain was the most popular destination for UK tourists, attracting 22% of all visits.

There were 120.7 million domestic overnight trips made in Great Britain in 2017, an increase of 1% on the number of domestic visits made in 2016.

Economic impact:

• In 2016, the economic output (direct GVA) of the tourism industry in the UK was £68 billion, 6% of total UK economic output.
• In 2016, the number of people directly employed in tourism in the UK was 1.5 million, 5% of all employment.
• Between 2015 and 2016, the number of people directly employed in tourism fell by 66,000 or 4.1%

Brexit:

The decision of the UK to leave the EU has the potential to create both opportunities and challenges in the tourism sector. These include:

• Falls in the value of the pound making the UK a more affordable destination for foreign visitors, and travelling abroad less affordable for British holidaymakers
• ‘Staycations’ may become more attractive to British holidaymakers as a result of this and any increase in border crossing complexity, such as a visa requirement
• Such formal barriers may also impact non-EU tourists who use the UK as a ‘gateway’ to other European countries
• Possible loss of funding from the EU to UK tourist areas
• Consumer protection issues such as roaming charges, the Package Holiday Directive and the Consumer Rights Directive are subject to EU regulations
• The European Health Insurance Card (EHIC) now requires the passing of the Healthcare (International Arrangements) Bill to continue, and the European Common Aviation Area (ECAA), which makes air travel straightforward and inexpensive, also needs replacement
• The UK tourism industries employ many people from other EU countries, considerably more so than other sectors. Loss of EU workers could have myriad consequences
Tourism policy:

The UK Government’s overall tourism strategy is summarised in its Tourism Action Plan policy paper of August 2016:

- Strength co-ordination and collaboration in the “tourism landscape”
- Attract more people to careers in tourism and boost skills through apprenticeships
- Reduce regulation which might hamper the growth of tourism businesses
- Improve public transport to make it easier to travel by rail, bus and coach
- Improve border services to give a great welcome

The policies that are being used to implement this in England are discussed, and tourism policy in the devolved nations is also summarised.

This has been supplemented with the Government’s stated intention in November 2018 to attract more domestic and overseas visitors with a tourism sector deal.
1. Overseas tourism – inbound and outbound visitors

In 2017, there were 39.2 million visits to the UK by people living abroad, the most since comparable records began. There were 72.8 million visits abroad by UK residents. The chart below shows the trend in inbound and outbound visits to and from the UK since 1980.¹

![Visits to and from the UK](chart)

Rising prosperity and falling travel costs have led to a boom in overseas tourism since the early 1980s. Between 1980 and 2017, the number of inbound visits to the UK increased by 216%. The number of outbound visits from the UK increased by a greater proportion – 316% over the same period.

The financial crisis of 2008/09 had an impact on both inbound and outbound visitor numbers. The number of outbound visitors from the UK fell particularly steeply – from a peak of 69.5 million in 2006, to 55.6 million in 2010. The number of outbound visitors breached the 2006 peak in 2016.

¹ ONS, *Travel Trends*, 2017
Inbound visitor number were also affected by the financial crisis and its aftermath but to a lesser degree. Inbound visitor numbers fell from 32.8 million in 2007 to 29.8 million in 2010 – a fall of 3.0 million visitors or 9% in three years. The number of inbound visitors has since recovered steadily, surpassing the earlier high in 2014 and continuing to rise.

**Box 1: International tourism statistics: methodology in brief**

Official data on international tourists visiting the UK and UK residents visiting foreign countries comes from the [International Passenger Survey](https://www.ons.gov.uk) conducted by the Office of National Statistics. This is a continuously conducted survey which consists of around 300,000 face-to-face interviews a year with people arriving and departing from the major UK airports, sea routes and the Channel Tunnel. Data from this survey is also used in the provision of migration and population estimates. International tourism data are published by the ONS annually in *Travel Trends* and monthly in *Overseas travel and tourism*. 
2. Inbound visits

2.1 Reasons for visit

The table below shows the total number of visits to the UK by the reasons for the visit.²

39.2 million visits to the UK in 2017 were by people from foreign countries. Of these, 43% or 15.4 million were as part of a holiday; 12 million or 33% were made to visit friends or relatives resident in the UK; 8.8 million or 24% were for business reasons and a further 3.1 million were made for other reasons.

<table>
<thead>
<tr>
<th>Inbound visits to the UK by reason for visit</th>
<th></th>
<th>2017</th>
<th>% change 2016 to 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holiday</td>
<td>Millions</td>
<td>% of total</td>
<td></td>
</tr>
<tr>
<td>Holiday</td>
<td>15.4</td>
<td>43%</td>
<td>11%</td>
</tr>
<tr>
<td>Friends/relatives</td>
<td>12.0</td>
<td>33%</td>
<td>4%</td>
</tr>
<tr>
<td>Business</td>
<td>8.8</td>
<td>24%</td>
<td>-4%</td>
</tr>
<tr>
<td>Misc.</td>
<td>3.1</td>
<td>8%</td>
<td>3%</td>
</tr>
<tr>
<td>Total</td>
<td>39.2</td>
<td>4%</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2017

Notes: Based on survey responses so subject to some sampling error

Overall, there were 1.6 million or 4% more visitors in 2017 compared with 2016.
2.2 Inbound visitor origin

The chart below shows visits to the UK by country of residence in 2017.

Visits to the UK by country of origin

<table>
<thead>
<tr>
<th>2017, millions</th>
<th>France</th>
<th>USA</th>
<th>Germany</th>
<th>Irish Republic</th>
<th>Spain</th>
<th>Netherlands</th>
<th>Italy</th>
<th>Poland</th>
<th>Belgium</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Visits (millions)</td>
<td>4.0</td>
<td>3.9</td>
<td>3.4</td>
<td>3.0</td>
<td>2.4</td>
<td>2.1</td>
<td>1.8</td>
<td>1.8</td>
<td>1.1</td>
<td>1.1</td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2018

Of the visitors to the UK in 2017, 72% were from Europe, 12% were from North America and 16% were from other countries. French visitors and visitors from the US each made 10%, and visitors from Germany made 9% of visits to the UK.

In total, foreign visitors to the UK in 2017 spent £24.5 billion. Nearly half of this was spent by visitors from the Europe.

Visits to the UK by country of residence

<table>
<thead>
<tr>
<th>2017</th>
<th>Visits (millions)</th>
<th>Total</th>
<th>% of total</th>
<th>Total spend (£ billions)</th>
<th>Average stay (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole world total</td>
<td>39.2</td>
<td>100%</td>
<td>24.5</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td>28.1</td>
<td>72%</td>
<td>11.6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>4.7</td>
<td>12%</td>
<td>4.2</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Other Countries</td>
<td>6.3</td>
<td>16%</td>
<td>8.7</td>
<td>14</td>
<td></td>
</tr>
</tbody>
</table>

Top ten countries by total number of visits to the UK in 2017

<table>
<thead>
<tr>
<th>Total</th>
<th>Visits (millions)</th>
<th>Visits (Total)</th>
<th>% of total</th>
<th>Total spend (£ billions)</th>
<th>Average stay (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>France</td>
<td>4.0</td>
<td>10%</td>
<td>1.4</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>USA</td>
<td>3.9</td>
<td>10%</td>
<td>3.6</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>3.4</td>
<td>9%</td>
<td>1.6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Irish Republic</td>
<td>3.0</td>
<td>8%</td>
<td>0.9</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>2.4</td>
<td>6%</td>
<td>1.1</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>2.1</td>
<td>5%</td>
<td>0.7</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>1.8</td>
<td>5%</td>
<td>0.8</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>Poland</td>
<td>1.8</td>
<td>5%</td>
<td>0.4</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>1.1</td>
<td>3%</td>
<td>0.4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>Australia</td>
<td>1.1</td>
<td>3%</td>
<td>1.2</td>
<td>13</td>
<td></td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2018

Notes: Based on survey responses so subject to some sampling error.
2.3 Destination of inbound visits

The table below shows visits to the UK by destination in 2017.

<table>
<thead>
<tr>
<th>Destinations of overseas visitors to the UK</th>
<th>Visits (millions)</th>
<th>Total spend (£ billions)</th>
<th>Average stay (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>% of total</td>
<td></td>
</tr>
<tr>
<td>Total UK</td>
<td>39.2</td>
<td>100%</td>
<td>24.5</td>
</tr>
<tr>
<td>Total England</td>
<td>34.3</td>
<td>87%</td>
<td>21.4</td>
</tr>
<tr>
<td>Total Scotland</td>
<td>3.2</td>
<td>8%</td>
<td>2.3</td>
</tr>
<tr>
<td>Total Wales</td>
<td>1.1</td>
<td>3%</td>
<td>0.4</td>
</tr>
<tr>
<td>Total Northern Ireland</td>
<td>0.4</td>
<td>1%</td>
<td>0.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Top ten areas of the UK visited by overseas residents</th>
<th>Visits (millions)</th>
<th>Total spend (£ billions)</th>
<th>Average stay (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>London</td>
<td>19.8</td>
<td>51%</td>
<td>13.5</td>
</tr>
<tr>
<td>Lothian (Edinburgh)</td>
<td>2.1</td>
<td>5%</td>
<td>1.0</td>
</tr>
<tr>
<td>Greater Manchester</td>
<td>1.6</td>
<td>4%</td>
<td>0.8</td>
</tr>
<tr>
<td>West Midlands</td>
<td>1.5</td>
<td>4%</td>
<td>0.5</td>
</tr>
<tr>
<td>Kent</td>
<td>1.2</td>
<td>3%</td>
<td>0.3</td>
</tr>
<tr>
<td>Merseyside</td>
<td>0.9</td>
<td>2%</td>
<td>0.4</td>
</tr>
<tr>
<td>East Sussex</td>
<td>0.9</td>
<td>2%</td>
<td>0.4</td>
</tr>
<tr>
<td>Greater Glasgow</td>
<td>0.9</td>
<td>2%</td>
<td>0.4</td>
</tr>
<tr>
<td>Oxfordshire</td>
<td>0.7</td>
<td>2%</td>
<td>0.3</td>
</tr>
<tr>
<td>Cambridgeshire</td>
<td>0.7</td>
<td>2%</td>
<td>0.3</td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2018

Notes: Based on survey responses so subject to some sampling error
Includes all visitors to the UK

London was the most popular destination for overseas visitors to the UK in 2017. Half of all visits by overseas residents to the UK included London. There were four times as many visits to London than to Scotland, Wales and Northern Ireland combined.

The government’s policy is to encourage overseas visitors to venture out of the capital, as expressed in the Tourism Action Plan.
Visits to the UK by destination (excluding London)
2017, millions, (London had 19.8 million visits in 2017)
3. Outbound tourism

3.1 Reasons for travel

The table below shows the total number of visits from the UK by the reasons for visit. In total, 72.8 million visits were made from the UK to other destinations in 2017, 3% up on 2016 and for a second year above the pre-recession peak in 2006 of 69.5 million.

64% of visits abroad in 2017 were holidays. 24% were to visit friends or relatives and 9% were for business reasons.

<table>
<thead>
<tr>
<th>Outbound visits from the UK by reason for visit</th>
<th>2017</th>
<th>% change 2016 to 17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millions</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Holiday</td>
<td>46.6</td>
<td>64%</td>
</tr>
<tr>
<td>Friends/relatives</td>
<td>17.6</td>
<td>24%</td>
</tr>
<tr>
<td>Business</td>
<td>6.8</td>
<td>9%</td>
</tr>
<tr>
<td>Misc.</td>
<td>1.8</td>
<td>2%</td>
</tr>
<tr>
<td>Total</td>
<td>72.8</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2017
Notes: Based on survey responses so subject to some sampling error

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Source: ONS, International Passenger Survey, via Travel Trends, 2017
3.2 Destination of outbound visits

The table below shows outbound visits from the UK by the country of destination.

<table>
<thead>
<tr>
<th>Visits from the UK by destination</th>
<th>2017, millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>15.9</td>
</tr>
<tr>
<td>France</td>
<td>8.9</td>
</tr>
<tr>
<td>Italy</td>
<td>4.2</td>
</tr>
<tr>
<td>Irish Republic</td>
<td>3.4</td>
</tr>
<tr>
<td>USA</td>
<td>3.4</td>
</tr>
<tr>
<td>Germany</td>
<td>2.9</td>
</tr>
<tr>
<td>Portugal</td>
<td>2.9</td>
</tr>
<tr>
<td>Poland</td>
<td>2.7</td>
</tr>
<tr>
<td>Netherlands</td>
<td>2.7</td>
</tr>
<tr>
<td>Greece</td>
<td>2.4</td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2018

Over a fifth of UK residents’ visits abroad were to Spain in 2017. A further 12% were to France.

The USA was the most visited non-European destination, with 5% of visits.

Of the 10 most popular destinations for overseas visits by UK residents, the longest average stay was in the USA (13 nights on average). Visits to Greece and Poland lasted for an average of 10 nights.

80% of overseas visits made by UK residents were to European destinations.
### Outbound visits from the UK by main destination

**2017**

<table>
<thead>
<tr>
<th>Destination</th>
<th>Visits (millions)</th>
<th>% of total</th>
<th>Total spend (£ billions)</th>
<th>Average stay (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total world</td>
<td>72.8</td>
<td>100%</td>
<td>44.8</td>
<td>10</td>
</tr>
<tr>
<td>Europe</td>
<td>58.2</td>
<td>80%</td>
<td>28.7</td>
<td>8</td>
</tr>
<tr>
<td>North America</td>
<td>3.9</td>
<td>5%</td>
<td>4.9</td>
<td>13</td>
</tr>
<tr>
<td>Other Countries</td>
<td>10.7</td>
<td>15%</td>
<td>11.2</td>
<td>20</td>
</tr>
</tbody>
</table>

### Top ten countries by total number of visits from the UK in 2017

<table>
<thead>
<tr>
<th>Country</th>
<th>Visits (millions)</th>
<th>% of total</th>
<th>Total spend (£ billions)</th>
<th>Average stay (nights)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>15.9</td>
<td>22%</td>
<td>8.7</td>
<td>9</td>
</tr>
<tr>
<td>France</td>
<td>8.9</td>
<td>12%</td>
<td>4.0</td>
<td>7</td>
</tr>
<tr>
<td>Italy</td>
<td>4.2</td>
<td>6%</td>
<td>2.4</td>
<td>8</td>
</tr>
<tr>
<td>Irish Republic</td>
<td>3.4</td>
<td>5%</td>
<td>1.0</td>
<td>6</td>
</tr>
<tr>
<td>USA</td>
<td>3.4</td>
<td>5%</td>
<td>4.3</td>
<td>13</td>
</tr>
<tr>
<td>Germany</td>
<td>2.9</td>
<td>4%</td>
<td>1.1</td>
<td>6</td>
</tr>
<tr>
<td>Portugal</td>
<td>2.9</td>
<td>4%</td>
<td>1.6</td>
<td>9</td>
</tr>
<tr>
<td>Poland</td>
<td>2.7</td>
<td>4%</td>
<td>1.0</td>
<td>10</td>
</tr>
<tr>
<td>Netherlands</td>
<td>2.7</td>
<td>4%</td>
<td>1.0</td>
<td>4</td>
</tr>
<tr>
<td>Greece</td>
<td>2.4</td>
<td>3%</td>
<td>1.7</td>
<td>10</td>
</tr>
</tbody>
</table>

Source: ONS, International Passenger Survey, via Travel Trends, 2018

Notes: Based on survey responses so subject to some sampling error
4. Domestic tourism

‘Domestic tourism’ in Great Britain is defined as residents taking trips of one or more nights within Great Britain. Note that one resident taking two trips would count as two trips.

In total, 120.7 million such trips were made in 2017, down 2% on the number made in 2016.4

Unlike the number of outbound visits by domestic residents and the inbound visits by foreign residents, which have both risen in recent years, the number of domestic trips in Great Britain has, with the exception of 2015, remained flat or has fallen since 2011.

However, there were over half as many again in the number of domestic trips compared with the number foreign trips taken by UK residents in 2017.

4.1 Reasons for domestic trip

The table below shows overnight domestic tourism in Great Britain, broken down by reason for trip.

<table>
<thead>
<tr>
<th>Domestic overnight tourism in GB by reason for trip</th>
<th>Millions</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Holiday</td>
<td>59.1</td>
<td>49%</td>
</tr>
<tr>
<td>Friends/relatives</td>
<td>41.8</td>
<td>35%</td>
</tr>
<tr>
<td>Business</td>
<td>16.5</td>
<td>14%</td>
</tr>
<tr>
<td>Total</td>
<td>120.7</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes: Based on survey responses so subject to some sampling error
Includes all trips by GB residents within the UK of one night or more
Total does not sum due to some respondents not giving reason

In 2017:
120.7 million domestic trips
73 million foreign trips by UK residents

50% of all domestic tourism trips were made as part of a holiday in 2017. 36% of trips were to visit friends of relatives and 14% of trips were made for business-related reasons.

---

4.2 Destination of domestic tourists

The table below shows the destination of domestic tourist trips in 2017.

<table>
<thead>
<tr>
<th>Destination of GB overnight domestic tourism</th>
<th>Trips</th>
<th>Spend</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Millions</td>
<td>£ billions</td>
</tr>
<tr>
<td>England</td>
<td>100.6</td>
<td>19.0</td>
</tr>
<tr>
<td>Scotland</td>
<td>11.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Wales</td>
<td>9.0</td>
<td>1.6</td>
</tr>
<tr>
<td>Great Britain</td>
<td>120.7</td>
<td>23.7</td>
</tr>
</tbody>
</table>

Source: Visit England, *The GB Tourist*, 2017, Table 2.1

Notes: Based on survey responses so subject to some sampling error
Includes all trips by GB residents within the UK of one night or more
Domestic tourists may be residents of the country they visit

England accounted for 88% of overnight domestic visits in Great Britain in 2017, compared with 10% in Scotland and 8% in Wales.

Expenditure by domestic overnight tourists in Great Britain totalled £23.7 billion in 2017, up 2.6% on 2016. 80% of all domestic tourism expenditure occurs in England.

Domestic tourists in Great Britain outnumbered foreign visitors by well over two to one in 2017, but spent similar amounts: £24.5 billion by foreign visitors compared with £23.7 billion by domestic tourists.
5. Tourism and the UK economy

Box 2: Calculating the economic impact of the tourism industry

The contribution of tourism to the economy is not straightforward to calculate. Several industries provide services to tourists, including the accommodation services industry, the food and beverage services industry, and the museums and galleries industry. However, these industries might provide services to local people as well as tourists – for example, a country pub or a museum may serve local people as well as tourists. In addition, some non-tourist related industries provide services to tourists, such as parts of the retail industry.

These issues are addressed by the ONS Tourism Intelligence Unit which disentangles the total contribution of tourism related industries from the direct contribution made by tourism. The annual Tourism Satellite Account (TSA) publishes estimates of economic output related to tourism on this basis.

5.1 Economic output

In 2016, the economic output of the tourism industry in the UK was £68 billion. This is 6.0% of total UK economic output.\(^5\)

The economic output of the tourist industries grew by less than 1% from 2015 to 2016. The UK economy as a whole grew by 4% over this period.

The economic output of the industries that make up the tourism sector vary considerably. The following chart shows the economic output of these sectors.

<p>| Economic output of the tourist industries, 2016 |</p>
<table>
<thead>
<tr>
<th>£ billions, direct gross value added</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other consumption products</td>
</tr>
<tr>
<td>Travel agencies and other reservation services</td>
</tr>
<tr>
<td>Food and beverage serving activities</td>
</tr>
<tr>
<td>Accommodation services for visitors</td>
</tr>
<tr>
<td>Air passenger transport services</td>
</tr>
<tr>
<td>Cultural activities</td>
</tr>
<tr>
<td>Sport and recreation activities</td>
</tr>
<tr>
<td>Railway passenger transport services</td>
</tr>
<tr>
<td>Road passenger transport services</td>
</tr>
<tr>
<td>Transport equipment rental services</td>
</tr>
<tr>
<td>Water passenger transport services</td>
</tr>
<tr>
<td>Exhibitions and conferences etc.</td>
</tr>
</tbody>
</table>

Source: ONS tourism satellite account, 2018

\(^5\) ONS, The UK Tourism Satellite Account (UK-TSA): 2016, 2018, see data table TDGVA-2016. Economic output is direct Gross Value Added, which is similar to GDP. Total UK economic output is from the Annual Business Survey.
The industry called ‘other consumption products’ includes all economic activity due to tourism that occurs outside the traditional tourism industries. This includes car parking, costs associated with second home ownership, and the purchase by tourists of goods such as clothing.

In 2016, the other consumption products category contributed the most to tourism economic output – £23 billion. The travel agencies and other reservations services category contributed £11 billion, the food and beverage service industry contributed £10 billion, the same as the accommodation services industry.

### 5.2 Employment

In 2016, the number of people directly employed in tourism in the UK was 1.5 million, which was 5.0% of all employment in the UK.\(^6\)

Between 2015 and 2016, the number of people directly employed in tourism fell by 66,000 or 4.1%.

The following chart shows direct employment in tourism in each of the tourism industries.

<table>
<thead>
<tr>
<th>Direct employment in tourism by industry</th>
<th>Thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other consumption products</td>
<td>463</td>
</tr>
<tr>
<td>Food and beverage serving activities</td>
<td>395</td>
</tr>
<tr>
<td>Accommodation services for visitors</td>
<td>275</td>
</tr>
<tr>
<td>Travel agencies and other reservation services</td>
<td>113</td>
</tr>
<tr>
<td>Sport and recreation activities</td>
<td>103</td>
</tr>
<tr>
<td>Cultural activities</td>
<td>74</td>
</tr>
<tr>
<td>Road passenger transport services</td>
<td>41</td>
</tr>
<tr>
<td>Air passenger transport services</td>
<td>41</td>
</tr>
<tr>
<td>Railway passenger transport services</td>
<td>29</td>
</tr>
<tr>
<td>Water passenger transport services</td>
<td>3</td>
</tr>
<tr>
<td>Transport equipment rental services</td>
<td>2</td>
</tr>
<tr>
<td>Exhibitions and conferences etc.</td>
<td>0.5</td>
</tr>
</tbody>
</table>

As with economic output, direct tourism employment was largest in the other consumption products industry – 463,000 in 2016.

Tourism employment was 395,000 in the food and beverage service industry. In the accommodation services industry, tourism employment was 275,000.

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5.3 International comparisons of tourism employment

Estimates of employment directly involved with tourism are published by the Organisation for Economic Cooperation and Development (OECD).7

The following chart shows the proportion of total employment that is directly involved in tourism in selected OECD countries. These data are for 2014.

Of these selected countries, the proportion of employment in the UK that is directly involved with tourism is about average at 5%.

In New Zealand the proportion is considerably higher at 8%.

Tourism employment in the US is 4%, and only 3% in Sweden.

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7 OECD, Enterprises and employment in tourism, 2018
6. Brexit and tourism

Below are some of the potential opportunities and challenges created by the UK’s decision to leave the EU. Neither list is intended to be completely comprehensive. As the nature of the future relationship between the UK and the EU emerges, the lists will change.

6.1 Opportunities

- **Attracting tourists from non-EU countries** – the UK is already popular with tourists from non-EU countries, but Brexit provides an opportunity to exploit these markets to a greater extent. The Department for International Trade is working in non-EU markets to attract trade and foreign investment, partly by marketing the UK as a destination. The GREAT campaign has “dialled up” its campaign in markets such as Australia and Canada, and is working with a wider range of government departments to market the UK.\(^8\)

- Since the EU Referendum in June 2016, the pound has lost around 18% of its value against the dollar and 15% of its value against the euro. A **weaker pound** means that it is generally cheaper for foreign tourists to visit the UK, which will potentially make the UK a more attractive destination for international tourists.

- **Staycations** – if Brexit leads to more complex travel requirements for UK tourists visiting the EU, it is possible that domestic tourism (or ‘staycations’) will increase in popularity. Evidence collected by Travel Weekly website suggests that uncertainty around travel requirements has increased interest in domestic holidays as an alternative to European holidays.\(^9\) And research from the World Travel & Tourism Council and Oxford Economics suggests that domestic tourism grew at a faster rate than international tourism from the UK in 2017 for the second year running.\(^10\) The weaker pound (which generally makes travel abroad by UK residents more expensive) may also help to boost the popularity of domestic tourism.

- **Employment in tourism industries** is heavily reliant on employees from other EU countries. In the whole UK economy, 7% of employees are EU27 nationals. In the two biggest tourism industries, this proportion is far higher: 12% in food and beverage service industries, and 19% in accommodation service activities.\(^11\) This reliance on employees from other EU nationals could present an opportunity for more employment of UK nationals in tourism industries, if migration from the EU to the UK falls after Brexit. But this point is arguable – see over the page for the counter-view.

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8 Influence Online, *Can the GREAT Campaign Lead Britain’s Soft-Power Drive Post-\(^{\text{Brexit}}\)?*, September 2018
9 Travel Weekly, *Staycations ‘set for Brexit boost’*, October 2018
10 Travel Weekly, *Brits opting for staycations post-Brexit, finds WTTC research*, March 2018
6.2 Challenges

- Brexit may lead to more formal barriers between the UK and the EU, increasing the complexity for tourists traveling across the UK border and ultimately discouraging tourism to and from the UK. For example, although the Withdrawal Agreement and the Political Declaration both commit to ensuring short-term visa free travel for UK citizens traveling in the EU and vice-versa, it is likely that tourists traveling to and from the UK will need to complete a visa waiver form after Brexit.12

- The UK is sometimes used by non-EU tourists as a “gateway” to other European countries. This is particularly true of American tourists. If travel between the UK and the EU is less straightforward than it is now, this market may be impacted. Although it should be noted that the UK and some other EU countries already have different arrangements in place for visitors from third countries, in which case Brexit would have limited impact.13

- The DCMS Select Committee found that the possible loss of funding from the EU to tourist areas and Destination Management Organisations after Brexit could be “extremely damaging”.14 EU funding supports the development of marketing strategies for tourist areas, as well as the regeneration of some historically deprived tourist areas. The UK government has guaranteed all funding from the EU until the end of 2020, regardless of whether it concludes a deal with the EU.15

- Many areas of consumer protection are subject to EU regulations. Brexit could have a major impact on many of these. In some cases the UK government has stated that they will ensure that these protections are rolled over to protect EU and UK consumers in the UK after Brexit, but often the reciprocal rights of UK consumers in the EU are still subject to final agreement with the EU. The consumer rights currently protected in EU law include:16
  - Roaming charges have been abolished in the EU for phone data contracts issued in the EU since June 2017. The UK government has indicated that the abolition of roaming charges will still apply in the UK post-Brexit, but it is not yet clear what will happen to charges levied on UK tourists in the EU.17
  - The Package Holiday Directive protects EU consumers in case of the insolvency of their travel agent during their holiday. There is still some debate as to whether the ‘mutual recognition’ of financial protection regimes in different EU states ensured by this Directive will exist after Brexit.18

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12 European Commission, Brexit preparedness: European Commission proposes visa-free travel to the EU for UK nationals in a no deal scenario, November 2018
13 Politico, Commission to airports: prepare for no-deal Brexit, June 2017
14 DCMS Select Committee, The potential impact of Brexit on the creative industries, tourism and the digital single market, January 2018, p24
15 HC Library Briefing Paper, UK funding from the EU, November 2018
16 ABTA, What Brexit might mean for UK travel, 2016, p10
17 HC Library Briefing Paper, The abolition of roaming charges and Brexit, July 2017
18 Tourism Weekly, Brexit threat to EU-UK package-travel rules, November 2018
The Consumer Rights Directive ensures a range of protections for EU consumers, including transparent pricing and a 14 day right of withdrawal from many goods and services purchases. Often UK law goes beyond the rights established in EU law, and these are likely to remain for EU tourists visiting the UK after Brexit. But it is not clear if the reciprocal rights of UK citizens in the EU will be guaranteed after Brexit. 19

The European Health Insurance Card (EHIC) is available to all EU citizens and entitles holders to local healthcare services. The Healthcare (International Arrangements) Bill 2017-19 (introduced by the government to the House of Commons on 29 November 2018) seeks to establish the basis for a new arrangement allowing the EHIC scheme to continue, subject to an agreement with the EU.

• The European Common Aviation Area (ECAA) is the EU’s internal aviation market, and allows UK registered airlines to fly without restrictions to other ECAA member states, and vice versa. This makes air travel between EU member states straightforward for operators and cheap for consumers. Brexit might mean more restrictions on flights between the UK and other EU states, potentially increasing complexity for operators and prices for consumers. However, the UK government has consistently stated that an air transport agreement can be done with the EU that ensures continued connectivity between the UK and the EU. 20

• As mentioned earlier in this section, the tourism industries are considerably more reliant on the employment of people from other EU countries than the rest of the economy as a whole. 21 So, if Brexit resulted in lower levels of EU migration to the UK and fewer EU workers, this would have a disproportionate effect on the UK tourism sector. If key roles could not be filled, then it is possible that these roles will be taken on by UK workers. But it might be that these vacancies are not filled easily, causing increased demand for tourism workers, pushing up tourism wages resulting in higher costs for domestic and international visitors to the UK, possibly making the UK a less desirable tourism destination. 22 In the final months of 2018, the Chief Executive of UKHospitality Kate Nicholls said “…if hospitality employers do not have access to EU workers, and under the proposed terms they will not, then we will…see more venue closures.” 23

19 House of Lords EU Justice Sub-Committee, Brexit: will consumer rights be protected?, December 2017, p8
20 HC Library Briefing Paper, Brexit and transport, November 2018, Section 6
21 HC Library Briefing Paper, Employment of other EU nationals in the UK, August 2017
22 DCMS Select Committee, The potential impact of Brexit on the creative industries, tourism and the digital single market, January 2018, p14
23 New Government migration proposals will devastate hospitality, UKHospitality press notice, 17 December 2018
7. Tourism policy

7.1 Overall direction

The Government seeks to encourage tourism in a sustainable way to enhance the UK’s reputation around the world and because of the economic benefits tourism brings to the country.

Tourism is a devolved policy area, so Scotland, Wales and Northern Ireland have differing tourism policies. This note mainly focuses on the situation in England, but also includes summaries of tourism policy in each of the devolved nations.

After the 2015 General Election, and largely following recommendations from the Culture Media and Sport Select Committee, the Government published its tourism strategy for the UK: *Backing the tourism sector: a five point plan*.

The strategy has five overall aims:

- Change the “tourism landscape” in England
- Support the development of skills and businesses in tourism
- Reduce regulation which might hamper the growth of tourism businesses
- Support the growth of transport networks and hubs that enable tourism across the UK
- Improve border services so that arrivals are better managed, whilst retaining a “robust migration system”

The last four of these aims are ongoing Government priorities that are not covered in any detail in this note. Their impact will be felt on many sectors as well as the tourism sector.

In 2016 DCMS has published the *Tourism Action Plan* which formalised the aims set out above and outlined how the government will support the tourism industry and ensure the benefits of tourism are felt across the United Kingdom.

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### Box 3: Tourism Sector Deal

In November 2018, the Secretary of State with responsibility for tourism, Jeremy Wright, announced the government’s intention to create a Sector Deal for the tourism sector.

*Sector Deals* are partnerships between certain industries and government, created as part of the government’s *Industrial Strategy*. The Deals typically involve a high level council made up of industry leaders and ministers, a competitive fund to encourage R&D and innovative practice in the industry, and measures to support training and recruitment. There are currently eight sector deals including *construction*, *creative industries*, *aerospace* and the *life sciences industry*.

The *tourism sector deal* will have the following themes:

- Making tourism and hospitality a career for life
- Making the UK the most accessible tourism industry in the world
- Sharing industry data to identify growth opportunities in new and emerging markets
- Increasing accommodation capacity

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24 Culture, Media and Sport Committee, *Tourism*, 26 March 2015, HC 614 2014/15
25 DCMS, *Backing the tourism sector: a five point plan*, July 2015
7.2 The tourism landscape in England

The new tourism landscape in the UK is discussed in detail in the Department for Culture Media and Sport (DCMS) paper, *The tourism landscape.*

The central measures which the Government has taken to “strengthen coordination and collaboration across the tourism landscape” are:

- Change the arrangements governing **VisitBritain and VisitEngland**
- Establish an **Inter-Ministerial Group on Tourism** to hold meetings with between Ministers involved with tourism policy.
- Re-vamp the **Tourism Industry Council** to bring together Government and industry leaders.
- Establish an **Events Industry Board** to enhance UK major events planning and delivery.
- Create a **Discover England fund** to encourage collaboration between ‘destination organisations’ in England.

On 27 November, in a press release from DCMS, the Government signalled its intention to deliver a landmark sector deal for the UK tourism industry to attract more domestic and overseas visitors and help drive major economic growth.

**VisitEngland and VisitBritain**

VisitEngland and VisitBritain are both parts of the British Tourist Authority, which was established by the *Development of Tourism Act 1969*.

Following the 2015 Spending Review, the Government clarified the distinction between VisitEngland and VisitBritain and established separate ring-fenced budgets for each organisation.

- **VisitBritain** is responsible for the promotion of Britain as a tourism market (including England, Scotland and Wales) to overseas markets. In 2016/17, its total budget is £51 million.
- **VisitEngland** is responsible for developing tourism in England, including through closer working between local destination organisations. VisitEngland budget in 2015/16 is £17 million.

**Box 4: GREAT Britain campaign**

The GREAT campaign is a marketing campaign to encourage foreign visitors to Great Britain. A number of government agencies are involved in this campaign, including VisitBritain, the Foreign and Commonwealth Office, UK Trade and Investment, UK Visas and Immigration and the British Council.

The GREAT campaign budget allocated to VisitBritain from DCMS is £20 million in 2016/17, 39% of VisitBritain’s total income.

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27 DCMS, *The tourism landscape*, May 2016
28 DCMS, *Government signals intention to secure tourism sector deal*, 27 November 2018
29 VisitBritain, *Minutes of Board meeting*, held on 8 December 2015
31 Ibid
Inter-ministerial group on tourism
DCMS is the department with principle responsibility for tourism policy and a tourism minister (currently Michael Ellis MP).

However, tourism cuts across a wide range of policy areas, and so the Government have created the Inter-Ministerial Group on Tourism to facilitate discussions between relevant Ministers from BIS, Home Office, DCLG, DfT, HMT and DEFRA. The group meets quarterly and ministers from the devolved administrations are also invited when relevant matters are discussed.

Tourism Industry Council
In common with other economically significant industries (such as the automotive industry and the construction industry) the tourism industry has a high level council which facilitates discussions between Government and industry leaders.

The Tourism Industry Council seeks ways of implementing the Five Point Plan, and enables industry leaders to raise concerns and issues directly with Ministers.

Events Industry Board
The Events Industry Board was set up to implement the Business visits and events strategy published in March 2015.

The Events Industry Board is tasked with promoting the UK as a destination for major events such as sporting events, major business conferences and international meetings.

Discover England Fund
Tourism in England is promoted by VisitEngland and also a substantial network of Destination Management Organisations (DMOs), such as the Cumbria Tourism or Visit Kent. The Culture Media and Sport Select Committee stated that there are “200+” such organisations in England and they come in a “variety of shapes and sizes.”

DMOs rarely have a significant role in the management of their destination, but rather provide information to potential visitors and market the destination.

The new Discover England Fund is designed to encourage closer cooperation between these organisations. The Fund will be used to develop projects that encourage tourists to visit England, including digital projects that are well integrated with other such projects, widening the choice of destinations presented to tourists.

The Discover England Fund will operate over three years from 2016 to 2019. Funding will be phased over these three years, with £6.5 million awarded in 2016/17, followed by £11.76 million in 2017/18 and £22 million in 2018/19.  

33 Culture, Media and Sport Committee, Tourism, 26 March 2015, HC 614 2014/15 p11
34 VisitBritain and VisitEngland, 2016/17 Business Plan, p7
8. Tourism policy in the devolved nations

This section briefly summarises tourism policy in the devolved nations.

Scotland

The Scottish Government views tourism as “of vital importance to the Scottish economy.”

VisitScotland is the national tourism agency for Scotland, charged with marketing Scotland as destination for domestic and international visitors.

The Scottish Tourism Alliance is an independent trade body representing the Scottish tourism industry. This body is charged with facilitating the strategic growth of tourism in Scotland, including the development of the Scottish tourism strategy, Tourism 2020.

The strategy aims to grow visitor spending by £1 billion by 2020, compared to the 2012 level. 2015 figures show that visitor spending in Scotland had risen by £500 million since 2012.

The strategy involves the following key policies to achieve this overall aim:

- Strengthen Digital Capabilities
- Strengthen Industry Leadership
- Enhance the Quality of the Visitor Experience
- Influence Investment (specifically flight access & transport connectivity, built infrastructure, digital connectivity and business growth finance)

Data and analysis of tourism in the Scottish regions can be found in the VisitScotland publication Tourism in Scotland’s regions.

Wales

VisitWales is the Welsh Government’s tourism body. It is a body of the Department for Economy, Science and Technology.

The central aim of VisitWales is to increase spending by tourists in Wales by 10% compared with the 2013 level.

VisitWales hopes to achieve this aim by prioritising the following policies:

- Develop tourism activity and specialist markets and secure maximum benefit from major events in our high profile venues.

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35 Scottish Government, Tourism is everyone’s business, 2016
36 Scottish Tourism Alliance, Mid-term review 2016, May 2016
38 Welsh Government, Tourism policy webpage, 2016
• Promote Wales as a destination by making a high quality tourism offer.
• Work to extend the tourism season and associated benefits.
• Identify funding opportunities to improve the visitor infrastructure and product in Wales.
• Support investment in staff training and management to support a high quality tourism industry.

Partnership for Growth: strategy for tourism 2013-2020 is the Welsh government’s strategy to increase visitor spend to Wales.

Northern Ireland
Within the Northern Ireland Executive, tourism policy is the responsibility of the Department for the Economy.

The national tourist board in Northern Ireland is Discover Northern Ireland.

The Hunter Review (published in 2013) sought to review and refresh tourism structures in Northern Ireland. The Northern Ireland Executive accepted all of these recommendations (with some minor amendments). As of May 2016, 22 of the 33 recommendations had been implemented, with action on the remainder “ongoing”.

A useful summary of tourism policy in Northern Ireland has been produced by the Research and Information Service of the Northern Ireland Assembly: Northern Ireland tourism: structures.

Recent statistics on tourism in Northern Ireland may be found on the NI Department for the Economy website.

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40 Northern Ireland Executive, Department for the Economy, Developing tourism strategy and policy in Northern Ireland, 2016
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