



The Rt. Hon Gordon Brown MP
Prime Minister
10 Downing Street
London
SW1A 2AA

10th December 2007

Dear Prime Minister,

Government Policy on Tourism

I write to you as Chairman of the Tourism Alliance¹, the industry body that represents 200,000 travel, tourism, hospitality and leisure businesses of all sizes throughout the UK, to highlight the industry's anger and disappointment with the Government's tourism policy and to ask that this is addressed as a matter of priority.

The DCMS announcement of an 18% cut in funding for the national tourist board, VisitBritain, in the lead-up to the Olympic Games comes as just the most recent in an ongoing series of Government decisions that demonstrate the downgrading of tourism's importance to national policy. Over the last decade, there has been no increase in expenditure on overseas marketing, three major restructurings of the national tourism board and the erosion of government leadership for tourism at the national level.

This is despite tourism being one of the country's largest industries, generating £85bn for the economy, employing an estimated 1.4m people² and earning £18bn pa in overseas revenue for the UK economy³. It is a growth industry, predominated by SME and micro businesses, that supports the whole economy and contributes to core government objectives including quality of life, social inclusion and rural and urban regeneration.

Importantly, the unique flexibility of tourism jobs is also key to employing a wide range of groups who would otherwise be excluded from the labour market. In particular, tourism serves as a stepping stone for many young people with low qualifications, parents returning to the work and employs a large number of people who are classified "DDA disabled and work limiting disabled" and "work limiting disabled only"⁴.

The industry does not understand the logic of cutting funding for tourism marketing in the lead-up to the 2012 Olympics. The Government has stated that tourism and regeneration will be the two main beneficiaries of Britain staging the 2012 Olympics. Indeed, a recent Government-sponsored report⁵ on the tourism benefits of the Games concluded that there is a potential benefit of £2.1bn,

¹ See attached list of member organisations

² Winning: A tourism strategy for 2012 and beyond, DCMS 2007

³ International Passenger Survey, ONS 2007

⁴ Labour Force Survey, ONS

⁵ Oxford Economics tourism impact study on the 2012 Games (September 2007), VisitBritain and Visit London.

provided that best practice is followed and adequate additional funding is directed to marketing that can leverage off the Games.

If the planned cuts to VisitBritain's funding are followed and the need for coherent national tourism policy ignored, Britain will certainly miss the opportunity to maximise the economic and social benefits that the tourism industry has to offer. To do this in the lead-up to the Olympics Games would be to squander a once in a lifetime opportunity to boost the UK's tourism receipts and reduce the tourism balance of payments deficit, which has spiralled from £5bn to £18bn per annum over the last 10 years and now accounts for 40% of the UK's national payments deficit.

For these reasons, we request a meeting with you so that senior members of the industry can explain the need for political leadership and Government's commitment for tourism.

A handwritten signature in black ink, appearing to read 'Ros Pritchard', with a long horizontal flourish extending to the right.

Ros Pritchard
Chairman, Tourism Alliance

Co-signed and Supported by:

Ian Carter, Chief Executive, Hilton

Andy Cosslett, Chief Executive, IHG

Michael Flaxman, Chief Executive, Accor

Neil Goulden, Chief Executive, Gala Coral

Grant Hearn, Chief Executive, Travelodge

Sir David Michels

Amanda J Thompson, Managing Director, Blackpool Pleasure Beach

Nick Varney, Chief Executive, Merlin Entertainments

Martin Dalby, Chief Executive, Centerparcs

The Tourism Alliance represents the following industry associations:

Full Members

Association for Tourism in Higher Education
Association of British Travel Agents
Association of Leading Visitor Attractions
Association of Licensed Multiple Retailers
British Amusement Catering Trade Association
British Association of Leisure Parks, Piers & Attractions
British Beer & Pub Association
British Education Travel Association
British Hospitality Association
British Holiday & Home Parks Association
British Institute of Innkeeping
British Marine Federation
British Resorts and Destinations Association
Business in Sport and Leisure
Business Tourism Partnership
Camping and Caravanning Club
Confederation of British Industry
Confederation of Passenger Transport UK
Country Land and Business Association
Cumbria Tourism
Destination Performance UK
East of England Tourist Board
English Association of Self Catering Operators
English UK
European Tour Operators Association
Events Industry Alliance
Guild of Registered Tourist Guides
Heart of England Tourist Board
Heritage Railway Association
Historic Houses Association
Historic Royal Palace
Holiday Centres Association
National Caravan Council
National Trust
South West Tourism
The Bed and Breakfast Association
The Caravan Club
The Tourism Society
Tourism for All
Tourism Management Institute
Tourism Network North East
Tourism South East
UKinbound
Visit London
Visitor Attractions Forum
Yorkshire Tourist Board

Associate Members

Local Government Association
South West RDA