

**21<sup>th</sup> January 2015**

## ***Press Release***

### **ADP Devolution Conflicts with the New Northern Tourism Fund**

Today's release of the Smith Settlement for Scotland devolves responsibility for Air Passenger Duty to the Scottish Parliament, which has previously stated that it will immediately halve this tax and look to abolish it in the future.

The UK tourism industry views APD as a tax on the country's export earnings and therefore welcomes the Scottish Parliament's approach. However, it has warned Westminster that APD need to be cut for English and Welsh airports to avoid distorting the tourism market and rendering the recently announced £10m fund to attract overseas visitors to Northern England useless.

When the Irish Government reduced APD, residents from Northern Ireland crossed the border in order to get cheaper flights out of Dublin. This threatened the viability of many routes into Belfast, caused the UK government to lower APD for Northern Ireland in order not to wreck the Northern Ireland tourism economy.

Ufi Ibrahim, Tourism Alliance Chairman, stated, "It would be perverse for the Government to allocate £10m to the new Northern Fund with the aim of bringing more international tourists to Northern England when the devolution of APD to the Scottish Parliament makes Northern England's airports uncompetitive and they have to close down international routes."

The tourism industry has been at the forefront of the UK's economic recovery, having created a third of all new jobs over the last three years. The reason that the Scottish Parliament is lowering APD is because it recognises the benefits that the industry delivers. If we are to provide those benefits throughout the UK, APD must be the same throughout the UK.

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For further information, please contact:

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## Notes to Editors

- The Tourism Alliance is the Voice of the UK Tourism Industry. It was established in 2001 with the support of the Secretary of State for Culture, Media and Sport and comprises almost 50 Tourism Industry Associations that together represent 200,000 businesses of all sizes throughout the UK.
- The purpose of the Tourism Alliance is to identify and develop policies and strategies to raise standards and promote quality within the industry and work with and lobby government on key issues relevant to the growth and development of tourism.
- Tourism is the sixth largest industry in Britain. It generates £134bn p.a. for the UK economy (8.9% of GDP) and directly supports 3.2m jobs (9% of the total workforce) and is the UK's third largest export earner.
- For further details on the Tourism Alliance and its policy objectives, visit the website, [www.tourismalliance.com](http://www.tourismalliance.com)

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