House of Commons
Northern Ireland Affairs Committee

Tourism in Northern Ireland and its Economic Impact and Benefits

Third Report of Session 2006–07

Report, together with formal minutes, oral and written evidence

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The Northern Ireland Affairs Committee

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Committee staff

The current staff of the Committee are Mr James Rhys (Clerk), Dr Aileen O’Neill (Committee Specialist), Paul Derrett (Committee Assistant), Jennifer Kelly (Secretary), Laura Kibby (Media Officer), Jim Lawford (Senior Office Clerk).

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1 Introduction

1. As a result of the Troubles, Northern Ireland has been slow to develop its tourist industry. Few tourists visited Northern Ireland other than to visit friends and relatives during the 1970s and 1980s, and most of these were either from Great Britain or the Republic of Ireland, but after the Provisional IRA ceasefire in 1994, the numbers of international tourist visitors began slowly to grow. Mr Paul O’Toole, Chief Executive of Tourism Ireland, told the Committee in evidence during this inquiry that:

“Northern Ireland tourism is coming from a different base than the Republic of Ireland or indeed England, Scotland and Wales. There is a great desire within the northern industry to grow and there is a pressure on us – and indeed the Northern Ireland Tourist Board and government – to support that growth. The growth in Northern Ireland has been excellent over the last few years. […] that growth has started to moderate now. I think, looking forward, if we are really engaged on how the industry needs to be taken forward, it is how we get it back into a position of growth and above average growth. […] It has to be about a concerted action plan with the investment, led by the private sector, and supported by the public sector in a variety of ways”.1

2. In 2002, the Committee for Enterprise, Trade and Investment at the Northern Ireland Assembly embarked on an inquiry into tourism, but it had not completed its work when the Assembly was suspended in October 2002. In the course of its inquiry, the Assembly Committee organised conferences in Omagh and Coleraine that focussed on the role, responsibilities and obligations of the Northern Ireland Tourist Board (NITB) and Tourism Ireland; threats to tourism development; the interaction of organisations involved in tourism; access to Northern Ireland; identifying a “winning” Northern Ireland product; effective marketing; funding sources and needs; and training for the tourist industry.

3. This Committee decided on 29 March 2006 to undertake an inquiry into Tourism and its Economic Impact and Benefits, specifically to examine:

“the nature of tourism in Northern Ireland, its impact on and importance for the overall economy, and the effectiveness of measures taken by Government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination.”

4. We have endeavoured to build on the work of the former Assembly Committee to identify ways in which Northern Ireland can maximise its tourist potential. Our recommendations are addressed to the Northern Ireland Office, which took back responsibility for tourism in Northern Ireland when the power-sharing executive was suspended in October 2002. However, this Report is published at a time of some uncertainty in Northern Ireland’s politics, and the Committee hopes that a power-sharing executive will be restored by 26 March 2007 in full accordance with the St Andrews Agreement.2 A restored power-sharing executive would resume responsibility for tourism,

1 Q 310
2 Northern Ireland (St Andrews Agreement) Act 2006
and accordingly, responsibility for scrutiny of this policy area would revert to the Committees of a restored Assembly.

5. Should the timetable agreed at St Andrews proceed, this matter will disappear from our remit on 26 March, and our recommendations will stand addressed to each of the Departments of the restored executive with responsibility for matters affecting tourism. We have no authority to expect a formal response to our Report from these Departments, as we would from a Whitehall or United Kingdom Department, but we hope that the conclusions that we have reached and the evidence that we have taken will inform the decisions taken by those in the executive with the responsibility for ensuring that Northern Ireland is able to tap the undoubted tourist potential that it has. We also hope that our work will be of use to those Committees of the Northern Ireland Assembly charged with the scrutiny of the various Departments which have responsibility for matters affecting tourism.

6. In the course of the inquiry, we took formal evidence from a number of bodies responsible for marketing Northern Ireland as a tourist destination and for developing tourist provision. Representatives of each of the Regional Tourism Partnerships, the Northern Ireland Tourist Board and Tourism Ireland all appeared before the Committee in public session in Westminster. We also took evidence from representatives of those engaged in the tourist industry, meeting the Chairman and Chief Executive of the Northern Ireland Tourist Industry Confederation. The Chartered Institute of Marketing Northern Ireland and Professor Stephen Boyd, Professor of Tourism from the School of Hospitality and Tourism Management at the University of Ulster gave us the benefit of their insights into the challenges facing the tourist industry in Northern Ireland. Finally, we took formal evidence from Maria Eagle MP, Parliamentary Under Secretary of State at the Northern Ireland Office with responsibility for the Department of Enterprise, Trade and Investment (DETI), which takes the lead on tourism.

7. During the course of the inquiry the Committee made an extensive visit to Northern Ireland. Not only did this provide a valuable opportunity to visit each of the five “signature projects” that are being developed to give Northern Ireland “international stand-out”\(^3\), but it also provided an opportunity to meet informally a wide range of individuals involved in the tourist industry. The Committee is grateful to the representatives of the Northern Ireland Tourist Board, Tourism Ireland and the Regional Tourism Partnerships who made time to meet us during our visit. We are also grateful to those working in businesses connected with tourism who came to meet us during our visit to discuss the challenges they faced. We would like to thank the Northern Ireland Tourist Board and the Department for Enterprise Trade and Investment for helping to put together the programme for the visit.

8. As the Republic of Ireland has developed a world class tourist industry which is far more advanced than that in Northern Ireland, we also visited Dublin. We were anxious to ascertain why the Republic of Ireland had done so well in capitalising on its tourist potential and to try to identify lessons that could be learned by the tourist industry in Northern Ireland. We also wished to assess the effectiveness of Tourism Ireland in

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\(^3\) The NITB’s five signature projects are discussed further at paragraphs 67-75.
marketing Northern Ireland. The Committee met representatives of the Irish Tourist Industry Confederation, the Irish Hotels Federation, the Incoming Tour Operators Association and a number of individual tour operators. We also met representatives of the Northern Ireland Tourist Board, Tourism Ireland and Philip Furlong, the Secretary General of the Department of Arts, Sport and Tourism. We are very grateful to Tourism Ireland for coordinating the meetings that we held with representatives of the tourist industry and the tourist agencies. We would also like to thank Mr David Reddaway, HM Ambassador to Dublin, for welcoming the Committee to Dublin and all of the staff at the Embassy who assisted in the organisation of the visit.
2 Structures

9. Responsibility for tourism policy and legislation in Northern Ireland rests primarily with the Department of Enterprise, Trade and Investment (DETI), but touches the work of six other Departments. The Department of Agriculture and Rural Development (DARD) is responsible for the Natural Resource Rural Tourism Initiative, a project of the PEACE II Programme, which aims to help disadvantaged areas of Northern Ireland use “their natural resources to develop their tourism potential in the context of greater political stability”. Responsibility for museums and tourism events rests with the Department of Culture, Arts and Leisure (DCAL) and the training and skills needs of the tourism industry are the responsibility of the Department of Employment and Learning (DEL). The Environment and Heritage Service of the Department of the Environment (DOE) is responsible for managing over 250 properties in Northern Ireland, including historic monuments, country parks, and national nature reserves. The Department for Social Development (DSD) is responsible for developing and implementing programmes which address the social, economic and physical regeneration of cities, towns and villages which have an impact on the development of Northern Ireland as a tourist destination. The Department for Regional Development (DRD) has a Regional Development Strategy for Northern Ireland “to help achieve a strong spatially balanced economy, a healthy environment and an inclusive society” and one of its objectives is “to strengthen the position of Northern Ireland on the world tourist map”.

Northern Ireland Tourist Board

10. The Northern Ireland Tourist Board (NITB), a Non-Departmental Public Body of DETI, has responsibility for the development, promotion and domestic marketing of Northern Ireland as a tourist destination. Its statutory functions are to encourage tourism, the provision and improvement of tourist accommodation and tourist amenities, and to advise DETI on the formulation and implementation of its policy for developing tourism in Northern Ireland. Responsibility for certifying and classifying tourist accommodation in Northern Ireland also rests with the NITB.

Tourism Ireland

11. Following the Belfast (Good Friday) Agreement in 1998, tourism was identified as one of six areas in which the Northern Ireland administration and the Irish Government would develop cooperation. It was agreed that a publicly owned company would be established by Bord Fáilte (now Fáilte Ireland), the Tourist Board for the Republic of Ireland, and the NITB with the principal function of marketing the island of Ireland overseas as a tourist

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4 PEACE II was an EU funded programme for all of Northern Ireland and the border regions of the island of Ireland (Cavan, Donegal, Leitrim, Louth, Monaghan and Sligo) with the aim of promoting peace and reconciliation and helping build a more peaceful and stable society. PEACE II operated between 2000 and 2006 and is being replaced by PEACE III which will run from 2007-2012.

5 Ev 92

6 Ev 94
destination, including in Great Britain. This is distinct from the role of the NITB which is to market Northern Ireland domestically. Tourism Ireland was formally established in January 2002. Its board of directors is made up of six representatives of the tourism industry in Northern Ireland, including the Chief Executive of the NITB, and six representatives of the industry in the Republic of Ireland. It is funded by the Irish Government and the Northern Ireland Executive on a two to one ratio and its budget for 2006 was £43 million.

12. Tourism Ireland seeks to increase tourism to the island of Ireland and to help Northern Ireland realise its tourism potential. Its main functions are: undertaking destination marketing programmes to stimulate demand for visiting the island of Ireland; facilitating and supporting business links to improve distribution of the Ireland tourism product to potential customers; and acting as an advocate for overseas consumers and trade to influence the quality of the tourism experience on the island of Ireland.

**Regional Tourism Partnerships**

13. In April 2006, four Regional Tourism Partnerships (RTPs) were set up in Northern Ireland, to provide among other things visitor servicing, product development, marketing and industry training. The four RTPs are: Armagh Down Tourism Partnership; Causeway Coast and Glens Tourism Partnership; Belfast Visitor and Convention Bureau; and Western Regional Tourism Partnership.

14. The NITB’s Strategic Framework for Action (2004-2007) identified RTPs as the way forward in delivering regional priorities and they were intended to build on Regional Tourism Organisations which had, until then, played important roles in promoting tourism in their areas. RTPs bring together representatives of local councils, government agencies, and the private sector. While the roles of RTPs vary according to regional priorities, their key responsibilities include: providing a conduit of information between Tourism Ireland, NITB and the local tourism industry; supporting NITB and Tourism Ireland in their marketing roles, particularly in the Republic of Ireland and GB; working with local councils, the private sector and public sector agencies to provide “co-ordinated visitor care and create a unique and seamless experience”; and channelling local and national training resources into addressing regionally identified skills gaps. They are also responsible for auditing product availability, identifying product gaps, channelling local and national resources to fill those gaps, and assisting NITB in monitoring the quality of, and visitor satisfaction with, regional products.

15. Regional Tourism Organisations were funded mainly by the European Union’s PEACE II programme, receiving £8.8 million over five years until April 2006. An NITB bid for £1.5 million to DETI to support the new RTPs was unsuccessful and the NITB is currently dividing £500,000 from within its existing budget among the RTPs. We return to the funding of RTPs at paragraphs 33-36.

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7 Fáilte Ireland was set up under the National Tourism Development Authority Act 2003. It brought together the functions previously carried out Bord Fáilte in developing and promoting tourism in the Republic of Ireland, and the functions of CERT, the training and development body for the Irish tourism and hospitality industries. Its mission is to increase the contribution of tourism to the economy by facilitating the development of a competitive and profitable tourism industry.

8 [www.nitb.com](http://www.nitb.com) : article on Regional Tourism Partnerships.
District Councils

16. In addition to their participation in RTPs, District Councils have important roles to play in local product development, marketing, and visitor servicing. Their roles may increase when the recommendations of the Review of Public Administration are implemented. We return to this issue at paragraphs 28-32.

Effectiveness of structures

17. The complexity of the departmental structures and the plethora of bodies involved in the delivery of tourism policy was emphasised throughout our inquiry. Professor Stephen Boyd from the School of Hospitality and Tourism Management at the University of Ulster told us that the involvement of seven Government departments in tourism was “crazy” and that a more simplified structure was needed.9 He believed that garnering support for a more streamlined structure would be difficult.10 Mr Howard Hastings, a board member of Tourism Ireland, told us that the involvement of seven departments made working with the government a complex process for the tourist industry, even for those who had been involved in the industry for many years.11 We were also told that there was an urgent need for improved co-ordination across the seven Government departments.12

18. We were told that having so many departments and organisations involved in tourism resulted in fragmentation, duplication and poor communication. Ms Tanya Cathcart, Western Regional Tourism Partnership, told us that the lines of communication between the departments “which filter down into the industry” were confusing and that “very strong strategic leadership” was required to improve communication across the departments.13 Mrs Nicola Carruthers, Chairman of the Northern Ireland Tourist Industry Confederation (NITIC), believed that there were “far too many players” in the industry and that the consequential fragmentation and confusion was one of the “major problems in tourism in Northern Ireland”.14 This view was shared by Mr Tom McGrath, Chairman of the NITB.15

19. We heard evidence that there was a lack of understanding of the different roles performed by the RTPs, Tourism Ireland and the NITB.16 Ms Claire Donnelly, Chief Executive of NITIC, believed that the bodies were “dabbling in a little bit of everybody else’s work” and that their roles were not well defined.17 However, Mr Paul O’Toole, Chief Executive of Tourism Ireland, emphasised that there had been “quite a period of change in tourism structures within the island of Ireland and specifically within Northern Ireland” and that it had been “a communication task” for Tourism Ireland and the NITB to try to

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9 Q 175
10 Ibid.
11 Q 338
12 Q 47
13 Q 216
14 Q 35
15 Q 261
16 Q 38
17 Q 50
bring clarity to that. 18 He noted that Tourism Ireland, NITB and the RTPs worked together “at operational levels in practical ways” through workshops, media trips and familiarisation trips and acknowledged that this had led to confusion, but that the organisations endeavoured to reduce confusion through communication. 19

20. Mrs Carruthers argued that the RTPs did not have any terms of reference and that each partnership was carrying out various roles which overlapped with the functions of the NITB and Tourism Ireland, causing confusion. 20 Mr Don Wilmont, Causeway Coast and Glens Tourism Partnership, told us that the RTPs, NITB and Tourism Ireland had never held detailed discussions about “roles and responsibilities”, to clarify who did what, and said that such a meeting would be beneficial. 21

**Improving structures**

21. When we asked how the existing structures could be improved, many witnesses suggested that reduced structural fragmentation and improved leadership could be achieved through the appointment of a Minister for Tourism. Mr Michael Maguire, Regional Director of the Institute for Marketing Northern Ireland, believed that a Minister would provide much needed leadership and could “bring together the various public sector interests” in “partnership with a network of social and commercial partners”. 22 We were told that a Minister would convey to the industry “that tourism is being taken seriously” and that it would be “a major step forward and a focus” for ensuring that tourism is on the Government’s agenda. 23 Mr McGrath believed that a Minister could champion tourism in Northern Ireland. 24 The Federation of Small Businesses in Northern Ireland proposed that a future Northern Ireland Assembly appoint “a Junior Minister solely responsible for tourism” given the importance of tourism to the Northern Ireland economy. 25 Professor Boyd also argued for a Minister for Tourism, but recognised that the industry was insufficiently developed as yet to be a high political priority. 26

22. Mr O’Toole pointed out that the situation where many departments contribute to how tourism operates was “not unique to Northern Ireland”, but was also evident in the Republic of Ireland. 27 He nonetheless acknowledged the benefits of having a Minister for Tourism:

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18 Q 309
19 Ibid.
20 Q 35
21 Q 218
22 Q 19
23 Q 217
24 Q 267
25 Ev 115
26 Qq 175, 176
27 Q 337
“The experience in the south has been that tourism has been a part of a senior cabinet portfolio for many years and that has brought the focus of attention to the tourism industry in the south”.

23. To improve existing structures, Mr Gerry Lennon, Belfast Visitor and Convention Bureau, believed that there was a need for one agenda to be developed by a tourism department with the other relevant departments contributing to “whatever the tourism department’s long-term vision is”. Professor Boyd rejected the idea that one organisation should have overall responsibility for tourism in Northern Ireland. He argued that each of the existing tourism organisations “have a unique role to play”; Tourism Ireland markets the island of Ireland while Fáilte Ireland and NITB are responsible for managing and developing tourism in the Republic of Ireland and Northern Ireland respectively.

24. Mr Alan Clarke, Chief Executive of the NITB, explained that in order to reduce the confusion created by having a plethora of bodies, the Republic of Ireland and Scotland had moved towards “an integrated network” under which key tourist bodies developed a more integrated approach with their regions.

25. Maria Eagle, Parliamentary Under Secretary of State with responsibility for DETI, acknowledged that the involvement of seven departments in tourism made fragmentation inevitable. While she rejected the suggestion that one department could have responsibility for tourism because it was a “cross cutting” policy, she acknowledged that there was “scope for some rationalisation”. She accepted that fragmentation could be tackled through the appointment of a Minister for Tourism but argued that this was a matter for the Northern Ireland Executive. She made it plain, however, that under current arrangements, she did regard herself as the Minister for Tourism. Although she acknowledged that she had many other responsibilities.

26. The evidence that we have received demonstrates clearly that the involvement of seven departments of the executive in tourism has led to policy fragmentation, poor departmental co-ordination and confusion for the tourist industry. We received strong evidence that a Minister for Tourism would provide much needed leadership and focus to the tourism industry, would improve coordination between Departments and would demonstrate the Government’s commitment to developing the industry to its full potential. We recommend that the Secretary of State allocate overall responsibility for tourism to one of the Northern Ireland Ministers. Should devolution be restored in March 2007, we urge the Northern Ireland Assembly to examine the scope for rationalising departmental involvement in tourism policy and to appoint a Minister for Tourism.

28 Ibid.
29 Q 217
30 Q 156
31 Q 263
32 Q 395
33 Qq 396, 399
34 Q 398
35 Q 398
27. There is a lack of clarity in the different roles carried out by the Northern Ireland Tourist Board, Tourism Ireland and the Regional Tourism Partnerships and we call on them to engage in discussions focused on improving the industry’s understanding of their roles.

Impact of the Review of Public Administration

28. A Review of Public Administration (RPA) was launched by the Northern Ireland Executive in June 2002. The terms of reference were to “review the existing arrangements for the accountability, development, administration and delivery of public services in Northern Ireland and to bring forward options for reform which are consistent with the arrangements and principles in the Belfast Agreement, within an appropriate framework of political and financial accountability”. In the period of suspension, the review has been taken forward by the Northern Ireland Office led by a small team of civil servants and a panel of five independent experts. In November 2005, Mr Peter Hain, Secretary of State for Northern Ireland, announced decisions on the review, including that the number of district councils would be reduced from 26 to seven.36

29. Mr Mark Mohan, Armagh and Down Tourism Partnership, believed that there would still be a need for RTPs in the future regardless of the number of district councils that remained after implementation of the RPA.37 He argued that RTPs provided a mechanism through which councils could work with the private sector and that this was crucial to developing the tourist industry in Northern Ireland.38 The Committee asked about the possibility of subsuming the functions of the four RTPs into one over-arching partnership. Mr Lennon argued against having one partnership on the basis that there was great value to the tourist industry in working with the RTPs as it was more likely to feel engaged at this sub-regional level.39 However, Mr Clarke acknowledged that under a seven council model there would be a reduced need for four RTPs, but that there would still be a need for engagement with the private sector.40

30. Professor David Carson, Professor of Marketing at the University of Ulster, argued strongly against giving the new seven “super councils” funding to carry out tourism functions on the basis that it would lead to greater fragmentation.41 He believed that a more holistic approach was required to develop the industry to its full potential.42

31. The Minister told us that discussions were being held between the NITB and district councils about the impact of the RPA on the future of RTPs.43 She believed that it was

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36 Final announcements on the review were made in March 2006.
37 Qq 191, 196
38 Q 196
39 Q 197
40 Q 261
41 Q 17
42 Ibid.
43 Q 406
unsatisfactory for the future of RTPs to be subject to review so soon after being established.44

32. We fully recognise the impact of private sector participation in the Regional Tourism Partnerships (RTPs) and in the development of the industry in Northern Ireland. We believe that, even after the reorganisation of local government, there is a case for keeping the existing four RTPs but with their role and relationship with the new local authorities strictly defined. We would not favour transferring their responsibilities to the new super councils.

**Funding of RTPs**

33. The Regional Tourism Organisations (RTOs) were funded under the European Union’s PEACE II programme, but this came to an end in April 2006. The RTPs currently receive funding from the NITB, the private sector and district councils.

34. The funding of RTPs is a pressing issue. Armagh Down RTP told us that continued financial support from Government would be required “over the coming years” to deliver the region’s strategic tourism activities and to ensure its growth potential was fulfilled.45 It warned that any reduction in financial support from Government would “lead to irreparable damage to the Armagh Down region as a tourist destination, and as a result, to the Northern Ireland tourism economy”.46 The Causeway Coast and Glens RTP argued that in order to increase the contribution which tourism makes to the economy, more Government funding for RTPs was required. It was of the view that a failure by Government to provide extra financial support would prevent the industry from achieving its growth potential.47 Belfast Visitor and Convention Bureau expressed concern that a lack of Government funding had led to cuts in its marketing budget at a time when it was vital that Belfast was marketed to its full potential.48 Mr Mohan told us that the “full operational cost” of Armagh Down RTP would be approximately £1 million and that this would allow it “to implement the plans currently in place on our patch”.49

35. The Minister confirmed that the Government had made £1.1 million available to the four RTPs.50 She noted that the RTPs had asked for more money, but with the forthcoming spending review, no decision had yet been reached on whether increased funding would be made available.51 The Committee is bound to note that this is an extremely modest sum, especially when it is divided among four recipients. It falls far short of what the RTPs themselves requested.

44 Q 406
45 Ev 136
46 Ibid.
47 Ev 147
48 Ev 100
49 Q 197
50 Q 404
51 Ibid.
36. Until a decision is reached on the future number of Regional Tourism Partnerships (RTPs), the Government must ensure that RTPs are properly funded so that they can carry out their functions in identifying and pursuing local regional tourism priorities. This is essential to the development of the industry. The ending of PEACE II funding means that RTPs are relying on Government funding and we call on the Department to ensure, following the spending review, that realistic funding is made available to the RTPs.

**Departmental reporting requirements**

37. Under the existing accountability structures, the NITB reports to its sponsoring department, DETI, while Tourism Ireland is answerable to the North South Ministerial Council (NSMC), DETI, and the Department of Arts, Sport and Tourism in the Republic of Ireland. During our visit to Dublin in January 2007, we were told that DETI was responsible “in a very detailed way” for the NITB and that it was not able to operate with the same degree of flexibility as the tourist agencies in the Republic of Ireland. For example, the accounting officer of the NITB is the Permanent Secretary of DETI, whereas the accounting officer of Fáilte Ireland is its Chief Executive.

38. Mr O’Toole, explained that, as Chief Executive of Tourism Ireland, his “first accountability” was to the Board. In turn, the Board reported to the NSMC, and the Department of Arts, Sport and Tourism in the Republic of Ireland and to DETI which acted “in concert” to approve its policies, corporate plan, targets and resources. This was supplemented on a day to day basis with oversight by both departments, with whom Tourism Ireland meets on “a regular basis”. He highlighted the complexity of the arrangements in the following terms:

> “The reporting line for the organisation – myself to the Board, to the organisation, to the North/South Ministerial Council – acts on an island of Ireland basis but I, as accounting officer, have two separate forms of authority derived from the south and Northern Ireland. I get a particular line of authority from the permanent secretary of Northern Ireland and a different line of authority from the secretary general in the south.”

39. Niall Gibbons, Director of Corporate Policy, Tourism Ireland, also emphasised that the audit of Tourism Ireland’s accounts was “conducted partly by the auditor and comptroller general in the south and partly by the Northern Ireland Audit Office in the north”.

40. The Minister stressed that NITB had “a lot of autonomy” and that the Department was obliged to exercise oversight of its operations and to ensure that it was spending public
money appropriately. The Minster did not accept that there was any difference in the scrutiny which DETI exercised over the NITB and that over Tourism Ireland:

“My officials are equally assiduous when dealing with Tourism Ireland as they are when dealing with the Northern Ireland Tourist Board, and certainly I would expect them to be equally assiduous with the spending of public money whether it is by NITB or by Tourism Ireland”.

41. A bureaucratic and complex picture of the division of responsibilities emerged clearly from the evidence of what is the existing accountability framework for the oversight of the Northern Ireland Tourist Board (NITB) and Tourism Ireland. While we wholeheartedly acknowledge the importance of securing their full accountability, the NITB and Tourism Ireland must be allowed sufficient operational freedom to carry out their responsibilities. We are concerned that excessive departmental control affects the effectiveness with which these bodies can operate. We are bound to note that the level of bureaucracy appears very different in the Republic of Ireland, and lessons could be learned from the greater flexibility their system allows. We recommend that measures be taken to grant the NITB greater operational autonomy along the lines of Fáilte Ireland.

57 Qq 423, 424

58 Q 446
3 Economic Impact of Tourism

42. Northern Ireland is still not seen as a “holiday” destination; pure holiday visitors accounting for between 18% and 21% of visitors to Northern Ireland between 1995 and 2005, well behind those visiting friends and relatives (VFR) who accounted for between 36% and 47% of visitors over the period and business travellers who accounted for between 28% and 31%. However, there has been substantial growth in the overall number of visits to Northern Ireland, with 1.967 million out-of-state visitors in 2005, a 52% increase on the 1.293 million visitors in 1994.

43. Increases in numbers have been accompanied by a 61% increase in visitor revenue, from £220 million in 1995 to £354 million in 2005. However, only 17% of visitor spending in 2004 came from “pure holiday” visitors, with 37% and 38% respectively from the VFR and business sectors. The welcome increase in visitor numbers since 1994 included relatively modest increase in pure holiday visitors of only a quarter. However, Mr Paul O’Toole, Chief Executive of Tourism Ireland, told the Committee that Northern Ireland had earned £1.46 billion in overseas revenue from tourism since 2001.

44. Ms Claire Donnelly, Chief Executive of the Northern Ireland Tourist Industry Confederation (NITIC), told the Committee that there were currently no measures of what tourism contributed to the Northern Ireland economy, although DETI were doing some work to establish new measures. She believed that this was symptomatic of a failure to take the potential economic contribution of tourism seriously, and a failure to establish “an environment of seeing tourism as an economic opportunity, as an opportunity to create wealth right across the economy”. The Federation of Small Businesses also complained that the “industry lacks an appropriate level of statistically valid base material with which to analyse the nature and trends within the trade” and that such statistics would be invaluable in helping the tourist industry to identify niche markets.

45. Professor Boyd from the School of Hospitality and Tourism Management at the University of Ulster, reported that tourism contributed to around 2-3% of GDP. In oral evidence on 10 August 2006 to the Assembly sub-group considering economic challenges to Northern Ireland, Mr Alan Clarke, Chief Executive of the NITB noted that tourism’s contribution to the economy in Northern Ireland was estimated at 1.82% of GDP, compared to 4.4% in the Republic of Ireland, 5% in Scotland and 7% in Wales. Maria Eagle, Parliamentary Under Secretary of State for Northern Ireland, and Minister with responsibility for tourism, acknowledged that Northern Ireland was underperforming
compared to every other part of the UK and the Republic of Ireland in terms of exploiting the potential contribution of tourism to its economy.\textsuperscript{68}

46. The Quarterly Employment Survey results for December 2005 reported that there were 51,390 jobs in tourism and leisure in Northern Ireland.\textsuperscript{69} People First estimated that there were 43,000 full time equivalent tourist workers in Northern Ireland. The Belfast Visitor and Convention Bureau noted that many more jobs were at least partially supported by tourism, including taxi drivers and those working in the arts and retail sectors.\textsuperscript{70} The Minister informed the Committee that, yet to be published, DETI study using tourist satellite account methodology for data from 2003 had valued tourism’s total contribution to the Northern Ireland economy in that year at £759 million, and 3.4% of Gross Value Added, and that it generated in excess of 37,000 jobs.\textsuperscript{71} However, of this sum, non-residents contributed only £192 million in revenue in 2003, amounting to 0.9% of GVA, supporting 9,790 jobs.

47. The Chartered Institute of Marketing Northern Ireland, believed that Northern Ireland had the potential to generate around 8-10\% of GDP from tourism within ten years, given the provision of the necessary capital infrastructure in terms of accommodation, transport and developed tourist products.\textsuperscript{72} We see no reason why tourism could not potentially contribute to the Northern Ireland economy to the extent that it contributes to the economies of Scotland, Wales or the Republic of Ireland.

48. In 2004-05, visitor numbers from Great Britain to Northern Ireland fell by 7\%, whereas the Republic of Ireland market grew by 6\%, the European market by 32\% and the North American market by 20\%.\textsuperscript{73} Restoring growth in the Great Britain market is clearly a priority for the Northern Ireland tourist industry, as is capitalising on the Republic of Ireland market, which yielded 266,000 overnight trips in 2005, up 70\% on the 188,000 trips in 2000, but still described by DETI as “relatively untapped”.\textsuperscript{74}

49. Mr O’Toole reported that Northern Ireland’s growth rate in visitor numbers since 2001 out-performed the European average, and had enjoyed strong growth in business from mainland Europe and North America.\textsuperscript{75} He believed that this was due to the emergence of:

“More confident and entrepreneurial industry, the benefits of the peace process, new air-route development and increased private sector investment as well as the development and delivery of coherent well-focused marketing campaigns.”

50. He told us that the Great Britain market had “softened” in 2006, (although indicators from the tourist industry itself had been more positive\textsuperscript{76}), and Northern Ireland had to
reduce its dependency on this market that currently represented approximately 72% of overseas visitors to Northern Ireland.\textsuperscript{77}

51. Tourism Ireland noted that the World Tourism Organisation was forecasting growth in European tourism of 2-3% in 2006, and had set itself the targets of overall growth of 5.2% for the island of Ireland as a whole and 7% growth for Northern Ireland. It believed that Northern Ireland had the potential to achieve revenue growth of 7.5% and visitor number increases of 4.5% each year for the period 2007-13, but only if the necessary investment in “tourism product, access capacity, investment in promotion or infrastructure development” was made.\textsuperscript{78} We return to a discussion of the development needed in section 5.

52. We are in no doubt of the tremendous potential for growth in the Northern Ireland tourist industry and its great potential value to the economy. However, the success of low-cost airlines and the opening up of new tourist destinations has made the tourist market more competitive than ever, and Northern Ireland needs to maximise its marketing weight and develop its tourist infrastructure to the best of its ability if it is to exploit this potential.

53. If the tourist industry in Northern Ireland is to be able to exploit its full potential, it needs appropriate data to be collected for it to benchmark its progress and identify markets to exploit. We note that the Government is taking steps through the compilation of tourist satellite accounts to assess the full value of tourism to the Northern Ireland economy. We believe that the Northern Ireland Tourist Board could play a significant role in the collection of such data. We believe that this is an exercise that should have been carried out earlier and we urge that it be carried out thoroughly and expeditiously. We also urge them to work with the Northern Ireland Tourist Industry Confederation and the Federation of Small Businesses to ensure that the statistics collated are as comprehensive and accurate as possible.

\textsuperscript{77} Q 304
\textsuperscript{78} Ibid.
4 Marketing of Northern Ireland

54. Tourism Ireland is responsible for marketing the island of Ireland overseas as a tourist destination. It markets Northern Ireland by presenting it as part of an all-island offering in 24 markets across the world and by targeted marketing specifically for Northern Ireland “to key markets and segments overseas”. It runs billboard promotions in France and Italy, Northern Ireland promotions in Germany and advertising in 600 cinemas in the UK. In 2006, it launched a new marketing and communications strategy. Mr Paul O’Toole, Chief Executive, explained that its marketing and communications strategy was based on consumers’ positive impressions of the island of Ireland.

55. We heard mixed views on the effectiveness of Tourism Ireland’s marketing of Northern Ireland as part of an “all-island” offering. Mr Tom McGrath, Chairman of NITB, told us that the NITB did not “receive the acknowledgement” that it should as a shareholder in Tourism Ireland and that it was not “strongly featuring” Northern Ireland as an entity in its marketing campaigns. His view was that when the island of Ireland is marketed, the Northern Ireland product is diluted “because it does not stand out”. Professor David Carson, Professor of Marketing, University of Ulster, believed that the main problem with the existing marketing structures was that Tourism Ireland was not able to market Northern Ireland as an entity because it “cannot reach the specifics of any one region” and that the NITB had no mechanism, other than through its website, to promote Northern Ireland as an entity. Mr Michael Maguire, Regional Director of the Institute of Marketing Northern Ireland told us that the NITB was an “unequal partner” in Tourism Ireland. Ms Claire Donnelly, Chief Executive of the Northern Ireland Tourist Industry Confederation (NITIC), held the view that Northern Ireland’s voice was not being heard and that Tourism Ireland needed to be “more responsive to the industry”.

56. However, Ms Tanya Cathcart, Western Regional Tourism Partnership, believed that Tourism Ireland gave Northern Ireland a platform in significantly more “shop windows” in countries that it would not have had in the past. Mr Mark Mohan, Armagh Down Tourism Partnership, believed that the partnership between Tourism Ireland, NITB and Fáilte Ireland had been successful in presenting Northern Ireland “in many more out of state markets than they could have done as an agency on a stand-alone basis”. Mr Howard Hastings, a Northern Ireland board member of Tourism Ireland, told us that he had found Tourism Ireland “to be totally committed” to achieving its mandate of growing

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75 Ev 111
76 Ibid.
77 Q 308
78 Q 252, 279
79 Qq 252, 253
80 Q 24
81 Q18
82 Q 40
83 Q 207, 208
84 Q 209
visitor numbers to the island of Ireland and that, as a board member, he saw his role as ensuring that Northern Ireland achieved everything it could as part of that mandate.89

57. Mr Alan Clarke, Chief Executive, and Mr Tom McGrath, Chairman of the NITB, expressed concern about Tourism Ireland’s approach to marketing Northern Ireland in GB. We were told that over the last two to three years, the number of people visiting Northern Ireland from GB had declined. Figures for the first nine months of 2006 showed a 3% decrease in visitors.90 Mr Clarke accepted that the decline in the GB market was unsurprising given that low cost air fares were taking people out of the UK, making competition more intense. To address the problem, he believed that Tourism Ireland needed to move away from marketing the “island of Ireland” as a single destination in GB to a more regional, “multi-destination approach”.91 He told us:

“Our concern is whether the approach is right in the GB, is it giving the message that the British consumer requires to make them aware and travel to Northern Ireland”92

58. We were told that the issue had been discussed with Tourism Ireland, but that it had not been resolved.93 Mr McGrath believed that the problem could best be resolved by transferring responsibility for marketing Northern Ireland in GB to the NITB.94

59. Mr O’Toole was emphatic that helping Northern Ireland realise its tourism potential, giving it “emphasis and attention” was one of Tourism Ireland’s “core mandates” and that it was a task which had been “embraced wholeheartedly and with full commitment over the last number of years”.95 This commitment was manifest in the activities and marketing campaigns undertaken by Tourism Ireland.96 He emphasised that the Northern Ireland representatives of the Board could contribute to its marketing strategies and that the Board had had discussions as to whether a Northern Ireland specific campaign could be introduced “to add to or be part of or extend the island of Ireland campaign” in Great Britain.97 Tourism Ireland was keen to take this forward in conjunction with the NITB.98

60. Mr O’Toole emphasised that it was Tourism Ireland’s job “to get on and do the job” that it had been given which was to promote the whole island of Ireland.99 He assured us that Tourism Ireland would examine “full year” visitor numbers to Northern Ireland from GB when they became available and identify the lessons to be learnt.100
61. The NITB also referred in evidence to a survey carried out by Tourism Ireland in 2006 which showed that only 26% of consumers in GB recognised Tourism Ireland’s marketing as applying to both Northern Ireland and the Republic of Ireland.\textsuperscript{101} Mr O’Toole acknowledged that the survey, “a brand tracking study”, showed that only 26% recognised its marketing as applying to both parts of the island, 40% said that it applied to the Republic of Ireland only, 20% were unsure which part of the island it referred to and 8% said it applied to Northern Ireland only.\textsuperscript{102} He told us that the survey results contrasted with the position in 2004 when 59% said that Tourism Ireland’s marketing applied to the Republic of Ireland only, 18% said both and 4% thought it applied to Northern Ireland only.\textsuperscript{103} His view was:

“[…] over time this idea is taking root in the minds of the consumer who […] was more used to seeing advertising and promotion for the Republic of Ireland only. You do not change the perception of a broad mass of consumers in a very short space of time and we do believe the movement is in the right direction”.\textsuperscript{104}

62. We asked Tourism Ireland how it measured the effectiveness of its strategies for marketing Northern Ireland. Mr O’Toole told us that it sets targets to be achieved over a given period of time and examines “on a campaign basis how Northern Ireland is featuring”.\textsuperscript{105} In 2006, it brought over 350 overseas travel journalists to Northern Ireland and, based on those visits, identified £7 million “in equivalent advertising value in positive publicity for Northern Ireland achieved on the back of that”.\textsuperscript{106} We were told that, based on projections from figures up to August 2006, an estimated 8.8 million people visited the island of Ireland in 2006, 1.73 million of whom had visited Northern Ireland; this was up from 8.1 million visitors to the island of Ireland in 2005, of whom 1.70 million visited Northern Ireland. Approximately 400,000 spent at least one night in Northern Ireland and at least one night in the Republic of Ireland which was up from 250,000 in 2002.\textsuperscript{107}

63. Mr Clarke believed that while there were measures in place to assess Tourism Ireland’s performance in terms of “the volume of tourism”, there was a need for measures to assess its performance in helping Northern Ireland realise its tourism potential and securing “catch up” for Northern Ireland.\textsuperscript{108}

64. The Minister told us that she recognised and acknowledged the validity of the criticism that Northern Ireland was not sufficiently identified in Tourism Ireland’s marketing campaigns.\textsuperscript{109} She argued that this should be addressed in a revised marketing strategy.\textsuperscript{110}

\textsuperscript{101} Q 283
\textsuperscript{102} Q 312
\textsuperscript{103} Q 318
\textsuperscript{104} Ibid.
\textsuperscript{105} Q 321
\textsuperscript{106} Ibid.
\textsuperscript{107} Q 332
\textsuperscript{108} Q 256
\textsuperscript{109} Q 367
\textsuperscript{110} Qq 367, 368
She did not believe, however, that NITB was an unequal partner in Tourism Ireland. Nor did she advocate transferring responsibility for marketing Northern Ireland in GB to the NITB because, in her view, “the marketing expertise of Tourism Ireland would be difficult to replicate in an NITB context”. Her view was that NITB had the opportunity to feed into Tourism Ireland’s marketing campaigns, to voice their concerns and to influence its campaigns.

65. Tourism Ireland has, through its overseas marketing campaigns, exploited marketing platforms previously unavailable to the tourist industry in Northern Ireland. Visitor numbers to Northern Ireland are, on current forecasts, showing an increase on 2005 figures and we commend Tourism Ireland on the progress it has made in a relatively short period of time.

66. We are concerned by the discontent expressed by the Northern Ireland Tourist Board (NITB) over Tourism Ireland’s approach to marketing Northern Ireland in Great Britain. We urge Tourism Ireland to discuss with the NITB options for tackling this market, including whether a regional, multi-destination marketing approach would have a greater impact. We do not believe that transferring responsibility to the NITB for marketing Northern Ireland in the GB market would necessarily be the best resolution to this problem. Nonetheless we agree with the Minister that it is essential that Tourism Ireland refines its marketing strategy with a view to ensuring that Northern Ireland is given greater emphasis in its marketing campaigns. We urge Tourism Ireland to continue its discussions with the NITB with the aim of introducing a separate, Northern Ireland specific marketing campaign. For example, the Minister should explore the advantages of clear service level agreements between the organisations.

The Signature projects

67. The NITB has, in consultation with the tourist industry, developed five signature projects to help market Northern Ireland. They are: The Giant’s Causeway/Antrim and Causeway Coast area; the Titanic Quarter, Belfast; the Walled City of Derry; Christian Heritage/Saint Patrick’s Trail; and the Mournes National Park area. Mr Alan Clarke, Chief Executive of NITB, told us that the projects were intended to be “iconic” with the aim of achieving international stand out for Northern Ireland and “to make Tourism Ireland’s job in the market place that bit easier”. The projects are at different stages of development. The first phase of the Walled City of Derry project has been completed, while the Mournes National Park is in the early stages of development. The Titanic project will be built on the Titanic Quarter site and is also in the early stages of development. It is hoped that the project will form a key part of the Titanic Quarter and is expected to involve a “world class” visitor centre which tells the story of RMS Titanic, with the aim of attracting 100,000 visitors every year. Phase one of the Titanic Quarter is underway which will involve the construction of apartments, hotel accommodation and a new campus for the Belfast
Institute of Further and Higher Education. A new visitor centre is planned at the Giant’s Causeway and signage for the Causeway Coastal Route is being erected with a view to being launched “early in 2007”. The Christian Heritage Project, including Saint Patrick’s Trail is also in the course of development.

68. A number of witnesses expressed concern that funding for the projects was not in place and that this would hamper the progress of the projects. Mr Mohan told us that investment in the signature projects was essential to ensure that the projects were developed to a level that would allow them to be marketed “out of state” and are “in a position to serve the needs of the consumer”, a view shared by Ms Donnelly. Mr Gerry Lennon, Belfast Visitor and Convention Bureau, believed that the signature projects were a key part of the tourism infrastructure and it was necessary that the projects were built as quickly as possible.

69. Mr O’Toole told us that Tourism Ireland had “emphasised the five signature projects and their potential” in its marketing campaigns and that they had started to have an impact. Tourism Ireland would “very much welcome progress on the Titanic quarter and the iconic Titanic Centre” because it would be “the central piece of a very significant visitor hook for not just Belfast but for Northern Ireland”. The key issue was securing resources for the projects to ensure that they were completed.

70. Ms Cathcart emphasised, however, the importance of ensuring that attention was not directed solely to the signature projects, but also to the “unique selling points of individual destinations” in Northern Ireland, including counties Fermanagh and Tyrone which did not have signature projects.

71. During the Committee’s visit to Northern Ireland in October 2006, we were told that a key element of one of the signature projects – the St Patrick’s Centre in Downpatrick, Co Down – might close due to lack of funding. Dr Tim Campbell, Director of the Centre, subsequently wrote to the Committee expressing concern about possible changes to the centre’s “management structure”, specifically the potential for responsibility of the centre to be transferred to Down District Council. While he did not wish to be critical of local government, he believed that local authorities neither had “the vision nor marketing experience to successfully manage international visitor attractions”. He believed that the signature projects “should be prioritised for discretionary revenue funding to lift them beyond local politics” and that a “departmental source” of funding should be “urgently

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115 Agenda Northern Ireland, issue 4, February 2007 p 11
116 Minutes of NITB Board meeting, 17th October 2007
117 Qq 53, 197
118 Q 213
119 Q 324
120 Q 324
121 Q 325
122 Q 214
123 Ev 161
124 Ibid.
sought”. We were also told that an application for funding of the Centre’s Cross Community Education Programme had been refused by the Department of Education’s Community Relations Office. The Programme, which brought together “thousands of children” every year “to celebrate their common Christian heritage”, would end if funding from other sources was not forthcoming.

72. In public evidence session, Mr John McGrillen, Chief Executive of Down District Council, told us that the Council was “highly committed” to the Centre and that it had provided it with £168,000 of funding in 2006, up from £100,000 in the previous seven years.

73. The Minister rejected the view that the funding of the signature projects was in question. She assured us that most of the £20 million required to build the new visitor Centre at the Giant’s Causeway had been secured and that the project had progressed slowly only because of planning delays due to the fact that the Giant’s Causeway is a world heritage site. She stressed that the Government could not and would not seek to intervene in planning decisions. Design of the Titanic Centre was also proceeding as swiftly as possible and there was confidence that the private sector would invest in the project. The Minister was emphatic that there was no lack of ambition on the part of Government to take forward the signature projects. She emphasised that “it is not in anybody’s interest to have the [St Patrick’s] Centre undermined”. However, she confirmed to the Committee that the Centre’s application for funding under DETI’s Community Relations Core Funding Scheme for 2007-10 had been unsuccessful.

74. The signature projects have the potential to achieve international standout for Northern Ireland. While we commend the Northern Ireland Tourist Board (NITB) on the progress that it has made in initiating and developing the projects, we are concerned that further development of the projects is being hampered by lack of funding and investment. While the Minister assured us that funding of the projects was not an issue, our evidence demonstrates deep concern that funding will not be forthcoming for developing and sustaining the projects. We call on the Government to ensure that sufficient funding is made available to the signature projects but also, in conjunction with NITB, to offer attractive incentives to the private sector so as to encourage the necessary investment in the projects themselves and in the hotels and other services that will be needed if they are to realise their full potential.
The St Patrick’s Centre is integral to the development of one of the Northern Ireland Tourist Board’s signature projects, and we call on the Minister to take steps to ensure that its future is secure.
5 Tourist Industry Development

76. The extent of Northern Ireland’s untapped tourist potential was highlighted in November 2006 when it was included in the Lonely Planet “Blue List” as one of the top “must-see” countries to visit in 2007, with Belfast listed as one of the top ten cities “on the rise”. In October 2006, the British Guild of Travel Writers ranked the Antrim Coast Road in the world’s top 50 views, alongside attractions such as Sydney Harbour Bridge and Opera House, Table Mountain in Cape Town, the Great Wall of China, Sugar Loaf Mountain in Rio de Janeiro and Machu Picchu. The Department of Enterprise, Trade and Investment (DETI) reports very high levels of visitor satisfaction with accommodation and attractions, and high ratings for the courtesy and friendliness of the local people; over 75% of visitors in 2003 would recommend Northern Ireland as a holiday destination to family and friends.

77. However, DETI also note the increasingly competitive nature of the world tourist market, with the availability of cheap flights and the opening up of new tourist destinations, particularly in Eastern Europe, posing a particular challenge to the tourist industry in Northern Ireland to establish its “own unique standout”. A shift towards more short break visits, reducing visitors’ average length of stay, has also changed the way that the Northern Ireland tourist industry needs to present itself.

78. Events such as the terrorist attacks of 11 September 2001, the Foot and Mouth outbreak of 2001-2, and the London bombings of July 2005 have also represented different challenges to the tourist industry. However, Tourism Ireland believed that the particular security concerns visitors previously had about travelling to Northern Ireland “continue to dissolve”. Professor Stephen Boyd from the School of Hospitality and Tourism Management at the University of Ulster, went further, saying that visitors are now coming to Northern Ireland because they regard it as a safe destination.

Development of tourist industry infrastructure

79. If Northern Ireland is to obtain the full economic benefit from tourism and continue to attract increasing numbers of tourists, it must develop the infrastructure that tourists want. During our visit to Northern Ireland in October 2006, we noted the absence of many of the shops and tourist facilities that tourists look for at an attraction, and which can maximise visitor revenue. Professor Carson called for a “holistic” approach to developing tourist facilities, with a “strategic vision” of what a venue had to offer, ensuring that this incorporated accommodation, retail outlets, restaurants and coffee shops and recreation facilities. He noted that with a similar number of visitors, Ayers Rock in Australia

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137 Belfast Telegraph 13 October 2006, “Antrim Coast Road among world’s best”.
138 Ev 88
139 Ibid.
140 Ev 112
141 Q 144
142 Q 27
generated an estimated annual total of £180 million of tourist spending, whereas the
Giant’s Causeway generated only £18 -£20 million; this was because Ayers Rock also had
hotels, restaurants, shops and recreation activities, which had been developed sensitively
without compromising the beauty and tranquillity of the site.143 By contrast, visitors to the
Giant’s Causeway could drive into Northern Ireland from the Republic and drive out again
“without stopping because there is not the appropriate infrastructure to encourage them to
stop” 144

80. The Belfast Visitor and Convention Bureau noted the pressure on available hotel beds
in Belfast, as the city’s hotels had an occupancy rate of 73% (up from 68% in 2004), and
11% higher than the occupancy rate for the rest of Northern Ireland.145 The Northern
Ireland Hotels Federation noted that the total number of hotel rooms had doubled from
3000 in 1995 to 6000 in 2005,146 but the Federation of Small Businesses saw high prices
undermining Northern Ireland’s competitiveness compared to the Republic of Ireland and
Great Britain.147

81. The VAT rate on hotel accommodation in the Republic of Ireland is 13.5%, compared
to 17.5% in the United Kingdom. These higher rates inevitably further inflate the cost of
Northern Ireland hotel accommodation.

82. During our visit to Dublin, we were told by the Incoming Tour Operators Association
that four star hotels in Belfast were more expensive than in Dublin, and that prices were
rising faster in Belfast than in Dublin. This was adversely affecting their competitiveness
when tourists planned an itinerary for a visit to the island, and the tour operators called for
the building of more hotels in Northern Ireland to bring down prices. Professor Boyd
agreed that there was a need for “massive investment” to build the three, four and five star
hotels that the Northern Ireland tourist industry needed.148

83. Mr Alan Clarke, Chief Executive of the Northern Ireland Tourist Board, acknowledged
that there was a need for a four star hotel on the Antrim Coast, and that there was an
accommodation shortfall in and around Downpatrick that would need to be addressed as
the Christian Heritage (St Patrick’s trail) signature project developed.149 However, he
believed that at other levels, supply of and demand for hotel accommodation in Northern
Ireland were reasonably matched.150

84. We believe that, if Northern Ireland is to maximise its economic return from
tourism, and remain competitive as a holiday destination, it needs the hotels and other
facilities providing goods and services that tourists want to purchase. The current
provision of quality hotels in Northern Ireland is insufficient, and we were particularly

143 Qq 14-15
144 Q 5
145 Ev 98
146 Ev 116
147 Ev 115
148 Q 168
149 Q 273
150 Q 273
concerned to learn that there are only two 75 bed hotels in the area of the Causeway Coast.

85. The tourist industry needs a strategic partnership between the private sector and the public sector to achieve the “holistic” approach to development that will deliver a strong tourist product.

**Government support for tourist industry development**

86. The Chartered Institute of Marketing noted the commitment of the Republic of Ireland government to the tourist industry, which had resulted in a range of tax and other advantages stimulating development. Mrs Nicola Carruthers, Chairman of the Northern Ireland Tourist Industry Confederation, agreed that the tourist industry needed a “helping hand” from the Government, either in terms of tax concessions or capital grants.

87. Invest Northern Ireland has responsibility for the administration of tourism accommodation grants. Mrs Carruthers told us that Invest Northern Ireland applied the same criteria to applications for grants from tourist businesses as they applied to any other economic activity, without taking account of the fact that development of the tourist industry was a much more long-term investment, and the building of hotels would itself drive other tourist development. The Minister noted that Invest Northern Ireland had invested £13.9 million since 2002 in hotel development through Regional Selective Assistance grants, and that there had been a 21.7% increase in the number of hotel beds in Northern Ireland since 2000. Invest NI did not want public investment to displace private sector investment, but would continue to make sure that Northern Ireland did not lose good hotel development opportunities “for want of some support from the public sector.”

88. Ms Claire Donnelly, Chief Executive of the Northern Ireland Tourist Industry Confederation, commended Scottish Enterprise’s approach which acknowledged the different risks of investment in the tourist industry and the longer time frames for projected returns, and identified different measures for appraisal of tourist investment. They had also come up with a number of different ways of encouraging the industry to innovate, offering seminars and workshops.

89. During our visit to Dublin, we were told of the success of government incentives, in particular the capital allowances scheme, in encouraging the development of the tourist industry, particularly in building hotels. We also heard during our visit to Northern Ireland in October that there were more hotel beds in Donegal than in the whole of Northern Ireland.

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151 Ev 103
152 Q 38
153 Ev 87
154 Q 38
155 Q 407
156 Q 408
157 Q 44
158 Ibid.
Ireland. Mr Paul O’Toole, Chief Executive of Tourism Ireland, believed that the Republic of Ireland’s fiscal incentives had led to an upsurge in development of hotels and other tourist products. Tour operators saw a huge increase in the number of three and four star hotels in the south, but were not seeing the same development in the north. Mr Don Wilmont, Manager of the Causeway Coast and Glens Tourism Partnership, believed that the fiscal incentives put in place by the Republic of Ireland government had worked more effectively than the capital grants given in Northern Ireland.

90. Mr O’Toole concluded that the private sector had to take the lead in the formation and development of the industry but that, where it was able to intervene in the operation of the market, for example with fiscal incentives, the Government could provide crucial support.

91. Whoever becomes responsible for tourism after March 2007 would be well advised to consider the schemes and incentives that have operated so successfully in the Republic of Ireland. We believe that the Government should give a clear signal to the private sector that it sees tourism as an important and growing element of Northern Ireland’s economy. The clearest way for it to do so would be to explore scope for the use of tax breaks for the building of much needed hotels. We believe that these would ensure a more efficient allocation of resources to entrepreneurs looking to invest in the tourist industry than the capital grants currently disbursed.

92. In this context, whilst we acknowledge the Government’s long-standing commitment to the principle of unitary taxation, we note the success of fiscal incentives in the Republic of Ireland in establishing a world class tourist industry. If Northern Ireland is to be able to compete with the more established tourist industry in the Republic, it will need such support. We emphasise that investment in the tourist industry must be treated as a more long term investment than most other areas of economic activity. Incentives should reflect this and there is a clear role for the Northern Ireland Tourist Board in drawing up appropriate criteria.

Planning constraints on industry development

93. Rt Hon Ian Paisley MP, in whose constituency the Giant’s Causeway is situated, believed that there was a “significant lack of hotel accommodation along the entire North Antrim Coast”, but that consideration of planning applications for hotel developments was extremely slow, and that this was holding back the local economy. He noted one planning application for a luxury hotel that had already been under consideration for five years.

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159 Q 316
160 Q 316
161 Q 219
162 Q 316
163 Ev 154
164 Ibid.
94. In oral evidence to the Committee, Professor Carson spoke of the Brundtland principles of development, that tourist development should be to the benefit of the economic, social and environmental well-being of the area. He argued that, at present in Northern Ireland, there was an imbalance in favour of environmental concerns. He added that economic development, if done sensitively, would preserve the natural environment much more effectively than trying to suppress tourist numbers by blocking tourist developments. However, at present, he believed environmentalists were blocking initiatives to develop the tourist infrastructure of the Causeway coast.

95. Mr Mark Mohan of Armagh and Down Tourism Partnership acknowledged the need to respect environmental sensitivities, but called for a change in planning policy relating to tourism development. If the Christian Heritage (St Patrick’s trail) signature project was to succeed, there was a substantial need for hotel development which would require planning permission. Professor Boyd suggested that the planning process needed to be amended to make it simpler for the private sector to consider hotel developments.

96. Mr Tom McGrath, Chairman of the Northern Ireland Tourist Board, identified planning as one of the main factors constraining the growth of tourism in Northern Ireland, and complained that Planning Policy Statement 16 on tourism development was some way away from publication. The Minister informed the Committee that work on Planning Policy Statement 16 had been discontinued in October 2004, and there were no plans for work on it to be resumed. Mr David Cairns MP, Parliamentary Under Secretary of State at the Northern Ireland Office with responsibility for planning confirmed that there was “no stipulated date to restart work” on PPS16, but that it was one of many items under consideration for inclusion in the 2007-08 Planning Service Work Programme. Mr Cairns did not believe that the absence of a planning policy statement was causing significant delays in processing planning applications for tourist developments.

97. The Committee nevertheless calls on the Government to take this matter forward with a sense of urgency. We call on the Department of the Environment to bring forward a planning policy statement governing tourist industry development for consultation within the next six months.

98. We believe that one of the greatest assets of the Northern Ireland tourist industry is the unspoilt beauty of the environment, and that unfettered tourist development would put at risk this very asset. However, we believe that environmental concerns and a need

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165 Q 23; the 1987 UN World Commission on Environment and Development, chaired by Norwegian Prime Minister Gro Harlem Brundtland, produced a report, “Our Common Future” which defined a number of key principles of sustainability.

166 Q 23

167 Ibid.

168 Ibid.

169 Q 225

170 Q 172

171 Qq 268, 269

172 Q 437

173 Ev 163

174 Ibid.
to develop Northern Ireland’s tourist industry should be carefully and sensitively balanced.

**Skills and Training**

99. People 1st, the Sector Skills Council for the hospitality, leisure, travel and tourism industries, identified a number of barriers to development of the tourist sector in Northern Ireland stemming from a lack of skills in the workforce. Poor labour productivity, skills shortages, a large number of hard to fill vacancies and poor retention rates threatened the development of the industry. Skills shortages were particularly acute in management, chefs and customer service. The tourist industry had a poor image as an employer, and working in the tourist industry was not a “career of choice”. Professor Boyd agreed that “there is a mindset that the hospitality (tourism) industry is low-paid, low-skilled, less rewarding”. He contrasted this perception in Northern Ireland with the “enthusiasm of young people at all levels within the tourism industry” that he had encountered on recent visits to Australia.

100. Mrs Carruthers believed that it was important to “invest in the people” in Northern Ireland, building capacity and skills for people working in and beyond the hospitality sector, so that tourists getting on a bus or into a taxi experienced the same welcome as they would expect to receive entering a hotel or restaurant. She believed that Slovenia had set an example in moving from a low tourist base to becoming a market leader because “the whole country has bought into tourism”, and workers in all sectors, not just the hospitality sector, appreciated that tourism was essential to the economy.

101. Mr Brian Wisdom, Chief Executive of People 1st predicted that growth in Northern Ireland’s tourist economy would generate 13-14,000 new jobs. He was concerned that unless steps were taken to improve skill levels, the economy would not be able to take full advantage of the potential for tourist growth.

102. In a tight labour market, the tourist industry in Northern Ireland was becoming increasingly reliant on international workers to fill vacancies, although Northern Ireland had a substantially smaller proportion of international workers in the hospitality sector than either Great Britain or the Republic of Ireland Mr Wisdom acknowledged that there

175 Ev 128
176 Ibid.
177 Q 113
178 Ev 128
179 Q 132
180 Q 47
181 Q 48
182 Q 64
183 Q 48
184 Ibid.
185 Q 66
was no current mechanism for accrediting or recognising the skills and qualifications of international workers.186

103. Mr Wisdom quoted from comments made to him by Northern Ireland employers, who were concerned at the lack of clarity in skills provision, with a proliferation of different organisations providing different things; one employer had complained that “there is an awful lot out there and people are not aware it is there”.187 He agreed that a “less fragmented approach” to provision of skills was needed.188

104. He said that businesses did not understand “which qualifications are fit for purpose for the industry […] and therefore are not able to identify clearly which qualifications link to what careers and what job levels within the industry”.189 He added that People 1st were working to advise businesses on where “fit-for-purpose qualifications” were provided. He explained that someone employed in a commercial kitchen needed to understand basic hygiene and health and safety and needed training in manual handling and care of hazardous products and substances, but there was no qualification that drew these skill requirements together.190

105. The role of People 1st was to work to identify what the tourist industry needed in terms of skills provision and then to work with the Government and with the education sector to ensure that the industry’s needs were met.191 Their Sector Skills Agreement would provide a “conduit for communication” for businesses. The job of disseminating this information was made more important by the fact that 75% of businesses in the sector were small or micro businesses which were particularly hard to reach.192

106. Mr Wisdom reported that very substantial sums of money were going into skills provision in Northern Ireland, but that these resources needed to be “deployed to far greater effect”.193 He noted, for example, that although very large sums of money were being spent on apprenticeships, only 15% of apprentices were completing their programmes.194 Howard Hastings, a board Member of Tourism Ireland, believed that money spent on training in Northern Ireland was “wholly misdirected” as there was no engagement with what the industry actually wanted.195

107. The Tourism Training Trust, which was the Sector Training Council for Northern Ireland’s tourism and hospitality industry from 2000 to July 2006 (when it was replaced by People 1st) commended the model of training provision in the Republic of Ireland where Fáilte Ireland had responsibility for education and training for the industry.196 When we
visited Dublin, we discussed training provision with representatives of Tourism Ireland, Fáilte Ireland and the Department of Arts, Sport and Tourism, who agreed that this model had worked well in the Republic of Ireland. Fáilte Ireland have influence over standards and the training curriculum, working with training providers and providing validation and funding for courses.

108. People 1st has called for thought to be given to setting up a National Tourism and Hospitality Skills Academy for Northern Ireland. Mr Wisdom believed that such an institution would provide the required focus for the skills required in the tourism industry and provide a “hot house for developing fit-for-purpose qualifications in Northern Ireland that are industry driven”. Professor Boyd agreed that there was a case for establishing a skills academy for many of the basic skills needed in the tourism sector, such as cooking, but he believed that provision of managerial skills was best offered through the University of Ulster. We note that People 1st have not yet costed their proposed Academy.

109. The Minister was not convinced that responsibility for training and skills should be passed to the NITB, arguing that the Sector Skills Council was the right body for assessing the industry’s skills needs and enabling employers to influence the skills taught in the Further Education sector. She argued that the work of the “sector skills council with the employers’ voice fed into that” was a positive way of trying to get skills provision right for the industry. She shared concern at a lack of relevant skills in the tourist industry, but noted that such complaints were common amongst employers in many other sectors too.

110. We are concerned at the evidence that we have received that low skill levels and negative perceptions of jobs in the tourist industry will impede growth in this sector. We also received with some concern evidence on the lack of skilled and trained chefs in Northern Ireland. Improving skills in the workforce will go some way towards changing perceptions of hospitality sector jobs as unattractive. A skilled workforce is essential if Northern Ireland is to maximise the return from its tourist potential. We believe that the Department of Employment and Learning and the Department of Enterprise, Trade and Investment have an important role to play in improving the image of the hospitality industry through the promotion of programmes such as Hospitality Matters, which for unspecified reasons has now been abandoned.

111. There is currently no mechanism for accrediting or recognising the skills of international workers in the hospitality industry, many of whom come from accession countries. Some of these workers will have very advanced qualifications obtained in their own countries, whilst others will not. It is important that the industry makes the most of the existing skills of its international workers, and we recommend that the Department of Enterprise, Trade and Investment undertake research into ways in
which qualifications obtained in certain accession countries who provide a large number of hospitality workers in Northern Ireland can be recognised. Consideration should be given to the use of the skills passport as recommended by People 1st as a means of tracking training, recognising qualifications and encouraging further training.

112. We are concerned at reports that the large sums of money being invested in skills training for the tourist industry are being misdirected. We are convinced that giving the agencies concerned with promoting tourism in Northern Ireland and the tourist industry a greater role in developing skills training would ensure that skills provision is better focussed. Whilst noting the Minister’s comments, we nevertheless urge the Department of Enterprise, Trade and Investment to give consideration to developing the Northern Ireland Tourist Board so that it can take on a role similar to that enjoyed by Fáilte Ireland south of the border with regard to education and training for the tourist industry.

113. We are not yet convinced of the case for setting up an Academy to improve the level of operational skills in the Northern Ireland workforce, but we urge the Department for Employment and Learning to undertake a cost-benefit analysis of People 1st’s proposals.

Transport Infrastructure

114. Many witnesses emphasised that investment in the transport infrastructure, particularly public transport, was necessary for further development of the tourist industry. Mrs Carruthers told us that despite being key to developing the tourist industry in Northern Ireland, discussions on improving the public transport infrastructure had received limited attention. The view of the Chartered Institute of Marketing was that the marketing capacity of Northern Ireland was not only influenced by the “attractiveness” of its offerings, but “by gateway access facilities for visitors and vital transport provision to meet tourism needs”. It argued that Belfast’s two airports were focused on domestic UK traffic “and the outward movement of tourists via hub centres at London, Manchester and Birmingham”. We were told that rail services were “a significant problem” and that local public transport was “insufficiently integrated”. The Chartered Institute of Marketing expressed concern that their had been underinvestment in the transport infrastructure:

“Internal transport provision has been significantly under invested in recent years and key access routes around Belfast are experiencing growing congestion and rural cities and towns suffer from poor road links. Such facilities are below the standards perceived in other UK regions.”

204 Q 46
205 Ev 104
206 Ibid
207 Ibid.
208 Ibid.
115. Mr Mohan believed that “an improved public sector transport system would allow easier distribution of visitors”.

116. The Minister stressed that, as a result of the Route Development Programme, there had been an increase in the number of flights into Northern Ireland airports. She acknowledged that there were more flights into Dublin than into Northern Ireland. She accepted that there had been significant under investment in public transport in Northern Ireland for many years, but that between 2007-2015 there would be “major strategic investments” in roads to the tune of £1.4 billion. There is also a public transport “capital investment programme” of £200 million up to March 2008 which will provide new buses and trains. The Minister believed that improvements to public transport would be gradually realised.

117. More needs to be done to develop the transport infrastructure in Northern Ireland. We were told that the current infrastructure, particularly road and rail services, were of a poor standard, insufficiently integrated, and had suffered from significant under investment. More investment by Government is required to bring the road and rail services up to the standard of other regions of the UK and we call on the Department of Regional Development to bring forward a coherent strategy to develop the standard of the infrastructure and to ensure continued investment in it.

Events tourism

118. Professor Boyd complained that no comprehensive studies had been made of the economic impact of events hosted in Northern Ireland, such as the North West 200 and the Milk Cup. He reported that the world ploughing championships held at Ballykelly in 2004, the 2004 Ulster Grand Prix and the 2004 Seniors Open in Portrush were estimated to have contributed £1.2 million, £1.9 million and £1 million respectively. He argued that organisations hosting events should be required to undertake a post-impact study to evaluate the local and regional economic impact. Such assessments would encourage the incorporation of broader economic returns into any cost-benefit analysis. Northern Ireland Events explained the potential for projecting positive images of Northern Ireland.

209 Q 237
210 Q 270
211 Q 4
212 Q 413
213 Ibid.
214 Q 434
215 Ibid.
216 Ibid.
217 Ev 132
internationally through media coverage of such events, and also detailed the economic impact of a number of high profile events.\textsuperscript{218}

119. Professor Boyd also noted the importance of the success of Belfast in developing itself as a major conference venue; in 2005, it hosted 67 conferences, requiring 41,000 nights of hotel accommodation and contributing £8 million to the local economy.\textsuperscript{219} DETI agreed that Northern Ireland was now viewed as a “premier conference location” and noted that NITB was working to build on the “burgeoning business market”.\textsuperscript{220} The Department noted that the NITB’s Conference Support Programme had assisted 16 conferences since 2004, that required over 40,000 bed spaces and generated an estimated economic benefit of over £6 million.\textsuperscript{221}

120. We note Northern Ireland’s growing success as a conference venue, and in particular Belfast’s success in hosting a number of high profile conferences. However, the market for international conferences is extremely competitive, and we understand that Dublin is in the process of developing high quality conference facilities. We urge the Northern Ireland Tourist Board to work closely with the Belfast Visitor and Convention Bureau to identify what support is necessary to ensure that Belfast continues to be competitive as a location for conferences.

121. We believe that development of a National Stadium could provide the much needed exhibition space, as in Cardiff, which is required to attract major conferences to Belfast. Apart from the sporting and economic arguments in favour of locating the National Stadium in the city we believe that there would be considerable tourist advantages from such a decision.\textsuperscript{222}

\textbf{Cross-border cooperation}

122. Many tourists visiting the island of Ireland hire a car during their stay. Visitors who wish to include both Northern Ireland and the Republic in their stay may wish to fly into an airport on one side of the border and fly out from the other side, picking up a hire car at, for example Belfast, and dropping it off at Dublin airport. Many car rental companies will charge a surcharge for picking a car up at one airport and dropping it off at another one, as they need to cover the costs of transporting vehicles themselves between airports.

123. However, we were informed by Tourism Ireland that the surcharges for hiring a car in one jurisdiction and dropping it off in another were very much higher than surcharges within the same jurisdiction.\textsuperscript{223} The average surcharge to hire a car in Dublin and drop it off in Belfast is 110 euros, and the average surcharge to hire a car in Belfast and drop it off in Dublin is 110 euros.
in Dublin is 138 euros.\textsuperscript{224} This compares to an average of 9 euros surcharge to pick a car up in Dublin and drop it off at another international airport in the Republic, such as Cork or Shannon (although the costs of dropping the car off at a smaller regional airport are higher).\textsuperscript{225} Tourism Ireland informed us that the premium surcharge was due to regulations relating to the vehicle registration system which stipulate that a car hired in the Republic of Ireland can not be re-hired in Northern Ireland and vice-versa.\textsuperscript{226} Accordingly, any vehicle hired in Belfast and dropped off in Dublin must be transported back to Belfast before it can be hired out again. The additional costs incurred are passed on to the consumer through the surcharge.

124. \textit{We believe that the surcharges placed by car hire companies on those who hire a car on one side of the border and drop it off on the other side of the border are a small but significant barrier to cross-border travel and an impediment to the development of the island of Ireland as a tourist destination. We urge the Department of the Environment to raise this issue with their counterparts in the Republic of Ireland with a view to removing the regulatory burdens that lie behind these surcharges.}

\textsuperscript{224} Ev 114
\textsuperscript{225} Ibid.
\textsuperscript{226} Ibid.
6 Conclusions

125. We hope that our recommendations can be acted upon expeditiously. Northern Ireland is a beautiful part of the UK and the island of Ireland. Indeed it contains some of Ireland’s most historic and attractive destinations. It has some first class tourist attractions, including the Tower Museum in Londonderry, the Ulster American Folk Park in Omagh, the Belle Isle Cookery School in Enniskillen, the Armagh Planetarium, the Navan Centre in Armagh, the St Patrick’s Centre in Downpatrick, Castleward House in County Down and the Bushmills Distillery, all of which we visited on our visit to Northern Ireland in October 2006. Northern Ireland also has the incalculable asset of a very beautiful coastline and areas of outstanding natural beauty, including the Lakelands of Fermanagh and the Mountains of Mourne which are as attractive as any destination in Europe.

126. The tourist industry in Northern Ireland must be developed in such a way that the beauty of key attractions is preserved and people have comfortable places to stay when visiting them. The country needs an infrastructure that makes travel, especially by public transport, easier than it is at present. If government recognises the enormous economic impact of tourism, and if private enterprise in co-operation with statutory bodies can develop this recognition into a coherent strategy, there is no reason why the success of tourism in the Republic of Ireland should not be replicated in Northern Ireland to the advantage of the whole island of Ireland and with Northern Ireland itself enjoying an equivalent status to Scotland and Wales as a UK tourist destination.
Conclusions and recommendations

1. The evidence that we have received demonstrates clearly that the involvement of seven departments of the executive in tourism has led to policy fragmentation, poor departmental co-ordination and confusion for the tourist industry. We received strong evidence that a Minister for Tourism would provide much needed leadership and focus to the tourism industry, would improve coordination between Departments and would demonstrate the Government’s commitment to developing the industry to its full potential. We recommend that the Secretary of State allocate overall responsibility for tourism to one of the Northern Ireland Ministers. Should devolution be restored in March 2007, we urge the Northern Ireland Assembly to examine the scope for rationalising departmental involvement in tourism policy and to appoint a Minister for Tourism. (Paragraph 26)

2. There is a lack of clarity in the different roles carried out by the Northern Ireland Tourist Board, Tourism Ireland and the Regional Tourism Partnerships and we call on them to engage in discussions focused on improving the industry’s understanding of their roles. (Paragraph 27)

3. We fully recognise the impact of private sector participation in the Regional Tourism Partnerships (RTPs) and in the development of the industry in Northern Ireland. We believe that, even after the reorganisation of local government, there is a case for keeping the existing four RTPs but with their role and relationship with the new local authorities strictly defined. We would not favour transferring their responsibilities to the new super councils. (Paragraph 32)

4. Until a decision is reached on the future number of Regional Tourism Partnerships (RTPs), the Government must ensure that RTPs are properly funded so that they can carry out their functions in identifying and pursuing local regional tourism priorities. This is essential to the development of the industry. The ending of PEACE II funding means that RTPs are relying on Government funding and we call on the Department to ensure, following the spending review, that realistic funding is made available to the RTPs. (Paragraph 36)

5. A bureaucratic and complex picture of the division of responsibilities emerged clearly from the evidence of what is the existing accountability framework for the oversight of the Northern Ireland Tourist Board (NITB) and Tourism Ireland. While we wholeheartedly acknowledge the importance of securing their full accountability, the NITB and Tourism Ireland must be allowed sufficient operational freedom to carry out their responsibilities. We are concerned that excessive departmental control affects the effectiveness with which these bodies can operate. We are bound to note that the level of bureaucracy appears very different in the Republic of Ireland, and lessons could be learned from the greater flexibility their system allows. We recommend that measures be taken to grant the NITB greater operational autonomy along the lines of Fáilte Ireland. (Paragraph 41)

6. We are in no doubt of the tremendous potential for growth in the Northern Ireland tourist industry and its great potential value to the economy. However, the success of
low-cost airlines and the opening up of new tourist destinations has made the tourist market more competitive than ever, and Northern Ireland needs to maximise its marketing weight and develop its tourist infrastructure to the best of its ability if it is to exploit this potential. (Paragraph 52)

7. If the tourist industry in Northern Ireland is to be able to exploit its full potential, it needs appropriate data to be collected for it to benchmark its progress and identify markets to exploit. We note that the Government is taking steps through the compilation of tourist satellite accounts to assess the full value of tourism to the Northern Ireland economy. We believe that the Northern Ireland Tourist Board could play a significant role in the collection of such data. We believe that this is an exercise that should have been carried out earlier and we urge that it be carried out thoroughly and expeditiously. We also urge them to work with the Northern Ireland Tourist Industry Confederation and the Federation of Small Businesses to ensure that the statistics collated are as comprehensive and accurate as possible. (Paragraph 53)

8. Tourism Ireland has, through its overseas marketing campaigns, exploited marketing platforms previously unavailable to the tourist industry in Northern Ireland. Visitor numbers to Northern Ireland are, on current forecasts, showing an increase on 2005 figures and we commend Tourism Ireland on the progress it has made in a relatively short period of time. (Paragraph 65)

9. We are concerned by the discontent expressed by the Northern Ireland Tourist Board (NITB) over Tourism Ireland’s approach to marketing Northern Ireland in Great Britain. We urge Tourism Ireland to discuss with the NITB options for tackling this market, including whether a regional, multi-destination marketing approach would have a greater impact. We do not believe that transferring responsibility to the NITB for marketing Northern Ireland in the GB market would necessarily be the best resolution to this problem. Nonetheless we agree with the Minister that it is essential that Tourism Ireland refines its marketing strategy with a view to ensuring that Northern Ireland is given greater emphasis in its marketing campaigns. We urge Tourism Ireland to continue its discussions with the NITB with the aim of introducing a separate, Northern Ireland specific marketing campaign. For example, the Minister should explore the advantages of clear service level agreements between the organisations. (Paragraph 66)

10. The signature projects have the potential to achieve international standout for Northern Ireland. While we commend the Northern Ireland Tourist Board (NITB) on the progress that it has made in initiating and developing the projects, we are concerned that further development of the projects is being hampered by lack of funding and investment. While the Minister assured us that funding of the projects was not an issue, our evidence demonstrates deep concern that funding will not be forthcoming for developing and sustaining the projects. We call on the Government to ensure that sufficient funding is made available to the signature projects but also, in conjunction with NITB, to offer attractive incentives to the private sector so as to encourage the necessary investment in the projects themselves and in the hotels and other services that will be needed if they are to realise their full potential. (Paragraph 74)
11. The St Patrick’s Centre is integral to the development of one of the Northern Ireland Tourist Board’s signature projects, and we call on the Minister to take steps to ensure that its future is secure. (Paragraph 75)

12. We believe that, if Northern Ireland is to maximise its economic return from tourism, and remain competitive as a holiday destination, it needs the hotels and other facilities providing goods and services that tourists want to purchase. The current provision of quality hotels in Northern Ireland is insufficient, and we were particularly concerned to learn that there are only two 75 bed hotels in the area of the Causeway Coast. (Paragraph 84)

13. The tourist industry needs a strategic partnership between the private sector and the public sector to achieve the “holistic” approach to development that will deliver a strong tourist product. (Paragraph 85)

14. Whoever becomes responsible for tourism after March 2007 would be well advised to consider the schemes and incentives that have operated so successfully in the Republic of Ireland. We believe that the Government should give a clear signal to the private sector that it sees tourism as an important and growing element of Northern Ireland’s economy. The clearest way for it to do so would be to explore scope for the use of tax breaks for the building of much needed hotels. We believe that these would ensure a more efficient allocation of resources to entrepreneurs looking to invest in the tourist industry than the capital grants currently disbursed. (Paragraph 91)

15. In this context, whilst we acknowledge the Government’s long-standing commitment to the principle of unitary taxation, we note the success of fiscal incentives in the Republic of Ireland in establishing a world class tourist industry. If Northern Ireland is to be able to compete with the more established tourist industry in the Republic, it will need such support. We emphasise that investment in the tourist industry must be treated as a more long term investment than most other areas of economic activity. Incentives should reflect this and there is a clear role for the Northern Ireland Tourist Board in drawing up appropriate criteria. (Paragraph 92)

16. The Committee nevertheless calls on the Government to take this matter forward with a sense of urgency. We call on the Department of the Environment to bring forward a planning policy statement governing tourist industry development for consultation within the next six months. (Paragraph 97)

17. We believe that one of the greatest assets of the Northern Ireland tourist industry is the unspoilt beauty of the environment, and that unfettered tourist development would put at risk this very asset. However, we believe that environmental concerns and a need to develop Northern Ireland’s tourist industry should be carefully and sensitively balanced. (Paragraph 98)

18. We are concerned at the evidence that we have received that low skill levels and negative perceptions of jobs in the tourist industry will impede growth in this sector. We also received with some concern evidence on the lack of skilled and trained chefs in Northern Ireland. Improving skills in the workforce will go some way towards changing perceptions of hospitality sector jobs as unattractive. A skilled workforce is
essential if Northern Ireland is to maximise the return from its tourist potential. We believe that the Department of Employment and Learning and the Department of Enterprise, Trade and Investment have an important role to play in improving the image of the hospitality industry through the promotion of programmes such as Hospitality Matters, which for unspecified reasons has now been abandoned. (Paragraph 110)

19. There is currently no mechanism for accrediting or recognising the skills of international workers in the hospitality industry, many of whom come from accession countries. Some of these workers will have very advanced qualifications obtained in their own countries, whilst others will not. It is important that the industry makes the most of the existing skills of its international workers, and we recommend that the Department of Enterprise, Trade and Investment undertake research into ways in which qualifications obtained in certain accession countries who provide a large number of hospitality workers in Northern Ireland can be recognised. Consideration should be given to the use of the skills passport as recommended by People 1st as a means of tracking training, recognising qualifications and encouraging further training. (Paragraph 111)

20. We are concerned at reports that the large sums of money being invested in skills training for the tourist industry are being misdirected. We are convinced that giving the agencies concerned with promoting tourism in Northern Ireland and the tourist industry a greater role in developing skills training would ensure that skills provision is better focussed. Whilst noting the Minister’s comments, we nevertheless urge the Department of Enterprise, Trade and Investment to give consideration to developing the Northern Ireland Tourist Board so that it can take on a role similar to that enjoyed by Fáilte Ireland south of the border with regard to education and training for the tourist industry. (Paragraph 112)

21. We are not yet convinced of the case for setting up an Academy to improve the level of operational skills in the Northern Ireland workforce, but we urge the Department for Employment and Learning to undertake a cost-benefit analysis of People 1st’s proposals. (Paragraph 113)

22. More needs to be done to develop the transport infrastructure in Northern Ireland. We were told that the current infrastructure, particularly road and rail services, were of a poor standard, insufficiently integrated, and had suffered from significant under investment. More investment by Government is required to bring the road and rail services up to the standard of other regions of the UK and we call on the Department of Regional Development to bring forward a coherent strategy to develop the standard of the infrastructure and to ensure continued investment in it. (Paragraph 117)

23. We note Northern Ireland’s growing success as a conference venue, and in particular Belfast’s success in hosting a number of high profile conferences. However, the market for international conferences is extremely competitive, and we understand that Dublin is in the process of developing high quality conference facilities. We urge the Northern Ireland Tourist Board to work closely with the Belfast Visitor and
24. We believe that development of a National Stadium could provide the much needed exhibition space, as in Cardiff, which is required to attract major conferences to Belfast. Apart from the sporting and economic arguments in favour of locating the National Stadium in the city we believe that there would be considerable tourist advantages from such a decision. (Paragraph 121)

25. We believe that the surcharges placed by car hire companies on those who hire a car on one side of the border and drop it off on the other side of the border are a small but significant barrier to cross-border travel and an impediment to the development of the island of Ireland as a tourist destination. We urge the Department of the Environment to raise this issue with their counterparts in the Republic of Ireland with a view to removing the regulatory burdens that lie behind these surcharges. (Paragraph 124)

26. We hope that our recommendations can be acted upon expeditiously. Northern Ireland is a beautiful part of the UK and the island of Ireland. Indeed it contains some of Ireland’s most historic and attractive destinations. It has some first class tourist attractions, including the Tower Museum in Londonderry, the Ulster American Folk Park in Omagh, the Belle Isle Cookery School in Enniskillen, the Armagh Planetarium, the Navan Centre in Armagh, the St Patrick’s Centre in Downpatrick, Castleward House in County Down and the Bushmills Distillery, all of which we visited on our visit to Northern Ireland in October 2006. Northern Ireland also has the incalculable asset of a very beautiful coastline and areas of outstanding natural beauty, including the Lakelands of Fermanagh and the Mountains of Mourne which are as attractive as any destination in Europe. (Paragraph 125)

27. The tourist industry in Northern Ireland must be developed in such a way that the beauty of key attractions is preserved and people have comfortable places to stay when visiting them. The country needs an infrastructure that makes travel, especially by public transport, easier than it is at present. If government recognises the enormous economic impact of tourism, and if private enterprise in co-operation with statutory bodies can develop this recognition into a coherent strategy, there is no reason why the success of tourism in the Republic of Ireland should not be replicated in Northern Ireland to the advantage of the whole island of Ireland and with Northern Ireland itself enjoying an equivalent status to Scotland and Wales as a UK tourist destination. (Paragraph 126)
Formal minutes

Wednesday 28 February 2007

Members present:

Sir Patrick Cormack, in the Chair

Mr David Anderson   Dr Alasdair McDonnell
Rt. Hon. John Battle Mr Denis Murphy
Rosie Cooper        Mr Stephen Pound
Mr Christopher Fraser Mr Sammy Wilson

The Committee considered this matter.

Draft Report (Tourism in Northern Ireland and its Economic Impact and Benefits), proposed by the Chairman, brought up and read.

Ordered, That the Chairman’s draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 126 read and agreed to.

Resolved, That the Report be the Third Report of the Committee to the House.

Ordered, That the Chairman do make the Report to the House.

Ordered, That the provisions of Standing Order No. 134 (Select Committees (reports)) be applied to the Report. —(The Chairman.)

Ordered, That the Appendices to the Report be Reported to the House. —(The Chairman.)

[Adjourned till a date and time to be announced by the Chairman].
List of witnesses

**Wednesday 25 October 2006**

**Mr Michael Maguire**, Regional Director of the Chartered Institute of Marketing, Northern Ireland, **Professor David Carson**, University of Ulster and **Mr John Edmond**, Consultant

**Ms Claire Donnelly**, Chief Executive and **Mrs Nicola Carruthers**, Chairman, of The Northern Ireland Tourist Industry Confederation

**Wednesday 29 November 2006**

**Mr Brian Wisdom**, Chief Executive, **Mr Martin-Christian Kent**, Research Division, and **Ms Roisin McKee**, UK Skills Development Team (Northern Ireland), People 1st

**Professor Stephen Boyd**, Professor of Tourism, University of Ulster

**Wednesday 31 January 2007**

**Mr Gerry Lennon**, Chief Executive, Belfast Visitor and Convention Centre; **Mr Don Wilmont**, Manager, Causeway Coast and Glens Tourism Partnership; **Mr Mark Mohan**, Chief Executive, Armagh and Down Tourism Partnership; and **Ms Tanya Cathcart**, Western Regional Tourism Partnership

**Mr Alan Clarke**, Chief Executive, **Mr Tom McGrath**, Chairman, Northern Ireland Tourist Board and **Mr John McGrillen**, Board Member

**Wednesday 7 February 2007**

**Mr Paul O’Toole**, Chief Executive, **Mr Niall Gibbons**, Director of Corporate Services and Policy, **Mr Simon Gregory**, Director of Brands and Markets, and **Mr Howard Hastings**, Board Member, Tourism Ireland

**Wednesday 21 February 2007**

**Maria Eagle MP**, Parliamentary Under-Secretary of State with responsibility for DETI, Northern Ireland Office, **Mr Wilfie Hamilton**, Deputy Secretary of DETI, and **Mr Norman Houston**, Head of Tourism Policy Branch, DETI
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List of unprinted written evidence

Additional papers have been received from the following and have been reported to the House but to save printing costs they have not been printed and copies have been placed in the House of Commons library where they may be inspected by members. Other copies are in the Record Office, House of Lords and are available to the public for inspection. Requests for inspection should be addressed to the Record Office, House of Lords, London SW1. (Tel 020 7219 3074) hours of inspection are from 9:30am to 5:00pm on Mondays to Fridays.

Mr Christopher Luke
Inner City Trust
Federation of the Retail Licensed Trade Northern Ireland

Mr Adrian Wilson
ILEX Limited
Northern Ireland Tourist Board
People 1st
Reports from the Northern Ireland Affairs Committee since 2005

The following reports have been produced since the start of the 2005 Parliament.

Session 2006-07
First Report  Draft Protocol for Community-based Restorative Justice Schemes (HC 87)
Second Report  The Work of the Committee in 2006 (HC 294)

Session 2005-06
First Report  Education in Northern Ireland (HC 726)
Second Report  The Work of the Committee in 2005 (HC 928)
Third Report  Organised Crime in Northern Ireland (HC 886)
First Special Report  The Work of the Committee in 2004: Government Response to the Committee’s Fourth Report of Session 2004-05 (HC 393)
Fifth Special Report  Air Transport Services in Northern Ireland: Government Response to the Committee’s Eighth Report of Session 2004-05 (HC 529)
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Oral evidence

Taken before the Northern Ireland Affairs Committee

on Wednesday 25 October 2006

Members present:

Sir Patrick Cormack, in the Chair
Mr David Anderson
Mr Gregory Campbell
Mr Christopher Fraser
Dr Alasdair McDonnell
Mr Denis Murphy
Stephen Pound
Sammy Wilson

Written evidence from the Chartered Institute of Marketing Northern Ireland is printed on page Ev 101

Witnesses: Mr Michael Maguire, Regional Director, Institute of Marketing Northern Ireland; Professor David Carson, Professor of Marketing, University of Ulster; and Mr John Edmond, Consultant, gave evidence.

Q1 Chairman: Gentlemen, could I welcome you and thank you very much indeed for coming. I apologise for the brief delay but we had a vote immediately the Committee convened at 2 o’clock which delayed our start, and it is very possible that we will have a further vote or votes during the evidence-taking session. If we do, I apologise in advance and the form that our interruption will take is that I will announce the Committee is adjourning for 15 minutes and then we will reconvene and carry on. What I was proposing to do, having discussed it with my colleagues (and obviously we are grateful for your written submission) was to have three-quarters of an hour with you and three-quarters of an hour with our other witnesses, who I think are already here. So that is the way we will play it. We have just had the great benefit of visiting Northern Ireland and touring Northern Ireland. We did a circular tour last week and most members of the Committee were able to come. We were received very warmly and hospitably. We saw some fascinating places; we met some very interesting people; and we came away absolutely convinced, I am sure all of us, not only that Northern Ireland is a very beautiful place (which we knew already) but that its potential for tourism was very, very considerable. Our inquiry is to see what we feel we can recommend that would be helpful to developing the tourism potential of Northern Ireland. What is a realistic level of increase that we could expect over the next five years and over the next decade? Are there conditions that you wish to refer to that qualify your estimates? I will direct the questions to you Mr Maguire, but please feel free to farm them out to your colleagues and, equally, the other gentlemen, Professor Carson and Mr Edmond, feel free to chip in and add anything to what Mr Maguire says.

Professor Carson: John and I are going to be very busy; Michael is very good at delegating!

Q2 Chairman: Can we kick off with the very point that I just touched on. Would you like to give us your assessment of the potential contribution to the economy of tourism in Northern Ireland? What is a realistic level of increase that we could expect over the next five years and over the next decade? Are there conditions that you wish to refer to that qualify your estimates? I will direct the questions to you Mr Maguire, but please feel free to farm them out to your colleagues and, equally, the other gentlemen, Professor Carson and Mr Edmond, feel free to chip in and add anything to what Mr Maguire says.

Professor Carson: John and I are going to be very busy; Michael is very good at delegating!

Q3 Chairman: He would make a good select committee chairman then! Professor Carson: I think I would like to say from the outset that our perspective in relation to the Chartered Institute of Marketing is that we see things from a marketing perspective and that tourism in general worldwide, but specifically in Northern Ireland, given how far back we are starting, is a marketing-led industry, so we would have quite strong opinions on how we could progress things forward. From a personal point of view my own research at the University of Ulster is looking at best practice of tourism in regions which might be described as similar to Northern Ireland and we have built a considerable database of what we consider to be best practice. Our assessment would be that the Northern Ireland economy, given our relative geographical isolation, needs tourism desperately, and we can be quite a successful economy on the back of tourism, and we can copy some very good examples of developing tourism from limited resource economies. Our assessment would be that it should easily reach 8% to 10% of gross domestic product within a 10-year timescale if we get the appropriate infrastructures and some resources. The potential is there; whether we achieve it or not will depend on how much energy we put into it, all of us, including the private sector and public sector.
Q4 Chairman: How do you describe or account for the fact that although the NITB said that they were very happy last year, what I would call pure holiday visitors accounted for something less than 20% of those who went to Northern Ireland. An awful lot of those who go to Northern Ireland are what one might call “incidental” tourists, as it were. How do you grapple with that one in seeking to make this a prime tourist destination or a series of prime tourist destinations?

Professor Carson: We need a variety of things in place, not least of which would be a strong infrastructure. That is a capital infrastructure in terms of an appropriate range of accommodation, appropriate transportation systems, and we need strong tourist products, which at the moment we do not have.

Q5 Chairman: Would you just define tourist products.

Professor Carson: The coastal areas that you were travelling last week, specifically The Giant’s Causeway. For example, we were just reflecting over lunch that many of the tourists that we do get into the north of Ireland might drive in or coach in and they can travel the tourist areas of Northern Ireland without stopping because there is not the appropriate infrastructure to encourage them to stop.

Dr McDonnell: You have touched on what I wanted to question. What exactly is the product that we have because we talk a lot about tourism and I cannot define a very clear product that is easily marketable? We might be able and we are able a bit of the way to sell golf to American tourists, for instance, but that is usually piggy-backed on the back of a broader all Ireland concept of golf in the South. I have dabbled a little bit in the tourism business and I have travelled to European destinations, particularly with skiing operations or whatever, and you can define a very quick package: there is a flight; there is a transfer; you are into a resort; there is the hotel, or whatever accommodation you are occupying will work with you in the rest of the spinning out. We do not have anything like that glued together. Equally, I put myself in the position; I have four young children, I can only think of three things that would interest me to do for a day. Quite honestly, I get in the car and I head for Dublin or head for somewhere south or I head for Donegal. The sort of things that I would do at a simple level, which I believe there is a market for again, is to go to a beach to walk on a beach somewhere, whether it be Waterford or whether it be Portstewart or to take the likes of the Strikefoot (?) ferry across to do that ring. We do not have an easily definable product. I do not know how we get to that stage and I would welcome any suggestions. Again, this has been emphasised to me by Canadian friends that I have had visit who have said that our product is disjointed. If a Canadian or American comes in, they go to a bed and breakfast in Fermanagh, and they cannot refer you easily or quickly to somewhere in the Mournes for the following night. If somebody wants to drive from Fermanagh through to the Mournes or from Fermanagh through to Armagh, we are not linked up. Before we get into tourism I honestly feel that we need to do that.

Q6 Chairman: That is not exactly the briefest question but it touched on a number of very important points. Would you like to respond as best you can to some of the implicit criticism in Dr McDonnell’s questions?

Professor Carson: Provided we have enough time! We have a very strong opinion on all of those. We would agree with everything you are saying and our perspective is that we can fix it, and we must fix it for the benefit of the people.

Q7 Chairman: In that case, to be practical, tell us how you fix the points he is exercised by.

Mr Maguire: That is quite a difficult thing to answer. Chairman, I would first of all agree with Dr McDonnell. I think part of the problem in marketing tourism over the years has always been the dilemma between on the one hand what products are we offering and to whom and how therefore we manage to encourage tourists to visit Northern Ireland. We have the added dilemma now that with the Tourism Ireland set-up and their responsibility for the global promotion of Northern Ireland along with the Republic of Ireland as a single entity, there are going to be problems in terms of how we feature elements that we believe are worthy of promotion in the future. I think the great difficulty we have had in the past has been that we do not really have a single product that stands out as a world-class thing that we want people to come with to, with the possible exception of The Giant’s Causeway. This is why I think we would feel quite strongly that we have to look quite seriously at our weaknesses, and our strengths really are for the most part The Giant’s Causeway and Belfast as a city. Northern Ireland is a renowned entity worldwide, albeit for the most part with some negative connotations, but that issue needs to be turned round so it can in fact become a unique selling proposition.

Professor Carson: Brand Northern Ireland, if we were to call it that, and that is the way we would describe it from a marketing perspective, is a worldwide brand. It is known around the world. Go anywhere and say “Northern Ireland” and people will recognise the brand. From a marketing point of view one might argue that is a negative because it is a negative connotation but marketing can fix that. A good positive development can turn that brand around to a positive curiosity in the initial stages and into an experiential positive once people start to come and visit as such. So we have a brand which at the moment, with the infrastructure that we have, we cannot market internationally as Northern Ireland; we have to do it within the area. We are not arguing issues of change necessarily, but we have a brand, we can build on that brand, and then we can build products and develop that brand.
Q8 Chairman: Are you assisted in marketing that brand by the fact that there are two organisations, the NITB and Tourism Ireland, or is that an impediment to marketing?

Professor Carson: There are positives and negatives. There are impediments from the point of view of any region in Ireland under the Tourism Ireland approach because Tourism Ireland is promoting the island of Ireland and promoting attractions within the island but if you go to any strong region within the island of Ireland you will find frustrations of people in the industry and not least the tourism industry but also the support agencies within the industry that they cannot present their region as part of the Tourism Ireland international perspective. There was a very good example last year at the World Travel Market that occurs in the city every November when the West of Ireland brought a warship and parked it outside the exhibition hall and put “West of Ireland Tourism” on the side of it in order to promote their own region as such. That is a measure of the frustration of each region within the island of Ireland not being able to present what it sees as a very strong dimension. The strongest brand of all the regions in Ireland is Northern Ireland and we would say that is the big negative internationally, even though the work of Tourism Ireland is promoting Northern Ireland very skillfully in terms of the overall attractions. From our point of view, they do not have enough money or resources to have a meaningful international impact as such, but again that is a separate issue. Taking the point of what products we have, our biggest single product is the natural, unspoilt beauty of the region, and then we have got a very strong cultural dimension throughout the whole of the Province. We know from the statistics coming from Tourism Ireland that one-third, or something like that, of tourists that come to Ireland are coming for a cultural experience of some kind. We have a capability of marrying that cultural experience alongside the scenic beauty that we have. The point is that we need joined-up thinking, joined-up connection, joined-up products and joined-up strategy. We could give you a view on that but at the moment we do not have that, I am afraid.

Q9 Mr Campbell: I think most lay people see the market-place, if you like, as being an overnight, two or four-day stay. I think most people I have heard talk about the issue of tourism agree that it is somewhere around there. Apart from the BFR, there are not that many people who come for a week or 10 days or a fortnight. If that is the market-place, and when you look at some of the significant regional successes that there are, like for example the North West 200, the motor bike race that attracts over 100,000 people for about four days, the air show again on the north coast—and these just happen to be in my constituency. Chairman, so I know a wee bit about them—they are highly successful on a very localised basis. Are you seriously saying to us—and according to the figures we have the last occasion on which GDP was used, the contribution in Northern Ireland was 1.8%; in Scotland was 5%, in Wales was 7% and the Republic was just over 4%—we will get somewhere between 8% and 10%? If there are regionalised specialities (and I am not even talking about golfing and fishing or other areas which I think could be marketed better) apart from accommodation, which has to be cracked, how on earth could we get anywhere like a five-fold increase if we are hearing, which I was hearing last week, that some reasonably modern hotels were 80% filled last week outside of the high season. How on earth would you get the five-fold increase if you do not massively change the accommodation sector? It is not just an hotel here and an hotel there and trying to upgrade some of the guest houses. You have to think about a phenomenal explosion (excuse the pun) in accommodation provision if we are even to crack something approaching 8%, never mind 10%.

Mr Edmond Mr Campbell, it is not only accommodation that is critical here. The issue is to take the people who are here and to take more money from them. We happen to be in my constituency, Chairman, so I know a wee bit about them—and according to the figures we have the last occasion on which GDP was used, the contribution in Northern Ireland was 1.8%; in Scotland was 5%, in Wales was 7% and the Republic was just over 4%—we will get somewhere between 8% and 10%? If there are regionalised specialities (and I am not even talking about golfing and fishing or other areas which I think could be marketed better) apart from accommodation, which has to be cracked, how on earth could we get anywhere like a five-fold increase if we are hearing, which I was hearing last week, that some reasonably modern hotels were 80% filled last week outside of the high season. How on earth would you get the five-fold increase if you do not massively change the accommodation sector? It is not just an hotel here and an hotel there and trying to upgrade some of the guest houses. You have to think about a phenomenal explosion (excuse the pun) in accommodation provision if we are even to crack something approaching 8%, never mind 10%.

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Q11 Mr Campbell: If I could take this a bit further. Surely for the scale potentially of a five-fold increase of GDP attributable to tourism, whenever I raise those issues and they are important issues that have to be addressed, there is going to have to be a fundamental reassessment of accommodation provision?

Mr Edmond: Yes.

Q12 Mr Campbell: With what we have at the moment in terms of planning and the difficulties that that presents, where do you see that huge increase in accommodation provision coming from?

Mr Edmond: In what sense? At one level we would say it needs to be strong international brands who by their various presence across the world can take the opportunity to sell to their dedicated client base the potential of having a weekend or having a week in and around the hotel or event or wherever else. So the first issue there is it has to be an international brand. The second issue is, to an extent, how does it get funded because, as you will know, a lot of hotel developments are two elements. It is a property developer who puts a building up and it is a branded franchisee who with that brand rents that building and makes it available to the visitor. So we need property developers to come along and make those investments, and the issue for us simply at this point in time is if you as a property developer were being asked to put your money into an hotel or into an office block where would you put it? It would not be an hotel. South of the border it was a major issue for a long time and government provided through the Business Expansion Scheme a capital allowances tax break, and that generated a significant amount of new investment. The investment was not limited only to hotels. I know a client of mine in Galway who raised money through the BES scheme to develop an outdoor pursuit centre. The only unfortunate thing about that was he was a Ballymena man but he did good business and still does good business.

Q13 Mr Campbell: How did Wales get to the position where they are four times where we are?

Professor Carson: We started a long way further back but it is an holistic infrastructural dimension that is needed. You are absolutely right, it needs a dramatic holistic development of some kind. There are some local examples. I trust that you will have seen some of the redevelopment and regeneration plans for West Bay and Portrush. Those plans alone, with the combination of hotels and also a marina, will double the accommodation provision in Portrush alone, so that sort of thing will add greatly. Take another example again with The Giant’s Causeway which gets a similar number of visitors as Ayer’s Rock in Australia.

Q14 Mr Campbell: It is easier to get to.

Professor Carson: In actual fact it is not. Oh, you mean The Giant’s Causeway is easier to get to. There you go, I have reinforced my argument. It has a similar number of visitors but because at Ayer’s Rock they had what John has just described as the holistic build. The Giant’s Causeway generates about £18 to £20 million (it was estimated a few years back) but with the same number of visitors to Ayer’s Rock, it is a £180 million spend and that is because there are hotels, there are restaurants, there is retail shopping, there is recreation, there are obviously the visits to Ayer’s Rock and there is sport and facilities within all of these situations and that is the holistic that is needed. If you build an holistic you can trap the tourists at various places where you want them to be.

Q15 Chairman: But you have to do it without destroying that sense of tranquillity and beauty which is also a prime attraction

Professor Carson: Absolutely, but you could do that quite comfortably and you have examples in Scotland and in Wales as well where you can attract the mass tourist if you like, which is where the money is at the end of the day, but you can still maintain the cultural identity of what you are offering. You are not building skyscrapers and Disney theme parks. Although now that I mention Disney, if you want to do it right ask Disney to do it for you and they will engage the culture of the region better than anybody can do.

Chairman: Rebuild the Giant too.

Q16 Sammy Wilson: Can I just come back to the marketing end of it. One of the briefs of Tourism Ireland was to enable Northern Ireland to catch up because it was so far behind the Republic and yet none or very few of the promotional literature items that they produce actually specify Northern Ireland.

Professor Carson: That is correct.

Q17 Sammy Wilson: Is that one of the weaknesses you are talking about in the marketing? On the other side of it because a lot of the regional bodies have said they could market the areas better themselves, would they have the economies of scale to do the kind of international marketing of the area? How do you marry those two things? On the one hand, Tourism Ireland, by emphasising the island as a whole, misses out on the specific Northern Ireland opportunities and therefore you are not getting catch-up and yet the regional groups will not have the economies to go international.

Professor Carson: Absolutely, You need a one-stop shop that creates a critical mass. If you start to fragment and divide it out then, you are absolutely right, there is not enough resource for each region to do it correctly. If you envisage the corporate Ireland, if you like, being the work of Tourism Ireland in whatever target markets they have, and I have already mentioned that they do not have a big enough resource to begin with, if you imagine Tourism Ireland, the island of Ireland is the international corporate brand, and cascading from that the next tier down would be the regional corporate products, and then under that would be specific tourist attractions. All of that would be linked through a family of brand identity and at the moment you do not have that cascade, you do not have that matrix infrastructure underneath it, so you
25 October 2006  Mr Michael Maguire, Professor David Carson and Mr John Edmond

lose the holistic impact that you could achieve if you had all of that. In actual fact, there is a danger that in Northern Ireland we could go even further in creating this fragmentation with some of the things that we hear around the Province about maybe some tourism money going to the potential new super councils. That will be a disaster from the point of view of developing tourism and the Northern Ireland brand. It is about concentrating the limited resources into one holistic to which everybody can belong. Tourism Ireland, to be fair, is a good attempt at moving in that direction but it needs to recognise that there is a whole infrastructure underneath it that needs to connect with it and at the moment we have not found a way of doing that.

Q18 Sammy Wilson: What changes are required then within Tourism Ireland to ensure that happens? The impression I got from speaking to some of the groups that we have spoken to is that Tourism Ireland almost appear to have insulated themselves and there does not appear to be the ability for them to recognise that beyond this all Ireland brand there is anything for them to do. What changes are required in the structure and the way in which Tourism Ireland is held to account or is organised to produce the kind of effect that you are talking about?

Professor Carson: We would all want to comment on that. Chairman.

Mr Edmond: There are at least three tourism strategic planning bodies on the island, one of whom, Tourism Ireland, has to deliver the top-line promotional approach and, as such, tries to provide some leadership against two other organisations, Fáilte Ireland and the Northern Ireland Tourist Board, which have distinct geographic references to deal with. It is almost impossible for Tourism Ireland to talk about the parts of the country that make up the country without undermining the very single idea of tourism. “Brand Ireland” as it used to be called, that they are there specifically to deliver. The problem at that point is that you have got to get an understanding of the brand. At the same place as you have got the ability to deliver the values that that brand is meant to provide, you have got to have the single common targeting in terms of the audience that you are trying to reach and the standard positioning that allows all of those other tourism bodies to fall in underneath and to provide a structure from the ground to the market-place, and it is to the market-place because at that point it is about your ability to deliver. We used to have a situation where there was a strategy that said something else and that is a Tourism Ireland strategy, and there is no certainty in the way that we deliver at the unitary level. Northern Ireland/Republic of Ireland, that the strategy is the same thing and there is absolutely no certainty underneath that that the strategy you deliver for the West of Ireland says and delivers the same things that the broad strategy is trying to provide. David mentioned the fact that something of the order of 36% of all visitors to the island say they are there essentially for a cultural reason. What does that mean and, worse than that, how do we manage to deliver it? We have not got to the point having worked that out yet.

Professor Carson: John mentioned the three bodies and they are required and they wish to talk to each other by way of meeting in committee and so on but it needs to go further than that. They need to establish the corporate product and the individual products that stem out of that and they need to recognise that it is all part of one family. This sort of thing is easy to see if you take any corporate company which has a range of products; the products have to have their place in the overall corporate. They have to support each other and have a synergy. That is entirely possible in an industry like services and tourism. To do that, then the three bodies that we have currently have to agree formally what that product synergy is within an overall corporate brand. At the moment they are not required to do that. They are simply required to be polite to each other and to co-operate with each other, and perhaps develop detachment from each other, if they are not careful.

Mr Maguire: I think also the issue of responsibility between the three organisations, Tourism Ireland, Fáilte Ireland and the NITB, also masks another deeper issue, which is how on earth for the future do we involve a series of product and marketing programmes that puts Northern Ireland on the map to improve the extent to which they can serve the interests of incoming tourists. We do have a problem at the moment where a very high proportion of people visiting Ireland, as a whole, who have been influenced by Tourism Ireland come through package companies and in seeking a destination they always come to the Republic of Ireland for the most part, so Northern Ireland, in a sense, becomes a secondary consideration to those visitors. They have already arrived, perhaps they have already got the programme largely committed and they may have a day available in which case they will pop across the border to Northern Ireland for the experience and go away again. In that sense, NITB, in our opinion, are unequal partners in that relationship, so I think there is a need to take a visionary approach to the development of tourism in Northern Ireland which has not been done for a very, very long time.

Q19 Chairman: I want to bring in Mr Pound, Mr Murphy and Mr Anderson, all of whom want to ask questions, but we are in danger of being a bit too general and not specific enough. Let me just give you an example of what I mean. I took a holiday in the Republic this year, partly as preparation for this inquiry. I hardly visited a town in the South West, and went very far up the west coast as well, without finding in even the smallest towns a very nice shop selling local delicacies, a sort of delicatessen-type shop. Last week when I was in Northern Ireland I did not see such shops and when I asked at the various places we went to I was told that they were in very short supply. What can you do, taking a
specific like that, to encourage people to provide specific attractions that will compete and compare with what is in the Republic and will be attractive?

Mr Maguire: I think part of the difficulties, Chairman, is no culture yet exists in Northern Ireland that joins up the whole process, because if you look at any aspect of the economy you find one way or another it is connected to tourism, but it does not necessarily see itself in that context, they see themselves as accommodation providers, pubs and restaurants et cetera but, in a sense, the whole economy is part of a new tourism cycle. I think it is going to require some new leadership to be put in place to bring together the disparate aspects of the economy to think tourism and to act tourism. One of the things I think that we would feel quite strongly about is the need to re-look at the leadership side of things and possibly put in place ultimately a minister specifically responsible for tourism in Northern Ireland and have under that the capacity to bring together the various public sector interests, for example, under that form of leadership, but in partnership with a network of social and commercial partners in that process, so what we are putting together is an entirely new experience for the visitor, something that has not been done before.

Mr Edmond: Chairman, if I could directly answer the question by posing a question to you: the answer to your question lies in the Department of Agriculture and Rural Development, because of their inability to recognise the speciality foods opportunity, or at least to make it happen, because they did recognise it, they spent significantly in establishing an organisation called “Taste of Ulster” and they took that to the point where it was capable of delivering some measure of standard and it fell apart because of competing perspectives from different government departments and different agencies. We have a significant food tourism business in Belfast. The majority of that food tourism business in Belfast has developed through connections that have been made on business tourism, individuals from the North East or the North West of this island who have been on business in Belfast, as part of their business have gone to restaurants to eat either at lunchtime with their hosts or in the evening or whatever. They have come back, but they have not come back on their own, they have come back with their partners, their families and with two or three friends on a cheap flight from EasyJet out of Newcastle and they are eating in one restaurant at lunchtime, one restaurant in the evening and they are moving around, they are doing some shopping in between or going to the museums. What we have not been able to do is then take and tie up the good things that we do. We have a farmers’ market which we put in a very fine facility called George’s Market, but in truth we should probably put in the middle of the High Street to make it available to people and to be more obvious and start to generate some buzz around it. The weather probably precludes that most of the year round, but maybe not when the majority of our visitors are here, so there is an opportunity but it is about thinking our way through the opportunity and that is why the holistic issue becomes critical. NITB cannot deliver this, the Department of Enterprise, Trade and Investment’s tourism policy branch cannot deliver this, the Belfast Visitor Convention Bureau cannot deliver this and the individual hoteliers and the individual restaurateurs cannot deliver, everybody needs to work together towards the creation of those products.

Q20 Stephen Pound: Should we pull the plug on Tourism Ireland?

Mr Maguire: I do not think we anticipated that question.

Professor Carson: Unless you have got a better idea, absolutely not, but if pulling the plug on Tourism Ireland is one of the options and that would be the way you would do it, look at the variety of options of alternatives that you would think would be appropriate, but if pulling the plug on Tourism Ireland is the case then the resource needs to go to the regions of Ireland, so therefore Northern Ireland should get a similar resource and more because it will not be enough on its own to market the region effectively internationally, but you would achieve much more simplicity of argument because you would not have to satisfy so many divergent groupings. It would be nice to explore what scenarios you might have as alternatives to Tourism Ireland and that might be a good exercise in itself to see what might be better alternatives or how Tourism Ireland might be better developed through some new conditions.

Q21 Stephen Pound: Mr Maguire, I think it was, said in his CIM submission that the NITB was an unequal partner and I have to say, these words are chosen with care and I am sure that they were spoken with care and certainly it is a very, very dramatic statement. I have huge difficulty in reconciling the various regional imperatives that will inevitably affect people in what is a national body and I cannot for the life of me imagine how somebody fielding an inquiry about West Cork and Kerry is going to direct somebody to the Sperrins. I simply do not see it happening and I do not see the great product placement of the 21st century. We talked about Ayres Rock, the fact that a film that was made there that was seen around the world quadrupled within five years the number of visitors, just as a place called the Icehotel, north of Kiruna in Sweden, appeared in a film starring some man with a Walther under his arm and before you knew where it was their visitor numbers went through the roof. I do not see anybody on the island of Ireland using those sorts of imperatives and those sorts of initiatives and I am deeply worried that the inevitability of what you are saying is that we are not going to get people to the Sperrins, once we get them there they will keep coming back because it is a place of miracles and great beauty, but in the first instance the whole island of Ireland concept simply is not working. My final point is, I think you employ over 50,000 people in Northern Ireland directly within the tourism industry. For heaven’s sake that makes it one of your biggest employers. We should have all the arms of government and governance working together to try
to build this because, in an area where traditional employment practices are changing, this is the great growth area and the Chairman said last week, I believe, as a result of his personal investigations, that there are more hotel rooms in Killarney than there are in the whole of Northern Ireland; that is unsustainable. Would it not be human for you to be trying to push the NITB side at the expense inevitably of the all-Ireland approach which appears to me, and I am a great fan of all-Ireland institutions, it appears to me frankly not to be serving you as well as it could?

Mr Edmond: It depends on if you think NITB can do the job or not.

Q22 Stephen Pound: Do you think they can do the job?

Mr Edmond: Can I go back a stage before that and be a bit more specific? You mentioned Ayres Rock and the Icehotel, but can I point you to the coast programme on BBC2? Can I point you to *A Picture of Britain* and the impact of both of those programmes on a sub-regional basis where on the Monday morning after *A Picture of Britain* and David Dimbleby’s wanderings happened on the Sunday night, the individual tourism offices in East Anglia, or wherever, had their phone ringing off the hook with people saying, “How can I get there?”.

Q23 Stephen Pound: Really?

Mr Edmond: Yes.

Professor Carson: I think there is another issue here and it needs a different criterion or brief of some kind and when I say “it” I mean NITB. I take it you are aware of the Brundtland principles of any development and tourism should be to the benefit of the economic, social and environmental well-being of the area. We have a gross imbalance in those Brundtland principles at the moment and their imbalance towards the environmental issues. The environmental issues are suppressing some of the tourism development and there is an inability of those worthy people who are concerned with the environment, and I would like to think I am one of those people because, after all, the North Antrim coast is my homeland, but there is an inability of those people to see that economic development will help you preserve the natural environment much more effectively than trying to suppress the number of tourists. An example of the point I am trying to make is that at the recent significant reviews of developing tourism on the north coast a considerable amount of money was spent, the environmentalists effectively won the lobby so, for example, the development of the Giant’s Causeway as a tourist body there were 48 objectors, 46 of which were environmental. Now this is a report designed to develop tourism and 46 of the 48 were environmental objectors. If it had been 46 which were economic objectors, with the proviso that any surplus or anything that is developed that protects the environment, then you would have the right focus. Who was a major player in those reports? NITB, and the NITB is about developing tourism and yet it condones a report which says 46 of the 48 objectors are about the environment. It needs a different mind-set, it needs to look differently and say, “We are about supporting private enterprise. Any private enterprise that wants to do anything in relation to developing tourism, we will back you, we will help you, provided you adhere to the Brundtland principles”, and if they do that, then we can move forward.

Q24 Mr Murphy: How then would you go about marketing Northern Ireland? I am aware of what is available in the Republic of Ireland, I can pick a brochure up on what is available in England, Scotland and Wales, with the exception of the Giant’s Causeway, in Belfast I have not a clue what is available in Northern Ireland. How do you intend to address that in the first instance? There was mention made earlier of Belfast and people enjoying the restaurants there. I am from an area not far from Newcastle upon Tyne, as you can probably tell, and a lot of my friends, family, relatives and many people travel to European cities on a regular basis: Dublin, Prague, Barcelona. No-one would ever dream of travelling for a weekend, or very few people, to Belfast; why is that? It is a vibrant city, there are good links between the North East and Belfast, yet it is not really on anyone’s agenda, so could you address that point as well? Also, my final point, I have travelled through Northern Ireland for the last 20 years en route to Mayo or Donegal, I cannot think of any time I have wanted to stop there. Obviously through the Troubles you wanted to get across the border as quickly as possible, but over the past six or seven years I have seen nothing change. There is no information to direct me on a coastal route around some of the more beautiful parts and linger awhile and perhaps stay over en route to somewhere else, so these are quite important issues if we want to market Northern Ireland, people, first of all, need to be aware of what is available there and currently they are not.

Professor Carson: You touch on a very, very interesting point there. As an aside though, the low-cost airline link between Belfast and Newcastle is one of the most successful, I think they go to party, they recognise that a good time can be had in both cities, but if you were to look now, one of the outcomes in one of the reports was to build signage on coastal tourist routes and that signage is now in place. Fortunately, the route goes away from some of the tourist areas, but that is another point, but in terms of how you market it you touched precisely on one of the difficulties. Northern Ireland Tourist Board has no mechanism, other than perhaps through its website, to promote Northern Ireland as an entity and the products along with it and Tourism Ireland is not able to do that, either because of the greater whole and there is your problem with the current structure. Tourism Ireland cannot reach the specifics of any one region and the Northern Ireland Tourist Board and the other regions cannot get out an international message on a proactive basis, the best it can do is be proactive on a website, so that is the essence of the problem in all of this. The other thing I would say is Northern Ireland is starting
from a long, long way back to the rest of the island of Ireland and we have quadrupled, if not more, hotel accommodation, but the secret is when these tourists are coming through they need something to stop them, you need to stop them and once they stop they will spend. At the moment they can travel through for the price of a cup of coffee and go elsewhere. Something needs to be put in place to stop them and it is not just hotels, it is holistic.

Q25 Mr Anderson: When we were there last week, you talked about the lack of product. The product that was shown to us was the five signature project. My only worry was that through all the different stages, if they all pull together and are positive, would other places be forced out, so how would you cover them? What you are saying is that even they might not be feasible and can you give us a feel of that? The other thing is everybody we spoke to said that one of the biggest problems over there was issues about planning—everybody says that everywhere—the extent of it seems worse in Northern Ireland generally. Could you comment on that?

Mr Edmond: The signature projects are simply a tactical device to raise the profile of specific opportunities. At the point at which the signature projects have enough strength to be appealing, we may have something to sell, at this point in time there is not anything to sell within the signature projects. If I may illustrate that by reference again to the Giant’s Causeway, the best single internationally recognised product opportunity we have, but it takes no effort to deliver people to the other attractions in the area such that it extends to world time, provides something that makes that visit worthwhile and delivers an experience that you were not going to get anywhere else, because it is not just simply about walking down or taking the bus down to the stones and wandering to the other stones and wandering back. St Patrick’s trail has potential if it is properly done and we deliver enough of the earning opportunities off the back of it, but we are not doing that and the real issue is not the tactical products themselves. It is having the right strategy behind that capable of reaching the right people and I am not sure that we know who those right people are or if we know who they are we certainly do not want us to learn. Northern Ireland as a tourist product can merely defined best by what it is not and if we are trying to find what it is out of that, it has to be about how we deliver, who we are, what our identity is and where we are now. We have issues as a community with identity, but we can share many of those issues when it comes to trying to create a buck out of it. If we find a way to do that properly—but we cannot do it at tourist board level—we have to do it at the level of the individual hotelier, the individual restaurateur, the organisation that decides to develop walking trails in Belfast, walking trails to the Sperrins, the National Trust which has things for people to see, but we are not managing to put those things together, to build the strength and depth of product that people will want to come and see and we are not then managing, even if we have those things, to pick out about the things that will really sell. We have one of the strongest gardening tour products on these two islands, but yet who knows about it and who has ever been on the gardening tour that starts in Belfast and may take in some of the other opportunities? We have also been a bit insular when we talk about products, we thought about where they are and not what they connect with, so we have not thought about using the Chelsea Flower Show as the way into the gardening product for Americans—this is based out of Belfast so we have got to think more particularly about the strategy that targets the right people and then use the signature projects or other projects to deliver the visitor opportunities.

Q26 Chairman: We are nearing the end of this particular session and I want to bring in the final question from Alasdair McDonnell, but did you wish to add to that, Mr Maguire?

Professor Carson: No. Dr McDonnell: I want, Chairman, to go back to the point that you made and I think that needs to be expanded upon and I also want to go back to pick up the point that Denis made earlier here. Why should somebody stop? We have touched on this version a couple of times. I know the coast fairly well from Newcastle to Ballycastle. I am probably not as familiar with the north coast as I should be, but I drive that coast regularly. I want to stop. If I come down from Larn to Ballycastle I am half-tempted to stop at Glenarm and I might be half-tempted to stop at Cushendall and on balance you probably go on there and probably look for Ballycastle as a destination. Again, on the north coast you probably go on from Ballycastle and hover into Portrush or Portstewart. It is the same with the County Down coast, I am tempted to stop at the likes of Portaferry, even though it is out on a limb, I would be tempted to stop at Newcastle. How does somebody coming in who does not know the area, is not familiar with the area, even get the knowledge that says, “I will stop here”? To go back to your point, Chairman, and to link it together, there is not a decent coffee shop or tea shop in most of the towns and villages, not even before you get to gourmet quality delicatessen-type of stop, there is not even a decent coffee shop. The question for me is how do you get a coffee shop or a tea house, that is presentable in every town and village and have it open when people are there, not something that is there but is open for two or three hours in the middle of the day? I think something as simple as that is the nub and I think if you cannot sell it to natives, you cannot sell it to tourists.

Q27 Chairman: That is the final question, do you want to respond briefly to that, each of you?

Professor Carson: You can if you look at some new examples. For example, there have been three new coffee shops built in Portrush in the last three years and why are they in Portrush and not an isolated place? The reason they are in Portrush is because Portrush offers a holistic of accommodation, retail, other facilities to do, not least being things like golf...
and walking and so on and so forth. If you are looking for isolated coffee shops, to be fair to the Moyle District Council on the back of the revenue from car parking for Giant’s Causeway, they have built some quite good car parking or coach stops at some of the scenic places, but the planning permission does not allow them to build a coffee shop in these places, so you have got a disconnect, they have got a facility in isolation and there is no economic benefit and then if you come down, say to somewhere like Glenarm, now if you look again at the accommodation planning and the lack of strategic leadership and development tourism which allow local environmentalists to dictate what happens in development in Glenarm, you have the whole area around the old harbour marina, which is under-utilised when it could have coffee shops, craft shops and a whole facility around it, but because there has been no strategic vision to push that forward, then the local environmentalists get their way in terms of no change, and where do you have the coffee shop? In the castle grounds, off the tourist track and you cannot get into it most of the time. You see my point, it is a culmination of a whole variety of things, not least being planning, because again there is an entrepreneur who wishes to build a significant golf resort on the north coast near the Giant’s Causeway in an area called Runcurry ruins(?). It is an identical area, let me tell you, environmentally speaking, as the Royal Portrush golf course, environmentally identically the same, but the environmental or the planning will not allow that to develop, when there is significant investment that would allow people to stay, stop and spend money and, therefore, spread around the rest of the area, so there is a culmination of things, and that is why we have to face these issues so that we can move on with this dramatic dimension of development.

Q28 Mr Campbell: I just want to ask, you should be aware—I hope anyway—of the Folk-Live Festival in Washington. It appears to me to be potentially one of the biggest boosters for Northern Ireland tourism; what is your view?

Professor Carson: Absolutely.

Q29 Mr Campbell: Have we got the capacity to utilise on the back of it?

Professor Carson: Yes, provided we build the holistic infrastructure around it.

Mr Edmond: It claims to attract a million visitors from 27 June to the end of July, with two days before 4th gone, and it will be no good to us if we do not have a means of immediate engagement. If those visitors, who are attracted by something they see, have not got the ability to walk out of that place and find a piece of information that says, “This is how I get to Belfast”, it will never happen.

Q30 Chairman: On that note, thank you, Mr Maguire, Professor Carson and Mr Edmond, we are very grateful to you. There may well be things that you feel you wish to bring to our notice in addition to what has been said today and what you have already submitted. In particular, there may be certain incentives that you would like this Committee to recommend to govern it. Would you, please, communicate with our Clerk so that those points can be taken on board and we can reflect on them when we come to make our recommendations.

Mr Maguire: Thank you very much for the opportunity to come and talk to you.

Q31 Chairman: Thank you very much indeed. We wish you a safe journey back to a very lovely part of the United Kingdom and may you help to exploit its beauties to the benefit of us all.

Mr Maguire: We will try.

Written evidence from the Northern Ireland Tourist Industry Confederation is printed on page Ev 105

Witnesses: Ms Claire Donnelly, Chief Executive, and Ms Nicola Carruthers, Chair, Northern Ireland Tourist Industry Confederation, gave evidence.

Q32 Chairman: Could I welcome you both very much indeed, Claire Donnelly and Nicola Carruthers. We had the great pleasure of meeting Claire Donnelly last week and we have had the great pleasure of meeting you on two or three occasions in the past giving evidence on rather more sombre subjects. We thought that this would be a very good follow-up to our study of crime and so much more positive for Northern Ireland. Would you like, first of all, to tell us a little bit about your organisation and then we can follow that with some questions?

Ms Carruthers: Yes, thank you very much, Chairman, and thank you very much for the opportunity to talk to the Committee today. NITIC is a very young organisation, we have only been around for a couple of years and it grew out of the idea that we have the Tourist Board, we have government departments, we had a very young and very immature and very fragmented industry and that industry did not really have a unified voice with which to engage with the Government, the Tourist Board, with Tourism Ireland et cetera, so the idea was to set up a private sector organisation whereby the industry could engage. The idea would also be that it would be easier for the Tourist Board and other organisations to have one body to go to rather than many different bodies and many individual organisations, but we are quite new and we are still growing our membership. Our current membership does include transport in terms of the airports, ports, ferries, attractions, some accommodation providers, pubs, tour operators and all the regional tourism organisations which together represent around 2,000 individual businesses. We do recognise that we need to try to speak for the whole tourism industry and because of that we have set up a number of different fora for us to engage with the other areas of the industry which are not yet members and we have
started doing that quite successfully quite recently and we are pleased to say that our membership is broadening on a monthly basis at the moment.

**Q33 Chairman:** How many members do you have and what size organisations do they tend to represent?

**Ms Carruthers:** They tend to be the larger organisations like Belfast International Airport, Belfast City Airport, Port of Larne, Stena, P&O, Federation of the Retail Licence Trade, which the organisation I represent, are a member, self-catering organisations, W5, the attractions. It is that type of level, but because we recognise that we need to speak more for the individual businesses on the ground which are dealing with tourists and putting their own money into the tourism product and trying to deal with people on a daily basis, we also have the regional tourism organisations which are also members and that gives us access to the 2,000 individual businesses.

**Q34 Chairman:** What is your relationship with, first, the NITB and, secondly, Tourism Ireland, which we have just been talking about at some length, and, thirdly, what is your relationship with your sister body in the Republic?

**Ms Donnelly:** We do not have a formal relationship with any of those organisations. NITIC as an independent organisation works with anybody within the tourist sector who is useful for Northern Ireland and we can work with, so we have a positive relationship with all three bodies that you have mentioned. With the Northern Ireland Tourist Board we would work with them and they have involved us in their product development working groups at the minute. We would have private briefings with the Chief Executive of the Tourist Board and we meet regularly with him over a number of issues to do with marketing, like that. Tourism Ireland have probably got a slightly more formal structure in that we sit on their various marketing partnerships. They have a central marketing partnership, marketing partnerships representing some of the different regions and then working groups covering things like e-marketing and looking at the car ferry market, and we would nominate people to that. On the third issue, you talked about ITIC, our sister organisation in the Republic. We base it on our Board and we sit on their Council and we have a very strong working relationship with them. In many ways they see where the Northern Ireland tourist industry is at the minute, in some ways the way they were maybe 10 years ago, and I suppose in many ways we do not want to make some of the mistakes that they have made, but we have got a lot we can learn from them. We also work with the bodies in Scotland, Wales and England as well as ITIC in the South.

**Q35 Chairman:** I want to bring in Mr Pound because I know he has a strong view on certain aspects of tourism in Northern Ireland and this came out in his recent question, but do you see a need for all these other organisations within Northern Ireland or would it be better to have one aggressive umbrella organisation campaigning for tourism in Northern Ireland?

**Ms Carruthers:** We will probably both chip in on this one, Chairman. One of the major problems in tourism in Northern Ireland is the fragmented nature of the various different bodies. We have touched on the Northern Ireland Tourist Board and Tourism Ireland. There are the regional tourism organisations which are now meant to be regional tourism partnerships except they have not quite developed the way they were intended to develop early on. We also have the councils which have a role in delivering tourism. Then we have all the individual businesses and we also have seven government departments, each of which has a finger in the tourism pie, so the entire industry is far too fragmented, there are far too many players and it is far too fragmented. That is not necessarily to say that if there were only one doing all the jobs it would necessarily be any better. There is a very strong role for the regions because they are the people here on the ground working there day in, day out, and they know their area, they know what their area is doing, what it is good at and they can engage with the providers on the ground. There is no doubt that the Tourist Board needs to have a very strong strategic leadership role in developing Northern Ireland as a product, but equally we have to recognise that Northern Ireland is a small place. We just would not have the economies of scale to have the presence in all of the international markets that Tourism Ireland has, but equally, at the same time, we have got regional tourism partnerships all of which are doing different things because they do not have a single term of reference. There is nobody saying, “This is what the role of the regional tourism partnership is”, so some are doing product development, some are just doing marketing, some are doing both and some are trying to do everything, including overseas marketing, which is meant to be the remit of Tourism Ireland. Then at the same time we have some local councils which have not bought in to the regional tourism partnerships doing their own thing as well, so it is incredibly fragmented.

**Ms Donnelly:** I think from an industry point of view when the Tourist Board brought out its strategic framework for action the industry was very supportive of that. It was the first time that Northern Ireland had set out a defined strategy for tourism, it is the first time all bodies were involved in that. We have been a little bit disappointed at the delivery of that and partly that is because the Tourist Board showed in that document that they do not have responsibility for a lot of the issues. We were sitting in on the previous session and you were talking about planning issues, and about the Department of Agriculture and their role in tourism. The Department of Culture have overall the responsibility for all the development of the museums, galleries and arts sector. The Department of Employment and Learning has responsibility for skills and training. People are one of the biggest attractions for people coming to visit Northern Ireland and that particular department is outside of
the remit of the Northern Ireland Tourist Board, so it is easy for us to be critical of the Tourist Board because it is the first point of contact and the body to look at, but when you looked at that strategy they do not have responsibility for a lot of those issues and, as an industry, we have been disappointed that a lot of the issues that were raised in that strategy are still problems and they have not been addressed.

Stephen Pound: Thank you very much, Chairman, and I repeat that it is marvellous to see you again. I have to say, I do not think I have ever known a sense of such utter nail-biting frustration as I felt talking particularly to Claire Donnelly last week, but also the many other, not just producers, but also representatives of the producer interest. It struck me as if somebody is standing by the doorway to paradise and nobody seems to be passing through it and yet you cannot get planning permission for anything to get through that door. What I want to know is, what strength does the producer voice have when it comes to what Professor Carson talked about, holistic infrastructural development? Is your voice being heard? Can we help, and is the impression I have of the producers operating not just with one hand behind their back, but with a blindfold and a pair of leg irons on, is that, as I am occasionally guilty of, an appalling exaggeration?

Q36 Chairman: He is a very modest man, he always under-states his case, but would you like to reply to that?

Ms Donnelly: I think you are right, I think the tourist industry has not been good at selling its case to government and I think that is one of the reasons why NITIC was set up as an organisation.

Q37 Stephen Pound: Are you being listened to now?

Ms Carruthers: It is difficult, it is difficult.

Q38 Stephen Pound: Is that a “Yes, it is difficult”, or, “No, it is difficult”?

Ms Carruthers: It is probably both. For a long time there are so many providers of businesses and tourism businesses in Northern Ireland. If you were to talk to a lot of them many of them would say, “We need more investment; we need more help; we need more assistance; we need people to know what is here because people do not know what Northern Ireland has to offer”. You would also get a lot of people saying that, “Oh, the Tourist Board only invests in hotels”. The Tourist Board does not invest in anybody, so again this is another problem that we have, people do not understand what roles people have, they do not understand what the Tourist Board’s job is. A lot of people would think that for example, the Castle Hume development in Enniskillen is getting an awful lot of money from the Tourist Board. They are not, they are getting money from Invest Northern Ireland, because the Northern Ireland Tourist Board has no funding mechanism any more. Invest Northern Ireland will apply the same funding investment support criteria to tourism businesses as they applied to any other economic entity. One of the things that we would feel very strongly about would be that you cannot look at a factory in the same way that you are looking at somebody wanting to do something in tourism, because you are not starting from the same point, you are looking for the long-term, it is very chicken and egg. As you were saying, Chairman, why are there not little shops around the place? You cannot expect the private sector just to invest in those little shops in the hope that some day some tourists might come along. People need a helping hand, whether it is some tax breaks right off, capital grants, whatever, but people will invest. There is money and a lot of entrepreneurial spirit out there and people want to do things, but they are getting bogged down in planning, they are not getting the assistance that they might otherwise have to try to get those people in and there is this real lack of understanding about whose job it is to do what.

Ms Donnelly: I think tourism is not seen as a priority for Northern Ireland. If you look at Scotland, tourism is one of the six areas that they have identified for growing business, so everything that is done in Scotland for the enterprise development agencies they look at tourism and they consider the impact of that. The government departments in Northern Ireland do not do that and if you look at the top attractions in Northern Ireland, a lot of those are forests, parks and gardens. If you talk to the Forestry Service, which runs a lot of those, they will tell you they have got nothing to do with tourism, their job is planting trees and looking after the trees. We do not have an environment of seeing tourism as an economic opportunity, as an opportunity to create wealth right across the economy in areas where there may be is no other economic activity or social activity, so it is not seen as that. You ask are we being listened to. I think if we were being listened to, we would see tourism taken more seriously, we would see people championing.

Q39 Chairman: Would you assess the potential, as your predecessor witnesses this afternoon did, when challenged one said, “10% GDP in 10 years”. Would you go along with that as the potential?

Ms Donnelly: I think part of the problem is, and I think it is ridiculous, we cannot actually at this point in time measure what tourism is contributing. I know there is some work going on within the department to look at that and we are going to have new measurements which will benchmark tourism today and apparently the estimates will show that the GDP is currently much higher than it shows, but the fact that we do not even as an industry know, it just shows that tourism is not taken seriously, it is not regarded as an important player. I think we have enormous growth potential, I do not know that I would go so far as to say that we can reach those levels of GDP as previous witnesses did.

Q40 Sammy Wilson: Could I just ask the same question as I asked the previous contributors. Are you happy that the current structure which places Tourism Ireland at the top of this marketing pile that gets rather confusing, as you have described, as you move further down, that Northern Ireland specifically has served well in that kind of structure,
both in terms of what happens in the Republic, since most people are coming through the Republic, is there strong enough marketing there and also internationally or is the Northern Ireland growth simply disappearing in the way in which it is now? **Ms Donnelly:** Tourism Ireland has responsibility for overseas marketing, so we have had growth in all of our overseas markets since 2001 which is positive. I think Tourism Ireland have something like 12 different market offices and 10 different agents right across the world. I do not think Northern Ireland will be able to have anything like that sort of presence. I think overseas tourists when they are looking at coming to Ireland, they look at Ireland as a whole unit, they are on holiday, they are only interested in visiting that, so I think in terms of that brand that is being done I think Tourism Ireland do a very good job about that. You are right, though, when it comes down to “Is Northern Ireland’s voice being heard?” and “Is the industry being properly engaged by what Tourism Ireland is doing?”, I would say that has not, to this point, been the case, but I do not know that the answer is to get rid of Tourism Ireland or to look at that. I think the answer is how do we make Tourism Ireland more responsive to the industry and the fact that the industry north and south are at very different levels makes that a little bit different. Industry in Northern Ireland has not engaged as well in the co-operative advertising or joint promotions, they do not attend as many overseas promotions as the industry in the South would do, but that is partly why Northern Ireland set up the Regional Tourism Partnership because the industry in Northern Ireland is made up of a lot of very, very small businesses, owner-occupiers, a lot of hotels maybe only having four or five bedrooms. Those kind of people cannot participate in an overseas or joint marketing activity with Tourism Ireland in *The Sunday Times* at £250,000, the industry will never be able to do that, so in the development period for Northern Ireland industry we have had to look at other ways of doing that and that is where the Regional Tourism Partnerships have come in. I think Tourism Ireland’s brief has been the marketing of the island overseas. They have not got a remit to engage with the industry. Their engagement with the industry is through the Northern Ireland Tourist Board and the RTPs, that is complicated, that is difficult for the industry to see what Tourism Ireland is doing and they are not able to engage directly.

**Q41 Sammy Wilson:** Since part of the remit is to enable Northern Ireland to catch up, should they have not interpreted part of the remit then to engage with the industry specifically to help that catch-up and, if not, then what other method do you do that by?

**Ms Donnelly:** I am pleased to say in their marketing plans for 2007 that one of their strategic priorities is Northern Ireland, but one of their focuses is on developing industry platforms, because I think they have recognised themselves there are similar issues in the South in some of the other regions that they need to find platforms to engage the industry to find ways to do that and they have asked to work through with ourselves to see if we can help them work out how the industry can better engage. It is not an easy one, because again it is chicken and egg, how do you get the industry to go ahead and participate in these until they see the return on their investment? There are some parts of the industry in Northern Ireland, mostly some of the bigger hotels, that are able to do that and they see a return for it. The products, attractions and catches that are going to get people to come here are not able to do that.

**Chairman:** We have a division in the House. I adjourn the Committee for 15 minutes.

**The Committee suspended from 3.54 pm to 4.09 pm for a Division in the House.**

**Chairman:** I will try, ladies, to wrap this up by half past because you have to go back to Belfast. Did you want to come back on your questions, Stephen?

**Q42 Stephen Pound:** I think I had pretty much asked it, except for one possible question, if I could, Chairman. One of the positive things that we heard particularly on the coast road was the influence of a local actor, one James Nesbitt, who appears to be not unknown to many people. There was an appalling programme he was in called *Cold Feet* which was just full of the most unalloyed lubricity and yet, despite that, a lot of people were saying they came there because of this. Have you thought of a champion, not necessarily Mr Nesbitt, but have you tried to get a champion for tourism in the North of Ireland along those lines?

**Ms Donnelly:** We have not exactly. I think we will think about it definitely in the future. That was one of the points I wanted to make, that is the way we need to go to, we need to look at ambassadors and champions, whether or not it be from within our own industry. South of Dublin, *Ballykissangel*, people often say Northern Ireland needs a *Ballykissangel*, we need something like that to showcase the scenery and what we have to try to attract people in. In the previous session people were talking about the various films. What we had, I suppose, was *Titanic*, but that was a number of years ago.

**Q43 Chairman:** What do you think about postulating your greatest signature project on a ship that sank? Is that a good idea?

**Ms Carruthers:** Opinion is absolutely completely split on this. I think a lot of people think it is horrendous to be talking up Belfast’s greatest failure, but on the other hand it is a worldwide brand, everybody knows *Titanic* and it is so sad when you go on the bus tours at the moment and you get to the *Titanic* quarter and all you see is waste. I think Claire said that she wanted to stop American tourists getting off at the pump house because there is nothing there to see and that is not good. We should have something there for visitors and, so yes, there needs to be investment in the *Titanic* quarter. Yes, it might be our biggest failure, but it is also one of the most well known things that we have.
Q44 Stephen Pound: John Ford was a great film director many years before either of you were born and John Wayne, whose real name I think was Marian, was a famous cowboy actor, again many years before you were born, and he made a film called The Quiet Man which single-handedly sustained Irish tourism for nearly 10 years. The reason he made it there was not only because he was a fervent Republican, but because he received an enormous amount of subsidy from the then Irish Government. Is there anything like that happening in your part of the world? Has anybody ever made a presentation to Government to see a specific arts subsidy or funding mechanism, because all the evidence is that it does work?

Ms Donnelly: Business support for tourism and tourism business in the tourism sector is very, very slight. The tourism sector is supported through accommodation and that would be mainly to do with market failure and accommodation. I think there are people recognising now that we need to look much, much beyond that. The last session had exactly a lot of the points that Nicola and I had wanted to make. Research has shown people have no idea what to do when they come on holiday to Northern Ireland, they cannot imagine what a holiday would look like. I think you found when you got there there were a lot of gaps, a lot of excellent products around, but maybe people do not know about them, they have not been packaged properly, they have not been put together. That is where we need to be putting our investment into, packaging the product and making it simple for people to understand. Some of the trails that are being put together now are a good idea, but the trail maybe is just the drive at the minute, there are not the bits that go along with it, but we do not have an environment that supports business to invest in that. We looked at what Scotland were doing through Scottish Enterprise because it is much more difficult to invest in tourism businesses than it is to invest in a factory—it is more risky, the businesses are spread out, it is smaller businesses—but they have looked and come up with different ways to measure the success of that and come up with different support mechanisms. It is not just money that is made it, it is maybe tool kits, seminars, workshops, it is where to get the industry to think more innovatively to change the culture of the industry and to develop. As well as ambassadors and champions outside of Northern Ireland to attract visitors to come in, we need ambassadors and champions to get the industry to see if I do that to my business I have an opportunity to attract other people, so I think that is the kind of support.

Q46 Chairman: It is all very well encouraging people to have these nice tea shops and hotels if the actual visitor attractions are themselves either less extensively developed than they might be, in the case of the Folk Park, or at risk. We were all horrified to hear that at Downpatrick.

Ms Carruthers: That is the big problem that we have in terms of the chicken and egg situation in Northern Ireland because we do not have the visitor numbers yet who can sustain these very, very good attractions that we do have without on-going assistance and without seeing what the future can be like and equally I have to say there are an awful lot of people who live in Northern Ireland who do not take advantage of what we have either who could be sustaining these things in the slow seasons, so it is building awareness, it is trying to tell people what we have, how to get there. That is a big problem, how do you get from one area to the other? If you are in Londonderry in the morning and you do the walls and you fancy going to the Causeway in the afternoon, you cannot get there. It is only 30 miles along the coast but it is quite difficult to get there unless you have got a car, so we need to be looking at the whole infrastructure. The public transport infrastructure of Northern Ireland is absolutely key to a lot of this and that is something which has not been really looked at very much in the past, I think.

Ms Donnelly: I think it all comes down to co-ordination. The Ulster American Folk Park you are talking about, that would fall under the responsibility of the Department of Culture, Arts and Leisure. That is outside of the broad tourism family, through DETI, Tourism Ireland and NITB, so it is how you get all those departments thinking tourism and looking at the impact that some of their work is going to have on tourism. I think that is where Northern Ireland is lacking, there is nobody thinking tourism at a strategic level to bring all of that together.

Chairman: I think that is a very important point.

Q47 Mr Campbell: If we take away the chicken and egg argument, which frankly I do not buy, the product is there, if we can get the marketing right, I am convinced that we will get the numbers, so that hopefully should do away with the chicken and egg. If we accept that as a given, where would you prioritise? I take your point, and it has now been stated several times already from our end of this...
inquiry, that co-ordination is a big minus. If you were looking at four key objectives or four key areas that had to be addressed, taking the resource and the chicken and egg argument to one side, because they are obvious but I believe they can be overcome, what would they be? Just pick four out.

**Ms Carruthers:** I am glad you said four because we have got four written down. We were trying to think of just the four things really that would make a difference: better co-ordination between the seven government departments, the champion for tourism as we have talked about many times; investment in product and marketing, get the product right, it is absolutely key to get the marketing right so people know what there is to do and that there are lots of things to do when they actually get to Northern Ireland; invest in the people which, as Claire said, is one of our main attractions still in Northern Ireland, the quality of the welcome, so build their capacity and their skills and not just people working in hospitality, people working everywhere. You get on a bus or into a taxi, these people are part of the tourism offering in terms of the experience that they give to visitors and then, finally, get the delivery structures right and above all clarify people’s roles and simplify them because, as we have said again and again, far too many people are trying to do the same things and pulling in too many different directions.

**Q48 Mr Campbell:** Is there something that we need to do about the mindset of, for example, the taxi drivers, those who may not see themselves as the front line of tourism and in some cases might almost say, “Tourism really is not my scene”, is there anything that has to be done there?

**Ms Carruthers:** There is a lot of research that I know has been done worldwide looking at emerging tourism markets, especially in the Eastern block, for example, Slovenia. Slovenia has gone from an absolutely standing start in terms of tourism to it being way out there now and it is because the whole country has bought into tourism. Everybody knows that tourism is their biggest exportable product, this is what is going to sustain the economy and this is what is going to feed them, so the whole country has bought into it. How do we get people in Northern Ireland to change their mindset to see that we are no longer focusing on manufacturing, that tourism is something that we can sustain, that works across the whole of Northern Ireland, yet some of the more remote regions are absolutely the most beautiful, most picturesque with the most to offer. If we can get everybody to buy in to changing that mindset that tourism is where the future is and where the money is, then we really do have something worthwhile.

**Chairman:** I am sure if anybody can, you can. I hope you will keep at it.

**Q49 Mr Murphy:** Examining the structures set up to deliver tourism in Northern Ireland, two things spring up. One, the structure appears to be almost an industry in itself and, two, is it not delivery tourism for Northern Ireland. If you were to start with a clean sheet, and I am not suggesting abolishing any particular department, but a clean sheet, first of all what sort of structure would you have in place and what powers would you want it to have?

**Ms Carruthers:** A clean sheet? Gosh, where would you start? That would be sort of the Holy Grail to start again, when you look at what we do have at the moment. We need to know who it is that we are trying to get to Northern Ireland because, as has already been said, we are not going to get people coming here for two weeks in the summer. What is our markets? What are the worldwide trends, because we are competing vastly with all the low-cost air rates and all the really exciting places there are for people to go to at the moment, so who are we trying to get here? Where is it easier for people to come from? Where are our big markets at the moment, how can we build on that? If you look at the Republic of Ireland, only 8% of holidaymakers who come to the island of Ireland come to the North, which is a ridiculous state of affairs and only 14% of holidaymakers in Northern Ireland are from the Republic; it is across the road. We send twice as many people to the South as come North and look at the different population sizes.

**Q50 Mr Campbell:** What is the partition figure between Scotland and Northern Ireland?

**Ms Carruthers:** Scotland and Northern Ireland, 19% of people come from Scotland, so more people come from Scotland than come up from the Republic, 46% England and 1% Wales; I do not know what we have done to Wales.

**Ms Donnelly:** Picking up on the structures, for where Northern Ireland tourism is at the minute, I do not know that the structures are necessarily completely wrong. It is the fact that everybody is dabbling in a little bit of everybody else’s work, it is not clear enough. If everybody knew the Regional Tourism Partnerships do this and that is how I engage with the industry through that, but the trouble is everybody is doing a little bit of everything, everybody is engaged in a little bit of overseas marketing, some people are engaged in a bit of product development in certain regions, other people are not. What we would like to see in the industry is that there is a separation between strategy and policy for tourism and the delivery, whereas everybody seems a little bit mixed up and meddled in everything.

**Q51 Chairman:** Would there be any merit in somebody, maybe even this Committee, getting together in one room all these people, wearing all their separate hats and not letting them out until they had agreed how they were going to co-operate?

**Ms Carruthers:** Yes, basically. Chairman, something like that actually was held a number of years ago, I think about four or five years ago and I think DETI co-ordinated it and they got together as many people as they could think of. One of the things that came out of that was the growth of NITIC to try to represent the private sector and DETI at the moment hold six-monthly, what they call “tourism strategy forum meetings” which is where they try to engage with the private sector and
other government departments. Now that is a really good idea, but it probably needs looked at in terms of how it works, because at the moment it feels a bit like a box-ticking exercise.

**Q52 Mr Murphy:** The reality is it does not appear—just looking at the history of this, no matter how many meetings we have—that anything will significantly change. Would you not see a powerful argument for one organisation representing tourism and delivering tourism in Northern Ireland?

**Ms Carruthers:** I think people would need to be convinced, to be honest, because having one national body does not necessarily represent the businesses on the ground, because it can be quite remote from the businesses on the ground, which is why the Regional Tourism Partnerships were meant to be established. If you also look at other organisations which are meant to work regionally, the Planning Office, for example. Just by way of anecdote, we are coming into the smoking ban in Northern Ireland, we have had it in Scotland, our colleagues in Scotland in the pubs said, “Oh, lucky you in Northern Ireland, you have got a unitary planning office, it will be so much easier than dealing with all the different planning offices that we have in Scotland”, but that could not be further from the truth and we have obviously been talking about planning. Just having one national body which is meant to do everything is not necessarily the answer, but what is absolutely vital is complete clarity of exactly who should be doing what and where you need to go to and we are very far away from that at the moment.

**Chairman:** Perhaps the Committee will be able to tell you in due course.

**Q53 Sammy Wilson:** Even if we do have an expansion in the resources devoted to tourism, nevertheless there is going to be a need to prioritise. One of the things that struck me as we listened to the Northern Ireland Tourist Board last Monday morning was the reliance that there appears to be on the five signature projects, which you have mentioned as well, and the shortfall that currently is there. Have you a concern that if too much priority is given to the five signature projects that the funding for many of the other small things which you say could make a huge difference to the tourist offer across Northern Ireland will be drained of funds and, if so, how would you see the priority of funding for infrastructure projects being established?

**Ms Donnelly:** I think the idea to designate five signature projects was a good one. We talked earlier about what are the must-see attractions in Northern Ireland, so I think setting out quite clearly for everybody five projects was a very good idea. The fact that there have not been and there was not at the time that they were set out there was not a budget behind them, so in many ways it has created expectations that have not been delivered on, so I think there definitely is investment needed. If those are what we are selling as our five must-see attractions, we need investment in those. Some of the other areas where investment is needed do not require a lot of money, it just requires a co-ordination, because a lot of the product is on the ground, it is just pulling people together and allowing them to develop. The public sector cannot be expected to support every tourist project that is around and find funding for that, but what it can do is, as I said earlier, it can bring those businesses together, it can make them more innovative, it can give them business skills, it can help them with their training, it can help along those lines without necessarily the investment. I think as far as the signature projects are concerned there is no point in designating signature projects and then not providing funding for those. If we do not put investment behind those signature projects, we cannot expect Tourism Ireland to go out and sell projects if we do not have anything on the ground to deliver when people arrive.

**Dr McDonnell:** The DETI Committee of the Assembly in 2002, if I recall correctly, did just that with two sessions. I am not sure whether another session was held or not along similar lines, but we decided at that stage, I was a member of the group, to do an inquiry, we did not have a lot of time. We decided to do brainstorming sessions with various components of the industry, with one session in Coleraine and one in Omagh, and there was so much came out of those and so much of the frustration that I hear here today, so I do feel that is a good idea. I certainly realise they appreciate that we have made advances since then, but I think it might be useful if we were to get our hands on a copy of that report, it would be a very short report and it would also back up a lot of what we have heard and we could use that.

**Chairman:** I think that is an admirable and constructive suggestion for which many thanks and also thank you both of you. It is a very good to have two feisty younger ladies battling for something they truly believe in and I am impressed by your approach. There must be things, and I said to our previous witnesses, that you will feel that you want to put to us when you go back and de-brief each other. Please, feel free to send anything to our Clerk, we will take it all into account. My hope is that we can make some very positive recommendations which will help to develop what I consider to be the amazing tourist potential of a very beautiful part of the United Kingdom, a very beautiful part of the island of Ireland and this is our hope. Thank you very much indeed. We wish you a very safe journey back and we shall doubtless be hearing from you and you from us in the future.
Wednesday 29 November 2006

Members present:

Sir Patrick Cormack, in the Chair

Mr David Anderson
Mr John Battle
Mr Gregory Campbell
Rosie Cooper
Mr Christopher Fraser
Mr Stephen Hepburn

Lady Hermon
Dr Álasdair McDonnell
Mr Denis Murphy
Stephen Pound
Sammy Wilson

Written evidence from People 1st is printed on page Ev 127

Witnesses: Mr Brian Wisdom, Chief Executive, Mr Martin-Christian Kent, Research Division, and Ms Roisin McKee, UK Skills Development Team (Northern Ireland), People 1st, gave evidence.

Q53 Chairman: Can I welcome you and your two colleagues Roisin McKee and Mr Martin-Christian Kent; you are very welcome. As you know, we are conducting an inquiry into tourism in Northern Ireland and its potential economic impact. We are grateful to you for your submission and for coming to give evidence this afternoon. Could I give you the opportunity that I give all of our witnesses to give a more extensive introduction of your colleagues and any opening statement that you or either of them wish to make.

Mr Wisdom: Good afternoon everyone and thank you for the opportunity of presenting to you. I would like to introduce my colleagues, Martin-Christian Kent, who is the Director of Research at People 1st; and Roisin McKee, who is Manager in the UK Skills Development Team for Northern Ireland specifically. For those of you who perhaps do not know, People 1st is the sector skills council for hospitality, leisure, travel and tourism. We are representing industry for 14 different subsectors, including restaurants, hotels, pubs, youth hostels, self-catering, gambling. Those are subsectors that are all broadly representative of the tourism industry. We are led by an employer board and our role fundamentally is to research the needs of industry and to work with government and education to ensure that the skills that industry need are the skills that industry get in the future. Through our research and through our work on developing solutions to qualifications reform and also in terms of sharing best practice across the regions and the nations of the United Kingdom, we seek to actually pull things together under a strategic framework which is known as a sector skills agreement. We have just produced the sector skills agreement for Northern Ireland in draft consultation form for full consultation in Northern Ireland. That has only been released in the last week or so.

Q54 Chairman: Thank you very much indeed. I take it that you yourself do not come from Northern Ireland?

Mr Wisdom: I do not come from Northern Ireland. My mother came from the Republic of Ireland, which is as close as I can claim to get to the six counties.

Q55 Chairman: But you know Northern Ireland well, do you?

Mr Wisdom: I know it reasonably well, yes.

Q56 Chairman: You are from Northern Ireland I take it?

Ms McKee: I am.

Q57 Chairman: No, it does not matter at all but it is interesting just to get the background. There has been a criticism, not directed at you personally of course, about the way in which the Department of Employment stopped its grant for the running costs of the Tourism Training Trust before the agreement with People 1st was finalised. Some have described that—as indeed the Trust has—as being rather premature and ill-advised. What would you say so that?

Mr Wisdom: Our research from industry says that industry had actually got to a situation where it had no longer got a great deal of faith in the Tourism Trust in Northern Ireland. The timing of the announcement is a matter for DEL at the end of the day, and they made the decision that they would withdraw funding earlier on this year. Clearly at that stage we had not completed our research into industry and were not able to actually suggest strategic solutions. DEL have been very co-operative with People 1st in enabling us to actually accelerate the development of solution proposals based on the extensive research that we have done in Northern Ireland, if that is of any help to the Committee.

Q58 Chairman: And can you give the Committee a reasonably clear assurance that there will not be any hiatus in the provision of skills programmes?

Mr Wisdom: I am not sure that I am in a position to actually say there will not be any hiatus. As far as People 1st is concerned, we have conducted a thorough piece of research in Northern Ireland. We have spoken to over 500 businesses over there, which is more than 10% of businesses in Northern Ireland. We are satisfied that we have conducted an extensive piece of research. I think some of the solutions that have been presented in our draft sector skills
agreement present integrated opportunities in Northern Ireland which, potentially, will enable better skill solutions for the future.

Q59 Sammy Wilson: I am not clear from the conversations we have had and from my own personal knowledge whether the discontent at present is with the kind of standards and qualifications that have been laid down or with the delivery of what has already been agreed for the qualifications and standards. Has your research shown that either one or other or both of these are the problem?

Mr Wisdom: I think our research—and my colleague will correct me if I am wrong—would suggest there is probably evidence of both in the research that we have. The research seems to indicate first of all that there is no clarity for business of actually where to go and find solutions. 88% of businesses in Northern Ireland say they have no idea where to find funded provision and support in tourism skills, in spite of the fact there is some evidence of quite significant expenditure, and that is significantly higher than it is in the rest of the United Kingdom, so clearly there is a breakdown in communication to business about what support is available and how to actually reach it. I think the second point is that businesses are saying that they do not understand which qualifications are fit for purpose for the industry over there and therefore are not able to identify clearly which qualifications link to what careers and what job levels within the industry. In terms of delivery, there is clear evidence that some of the delivery in Northern Ireland is extremely high standard but some is not, so the issue for employers in our research seems to be the inconsistency of delivery, if that helps.

Q60 Sammy Wilson: My impression is that it probably was delivery rather than standards and it is interesting to hear your comment on it. Given the fact that even within the submission we are looking at for today we still have a number of providers, should there be a role for the Tourist Board? What will be the role for the new tourism partnerships, FE colleges (or college should it be centred) and higher education? There is even a suggestion for a National Tourism and Hospitality Skills Academy such as exists in the Republic. Even after your work are we still going to be left with a new set of criteria for the qualifications but a plethora of providers which will simply leave businesses with the same problems that exist at present?

Mr Wisdom: It clearly is a crowded landscape, first of all. That is not necessarily that different from the rest of the United Kingdom. The issues are around how you communicate to industry. The tourism industry in Northern Ireland, which is enjoying good growth in support of a growing part of the economy, is actually very polarised. There are large businesses which cover the whole of Northern Ireland and 77% of small or micro businesses in local locations that are hard to reach and hard to communicate to. The reality is that what industry needs is one point it can go to to really understand what the skills provision is, how qualifications actually relate to careers, and the actual career development guides for the sector. The draft sector skills agreement which we have just published, and will be happy to provide to the Committee in evidence now that that has been published, seeks to address those issues in terms of providing a conduit for communication. We are not in a position to affect all the numbers of bodies that exist in the constellation out there dealing with skills and provision, but we are in a position to actually help signpost businesses to where fit-for-purpose qualifications exist, to where the best providers are, and actually what provision is available and what support is available to industry.

Q61 Sammy Wilson: From your experience in other parts of the United Kingdom—because I think you have hit on what to me is the nub of the problem, and the fact that you have got numerous small-scale people in the industry and you have got a lot of people who are probably poorly paid and work unsocial hours on occasions—does that not leave the difficulty of uptake because people really want a local provision because they are sometimes disrupted by work patterns and they cannot travel to a central location? How has that been dealt with in other parts of the United Kingdom? Has it been dealt with or do other parts of United Kingdom face the same problem of full uptake?

Mr Wisdom: I think all parts of the United Kingdom are struggling to reach those smaller businesses in the types of locations you actually mention. Clearly Government targets around education, whether it is in Scotland or whether it is England or Wales, mean that most of the provision is geared around quite large courses, so NVQs that take two years for example. These types of programmes are pretty inappropriate for a small micro business that is growing on the Antrim coast or whatever, which is seeking much shorter term training for their people and much more accessible training, and there needs to be a much more flexible provision for tourism skills throughout the United Kingdom.

Q62 Sammy Wilson: And are there models of that elsewhere?

Mr Wisdom: There are models of it but they tend to be short-term programmes that actually exist for a period of time because they have attracted some short-term funding and tend to disappear at the end of that funding process. What is required is a longer term, more integrated solution.

Q63 Mr Anderson: Can I just say you might not be from Northern Ireland but you are becoming as good as the people of Northern Ireland, with a wonderful turn of phrase “the crowded landscape”. One thing that has hit me ever since I got involved is the amount of people with their finger in the pie in the whole tourism bureaucracy in Northern Ireland. Is the reality that people get in the way? There seem to be more people in the bureaucracy than there are in the actual delivery.
Mr Wisdom: Perhaps if I can give a couple of quotes from Northern Ireland employers this would paint a picture of what employers are saying to us through our research. This is from a hotel employer in Northern Ireland: “Funded provision is like a jumble sale. You have to dig and dig and dig to find what you want and then you are passed from pillar from post to get it.” This is from another hotel employer: “There are so many organisations involved, it is almost impossible to find out what is going on.” From a restaurant employer: “There is an awful lot out there and people are not aware it is there.” I think those three quotes probably sum up what our research is saying that employers are finding difficulty out there.

Chairman: And you are going to put it right!

Mr Anderson: It is up to the agency to put it right probably.

Mr Murphy: Glancing at your website before coming into this meeting—

Chairman: That is very impressive!

Q64 Mr Murphy: Obviously the experience you have in other parts of the United Kingdom is very important and you could potentially bring a lot of that experience and best practice into the dealings you have in Northern Ireland, but the skills shortage in Northern Ireland is significantly worse across every sector, comparing it with the rest of the United Kingdom. Is that just a case of catch-up because it is a much shorter period of time that the tourism industry in Northern Ireland has had to really develop or do you see a need for targeted resources in some parts of the service area?

Mr Wisdom: I think there are some generic problems in Northern Ireland. The low level of basic skills provision—and again correct me if I am wrong—seems to run across the board, so some of the issues are Northern Ireland issues but some are related to the fact that tourism is a growing industry. It has not reached the level of maturity yet that it deserves in an Irish context. It is an economy that sits between two big tourism economies on the British mainland and also in the Republic of Ireland, and it is destined for growth. While the political conditions are stable this economy is going to grow substantively, and I think estimates are that will be another 13,000–14,000 jobs required. One thing about tourism is as the tourism economy grows it does generate more and more jobs. Clearly in that environment, unless the skills issues are addressed with some special resources, the worry is that actually the economy will not benefit to the degree it should from the growth in tourism that is almost inevitable while political stability is there. Our worry would be that sufficient resources are not put in place to support what I think is a tremendous opportunity for the Northern Ireland economy.

Q65 Mr Murphy: Do you see pressure continuing to import a lot of these skills that currently are not available in Northern Ireland?

Mr Wisdom: I think Northern Ireland has some advantages. The tourism economy generally in the United Kingdom depends on a very young workforce and in fact the tourism economy in general, and it is also true in Northern Ireland, recruits somewhere in the region of three times the national average of young people under 25. The demographic changes that are happening in England, Scotland and Wales, where there will be 600,000 less of these young people by 2020, means that the gap is being plugged by international workers. In Northern Ireland there is still a young up-and-coming demographic age group, but the worry is that because of the draw through from the rest of the United Kingdom, and indeed from the South of Ireland, for those tourism workers that those young people will be attracted away from Northern Ireland unless they are given the skills they require. If that happens, then almost inevitably the displacement will happen from accession state workers, providing the Government continues to allow relatively free access to those accession state workers in the economy. That will provide its own challenges around skills, particularly in terms of language and in terms of local product knowledge, which is pretty important in terms of giving good customer service in a tourism economy.

Q66 Mr Fraser: It was on that point that I wanted to talk to you. The point about skills came up from Mr Anderson and Mr Murphy. I was at the World Travel Market in the City a couple of weeks ago, which is a great travel exhibition, as you probably know. The relevant tourist boards were all there, the Northern Ireland people were there and I spoke to them and obviously the Irish Tourist Board was there. The rest of the United Kingdom has woken up to the fact that, as you have just pointed out, there are migrant workers coming to this country who are for one reason or another—and they are in my constituency as much as in other people’s constituencies, willing to work unsocial hours at very low rates of pay. That compounds the problem you have got in trying to develop jobs and skills for a local indigenous population in the way that you have just described because in my area certainly the local population does not want to wake up to those jobs at all, so surely the modern-day workforce has got to change considerably for the environment you have just described in answer to Mr Murphy’s question?

Mr Wisdom: One has to be pragmatic about international workers. Tourism, and hospitality in particular, has always been quite reliant on an international workforce. You can track back to the Italians coming in, the Fortes and Bernies, those sorts of people, right through to the modern day. What has happened now is the acceleration of international workers coming in due to the demographic impact that is going on in the United Kingdom. The issue really is about if you are going to provide customer service there are three elements. One is technical ability to provide customer service and the “cultural smile” bit and everything else. However, the other two things are you have got to be able to communicate and you have got to have product knowledge so you can talk about the product and the attractions that are around the area
and everything else. Those three things have to be addressed in a different way if you have a large international workforce. The position today in Northern Ireland is that there are less accession state workers according to our research in Northern Ireland than there are in the Republic of Ireland or in the rest of the UK. In London today, 60% of the hospitality workforce are international workers; it may be higher. Those are almost official figures. In the South of Ireland there are round about 20% international workers. In the North of Ireland today we believe it is around 11%.

Q67 Mr Fraser: On that point why it is, in your opinion, lower in Northern Ireland?

Mr Wisdom: Firstly, the rest of the UK has had a much greater need, as has the Republic of Ireland, in terms of the growth in the tourism economy versus the available labour pool, so it has not been pulled through yet. It is a matter of time, it is growing, and today employers in Northern Ireland are not identifying it as a major issue, but our belief is that the trend is on the move and it will become an issue over the next five years.

Q68 Chairman: I think all you say is fine and you have a very real role to play but do you need in playing that role to go in for reorganisation of what is already there? For instance, I am told that you are advocating a National Tourism and Hospitality Skills Academy when the University of Ulster already has a School of Hotel Leisure and Tourism.

To address the point you have been describing very graphically to the Committee, do you really need to divert resources to that sort of structural change?

Mr Wisdom: The National Skills Academy is only a very small part of the strategic change that we are proposing in Northern Ireland.

Q69 Chairman: Yes, but what is the justification for it?

Mr Wisdom: For that particular initiative, I think that is about giving focus to the high-level skills that are required within the industry and ensuring that there is a hot house for developing fit-for-purpose qualifications in Northern Ireland that are industry driven.

Q70 Chairman: But all this jargon like “fit for purpose” gets up my nose. Are you saying to the Committee that the School of Hotel, Leisure and Tourism at the University of Ulster is not up to much?

Mr Wisdom: I am not saying the School of Tourism at the University is not up to much. What I said earlier is that public provision is not consistent and is not consistently delivered.

Q71 Chairman: Do speak English; what do you mean by that?

Mr Wisdom: I do not know if we have got any particular statistics we can provide the Committee currently on higher education. I will just ask my colleague to have a quick flick through his stats on that. What employers are saying is basically they get good provision from some places on some programmes and they get poor provision from elsewhere. Any employer in Northern Ireland would probably back that up.

Q72 Mr Fraser: What are the setup costs of the Academy?

Mr Wisdom: We have not costed that.

Q73 Mr Fraser: Surely that is part of the equation, the cost of investment versus the reward at the end? It would be a lot cheaper to invest in something that is already there, surely?

Mr Wisdom: The provision of hospitality education is, as I understand, under review in terms of the location it currently sits in. How that is re-established in a more appropriate location in Northern Ireland has yet to be established. Having a National Skills Academy as part of the university provision in a location in Belfast may well be achievable through the refocusing of public funds, and I think that is the important point I would like to make here. Our research shows that something like £23 million is being expended on tourism skills in Northern Ireland and that that public investment in skills is actually not delivering the impact that the tourism economy either requires or demands in the six counties. There are some very serious questions that we could ask about how that money is actually being spent today and to what effect.

Q74 Mr Fraser: Such as?

Mr Kent: There are certain qualifications coming from certain providers that we have highlighted as having significant amounts being spent on them without an awful lot of awareness from employers on take-up on them. On apprenticeships and traineeships, the take-up rates are extremely low. In 2004 we have estimated about 15% for modern apprenticeship take-up and we have estimated it is in the region of £4.4 million spent on that area, in addition to some other areas. It is trying to make sure that the current solutions are having the impact they could be having on the sector and maximising those opportunities.

Mr Wisdom: For example currently, against the massive spend on apprenticeships, only 15% of apprentices are completing their programmes. If £1 million is being expended that means that only £150,000 is having an impact on the economy, and it is those issues that I think need to be addressed.

Q75 Mr Fraser: If you have not costed the Academy how can you determine whether it will be more effective than what you have just said?

Mr Wisdom: If you see the draft sector skills agreement you will see that the Academy proposal is actually a very small part of the strategic plan, and it is probably being given undue weight here.

Lady Hermon: I wonder if you could just outline the other components of your strategic plan. That would be helpful. If the Academy is a small element, what are the key elements?
Q76 John Battle: The big bits.
Mr Wisdom: We will submit the draft sector skills agreement, the draft strategy, to the Committee for you all to review. Other areas are around, first of all, providing a single communications channel to the industry on skills, on fit-for-purpose qualifications, and where good quality provision exists.

Q77 Chairman: Do drop the jargon, it is so excruciatingly awful.
Mr Wisdom: Which particular piece of jargon?

Q78 Chairman: “Fit for purpose”.
Mr Wisdom: Okay. Let me give you an example about where qualifications do not necessarily match industry needs today. To work in a commercial kitchen, someone joining a commercial kitchen should really understand basic good hygiene, health and safety, manual handling, and the care of hazardous products and substances in that environment. There is no qualification that bundles all of those things together so that someone coming out of college or coming out of unemployment can go to an employer and say, “I have all of these things and therefore I am actually able to work in your commercial kitchen,” so there is clearly a mismatch between what is being provided and what industry say we need at a basic entry level. The second area is that employers are saying that the trained chefs coming out of colleges are not to a standard that they feel is acceptable in this day and age and therefore—

Q79 Chairman: You mean they do not know how to cook?
Mr Kent: We were lucky to have some of these chefs and their HR teams look at what is happening and what is happening is they are going into colleges to support and mentor which is excellent, but it is the lack of consistency which is their concern across the college network.

Mr Wisdom: I think it is important to point out that the strategic piece of work we have done has been led by an employer board in Northern Ireland, which includes the Northern Ireland Hotels Federation of Northern Ireland; Hastings Hotels; The Streat, which is one of the fastest-growing chains of coffee bars over there, and Michael McQuillan, the chief executive is a well-known exponent; Botanic Inns, which was two years ago in The Sunday Times top 200 places to work; and Adrian McLaughlin for the Merchant, General Manager of the merchant, which is the first five-star hotel in Belfast.

Q82 Chairman: We know it well!
Mr Wisdom: I am glad you have had the advantage of it, Chairman, because I have not had the opportunity to stay there. So it is an employer-led project team who have actually commissioned this piece of work and are supporting this piece of work on our behalf. We have facilitated that and we have, as I have said, based our research on probably the largest piece of labour market intelligence on the tourism market in Northern Ireland that has been done in the last 20 years, and most of the major employers have been involved one way or another in the process.

Q83 Stephen Pound: On the point about immigrant workers, in the North of Ireland do you have a system whereby you can recognise or accredit people who have skills in Bratslav or somewhere which will give them that basic level of training because what amazed me about Polish and Lithuanian people is the answer is yes.

Q84 Stephen Pound: Outside the UK?
Mr Wisdom: And it is our view that this can be extended outside the United Kingdom, yes.

Q85 Stephen Pound: So the answer is yes.
Mr Wisdom: It allows the individual to actually record effectively on an on-line record of learning and skills what skills they have assembled and where those have come from. As a sector skills council we should be able then to match those against national occupation standards for the United Kingdom and check that those skills do match the accreditation.
Q86 Stephen Pound: I am not talking about the heady culinary skills of an Escoffier; I am talking about basic food handling, safety and preparation. If those skills are taught in countries to people who then come to work in Northern Ireland, is there a mechanism at the moment where you can accredit that skill or can you accredit the issuing university or training centre in Poland or Lithuania?

Mr Wisdom: There is not a current mechanism to do that, but the bigger worry is actually the existing workforce in Northern Ireland, because it is a much larger number who are currently working in the tourism and hospitality industry who do not have any qualifications at all. Industry needs to start to address raising those basic skill levels amongst the workforce who are already there within the industry as a start point. Clearly as workers come in, the important thing is that workers who join the industry join with the right level of skills and are seen to do so. I believe there is a solution available for that.

John Battle: Forgive me because I am very new to this Committee and I am new to this inquiry, so if I could clear some of the clutter to try and get the framework. As I understand it, the good news is that there are 20,000 full-time jobs in the tourism industry now and anticipating a massive future. I cannot for the life of me understand why. To give a parallel, I know the Yorkshire coast rather well, but I will not understand the life of me why the Antrim coast cannot, dare I say, outclass the Yorkshire coast in tourism terms. They are small businesses just the same but there is not a crisis in cooking and chefs because there is a massive push for young people to work in that sector, not least because of the popularity of TV programmes. You said there is a take-up deficit. Why is there a take-up deficit? I do not understand that. Are training needs of international workers greatly different from the training needs of local workers? If not, where should the real emphasis be?

Q87 Lady Hermon: Roisin, perhaps as you are head of the skills development team we can hear your voice for a change and your reply to Mr Battle’s question.

Ms McKee: Can I ask you to summarise your question again please.

Q88 John Battle: To summarise, what is holding back young people in Northern Ireland from going into tourism? Brian said there is a gap. There are 20,000 full-time jobs now. There could be 14,000 in a few short years. We want good-quality young people who want to do those jobs and want to do them well. You say there is a lack of take-up. There is not a lack of take-up in chefs in my constituency who want to work in Scarborough and Whitby. They want to be a part of the tourism industry. Why is there a shortage in Northern Ireland? Why is there no skills training when 30% of people in the industry have low skills and no qualifications? It is not migrant labour that is the problem. Who is pulling it together to get young people interested, trained up and into the expanded new sector that is coming along?

Mr Wisdom: For clarity, there are 43,000 tourist workers in the workforce today.

Q89 Lady Hermon: Full time?

Mr Wisdom: 43,000 workers.

Mr Kent: Full-time equivalents.

Q90 Stephen Pound: For the record, 40,000 full-time equivalents?

Mr Kent: 43,000.

Q91 Stephen Pound: That is very much at variance with the figure we were consistently given both on the ground and in the submitted papers. I am delighted to hear that.

Mr Wisdom: Within the industries we represent there are 43,000 full-time equivalents.

Mr Kent: Which is slightly above the Northern Ireland monitoring survey but only slightly.

Q92 Lady Hermon: Can I pick up on that point. I am reading from a submission by the Tourism Training Trust, your predecessor that while there may be a high number of people who may be engaged in tourism, specifically they bring to our attention there is “very high labour wastage; labour turnover is at twice the Northern Ireland all-industry average: some in the industry assert that if anything the statistics undervalue the scale.” You are talking thousands and you just made the point to the
Committee there is this rapid turnover. To what extent would it be influenced by the low wages which people do associate with tourism generally?

**Mr Wisdom:** There is unquestionably an image issue for the industry, which I think addresses both of your points, and that image issue is driven to some extent by the perception of terms and conditions within the industry but the reality is when you get underneath it—and we have done some research of employees leaving—they tend to relate it much more to management and the way they have been treated while they have worked in the industry. Management and leadership is a real issue. If we talk about where we need to develop solutions, in Northern Ireland we have something like 30% of managers who are qualified below what would be seen as a management level qualification, and it is probably one of the least trained management workforces—and that tends to go through the whole system. We have chefs and chefs manage teams of people in kitchens. There are 1,229¹ chefs in Northern Ireland with no qualifications at all and this is quite dangerous because these people are leading teams of people, who in turn have no qualifications, and the reality is that addressing the leadership and management issue in terms of training and skilling and upskilling existing management is probably the most important route by which we can address the image problems of the industry.

**Q93 John Battle:** Just to focus on how this is pulled together and whether it is with any sense of urgency. Rather than just noting it and analysing the evidence, is there doing something about it? That is what I am really trying to focus on. I cannot quite accept that there is an image problem in Northern Ireland *per se* for the tourism industry that there is not in Britain, because the low wages are the same and Polish workers take the jobs cleaning up the kitchens and whatever. But there is another dimension of that on the skilling, and I would like to press you when you say until skill shortages are addressed with special resources, what are you doing to campaign for and to argue for special resources? Is it just to rely on the tax incentives suggested by the Federation for Small Businesses? Have you got programmes to get these managers on to courses and upskilled? Are you organising that now so they can lead youngsters that come in the right direction? Why is there such a big skills differential and how are you addressing it? That is what I cannot quite understand.

**Mr Wisdom:** As a sector skills council, our job is to research industry needs and then to work with government and persuade government and education to provide the solutions that industry needs. So it is not actually us who will deliver the answers to this. If you ask how has the campaign been constructed, the first thing we have done is carried out a piece of labour market research to understand what the issues are in Northern Ireland, and we have transmitted this into a proposed strategy which we have fielded in front of the Northern Ireland strategy forum only a week ago, so that it is now into wide consultation within the industry.

**Q94 John Battle:** Who will head up that strategy and drive it through as action?

**Mr Wisdom:** The Department of Education and Learning in Northern Ireland has to have a significant role in driving it through but so do the other agencies and so too do industry have a role to play in actually raising the investment and targeting its investment much more effectively than has been done in the past.

**Chairman:** Are you going to be the co-ordinating influence, the catalyst? How is all this going to come about? You have done all this research, you have identified various problems, you say that you are not particularly responsible for implementing these things, and yet they have got to be implemented by somebody—

**Q95 Stephen Pound:** It will be another quango.

**Mr Wisdom:** There are a number of bodies with responsibility for tourism in Northern Ireland. Each of those bodies has a role to play and I think there are probably five strategic levers that can be pulled by various bodies. One is government policy itself. There are a large number of public sector workers in hospitality and tourism, and I think government itself in Northern Ireland can actually make a requirement around the skills and qualification levels that those public sector employees have. The second strategic lever is really an industry code of practice, and industry can set itself codes of practice, and you will see in the advice strategy that these industry leaders are proposing some codes of practice around some of the basic hygiene standards that operate in hospitality businesses in Northern Ireland and how these should be lifted. I think codes of practice are a second solution. The third is quality assurance. The Northern Ireland Tourist Board will carry out quality assurance ratings of accommodation and other provision. If skills are made part and qualifications are made part of that skills rating, then there is quite a compelling incentive for businesses to join in. So I think you can see there are different ways in which bodies can have a role to play here in delivering the outcomes.

**Q96 Chairman:** It is all very confusing.

**Mr Wisdom:** I think those outcomes and the roles those bodies play are fairly clearly set out in the strategy that we have developed.

**Q97 Chairman:** In the Republic there is a single Irish tourism development authority, as you know, and that seems to have had a fairly dramatic effect. The Tourism Training Trust made the observation that many of the industries see the response by government and its agencies as confusing, with a plethora of bodies and organisations involved. Some have compared that with the position in the South where of course three years ago you had the creation

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¹ Correction from witness 1,229
of a single development authority. Would it not be a wonderful step if we were able to focus and have one development authority in the North as well?

Mr Wisdom: I think the significant difference between what is happening in the South and the North is that significant financial resources, in terms of millions, have been put behind Failte Ireland in the South. The TTT when it existed were funded to the level of 200,000 a year, which hardly bears comparison to the amount of resource that the Republic puts into tourism.

Q98 Chairman: Do not forget this Committee is looking at tourism. We can recommend whatever we choose to recommend. Would you say to us that it would be sensible for us to recommend the creation of a body that did not replicate but was similar to what they now have in the South?

Mr Wisdom: There certainly needs to be a less fragmented approach in the North of Ireland.

Q99 Chairman: Absolutely.

Mr Wisdom: The actual solution is not really for us to say. We are a skills body and therefore our focus is on skills, and skills is a key role in supporting the tourism strategy for Northern Ireland, so it really sits as a subset of delivering the tourism strategy for the North.

Q100 John Battle: Does your strategy involve putting a budget around that? The reason I ask that is if there were 14,000 jobs on offer in my city in Leeds, we would be going hell out to make sure we held on to those quality jobs and that people stayed in the industry and enjoyed doing the jobs so you got quality of service as well. We want to know what is the driving agency behind the 43,000 to hold them there and the 14,000 coming on? It is quite a strong sector to go for and, if it is growing, you should go with the grain of it. What is your budget? Has anybody done any budget work analysing how much should be invested in ensuring the skills training is up to scratch to meet the need?

Mr Wisdom: We are proposing that an infrastructure is put in place to enable us to fully cost the strategy that actually is required for Northern Ireland.

Q101 Stephen Pound: Has the Smarter Spending Review been completed and if it has can we have a copy of it?

Mr Wisdom: Yes we can.

Stephen Pound: Because that would address some of these points.

Q102 Lady Hermon: Just one point about how you skillup the workforce. I hope this does not seem controversial, but when you wake up to the fact that possibly the local indigenous population are not going to be skilled up for it and you have got to look elsewhere—as has happened in the NHS is this country in the last 50 years and as has happened in many public service jobs in the mainland here—when does one say okay, fine we are trying to get the skills base up, we are trying to get the qualifications up; the local lads and lasses are not interested in doing it but there are people coming from abroad looking for employment, at what point do you refocus on that?

Mr Wisdom: The reality is that you have to do both. The tourism industry will not survive without international workers and the tourism industry will not thrive long into the future without development of the indigenous workforce, so you have to do both at the same time and I do not think you can turn the tap off one way or the other; you actually have to do both.

Q103 Mr Campbell: I want to be clear on a statistic that you used a few minutes ago. 5,000 chefs in a country the size of Northern Ireland without any skills whatsoever; is that right?

Mr Wisdom: If you assume that qualifications equal skills then you would be right. That probably is not entirely the case. There are 5,000 chefs in Northern Ireland currently who have no qualifications at all.

Chairman: King Alfred would have been at home!

Q104 Mr Campbell: How would you describe that figure, for those that might be alarmed at that?

Mr Wisdom: I think the figure is very worrying. There are actually large numbers of untrained chefs and cooks across the whole of the United Kingdom. In Northern Ireland it is reflective of a position throughout the UK. These people tend to be managers of teams of people in kitchens, so you can be pretty sure the teams of people they are managing in kitchens are unlikely to have qualifications and skills either. I think the reality is that there are something like 1.5 million cases of food poisoning in the United Kingdom that are reported every year.

Q105 Lady Hermon: How does that compare in Northern Ireland?

Mr Wisdom: I could not tell you what that figure is in Northern Ireland. I can tell you obviously medical doctors would say that the numbers that are reported are reflective of only a small percentage of the total cases. More food is now eaten outside the home than is eaten inside the home. I suppose the fundamental issue is when the Food Standards Agency recently reported statistics that showed that 20% of take-aways, 12% of restaurants and 8% of hotels in the United Kingdom were unfit really to serve food, you are seeing evidence of the lack of skills and the issues that this particular thing that you have pointed out can cause.

Q106 Lady Hermon: Given the seriousness of the picture you have painted—one I find very difficult to accept I have to say—I assume that you have been to see the minister responsible for education, Maria Eagle? How often have you met with her to discuss this?

Mr Wisdom: The Minister was due to attend the strategic forum at which the draft skills strategy—

Stephen Pound: She did not get food poisoning!
Q107 Chairman: It was an Edwina Curry cutlet!
Mr Wisdom: Unfortunately, she pulled out and she was unable to attend at the last minute, which was unfortunate.

Q108 Mr Campbell: Does that mean that you have never met her?
Mr Wisdom: I have met Maria Eagle once in another meeting.
Lady Hermon: Once in another meeting? I find that quite staggering.

Q109 Mr Campbell: I have a couple more questions. I want to ask a question on the Smarter Spending Review, which Mr Pound very sneakily got in before me. Can you say anything about that?
Mr Wisdom: We can. Our evidence shows from the review we have done that £23 million is being expended on tourism related skills in Northern Ireland and that is coming through a number of different routes. £4.6 million is being spent in higher education, and that is primarily through the University of Ulster. £5.5 million is being spent on what we call “other” government funding, which includes issues like the New Deal and also the apprenticeship programmes which we are suggesting are not having great effect at the moment. £4.2 million is being spent on discretionary projects and these, by and large, would be small projects of some tens of thousands of pounds devoted to task and finish efforts—and Roisin will certainly be happy to tell you more about that—and £6.4 million approximately is being spent on further education. The further education provision is the biggest chunk of overall spending and, as you can see, it is fairly evenly split. The thing that surprised us most was the amount of money going into discretionary projects and into other government funding projects that do not seem to be producing significant impact for the tourism industry.

Q110 Mr Campbell: Can you understand why some people might look at the amounts of money going into skills and the outcome being so many unskilled chefs?
Mr Wisdom: I think what it says is the money that is currently being expended needs to be deployed to far greater effect to ensure that those skills shortages are dealt with.

Q111 Mr Campbell: I wondered why you seem to have a recommendation about an All-Ireland Skills Group for Tourism.
Mr Wisdom: Because of what we have talked about today; and we have heard about the skills shortage, the issue of chefs, the issues of management and leadership, and indeed international workers. To actually focus this expenditure to greater effect requires a dedicated team of professionals to monitor this on an on-going basis and to ensure that the strategic deployment of funds can be put to better effect.
Mr Campbell: That can be done for Scotland as well as Northern Ireland.
Chairman: We are going to have to draw this towards a close in five more minutes and I want to bring in Dr Alasdair McDonnell.
Dr McDonnell: It is dangerous to be sending DUP chefs to Dublin to be trained. It is dangerous and I think we should protest at that!
Chairman: We will not intrude on private grief. That was a joke, by the way!

Q112 Mr Campbell: I wonder why you seem to have a recommendation about an All-Ireland Skills Group for Tourism.
Mr Wisdom: We have met senior officials in DEL?
Chairman: We are going to have to draw this towards a close in five minutes and I want to bring in Dr Alasdair McDonnell.
Dr McDonnell: It is dangerous to be sending DUP chefs to Dublin to be trained. It is dangerous and I think we should protest at that!
Chairman: We will not intrude on private grief. That was a joke, by the way!

Q113 Dr McDonnell: How much of the skills deficit is relatively new in the last 10 years? We went through a difficult time and tourism was at an all time low. How much of the unskilling is due to the fact that we have emerged out of the Troubles and how much of it is due to the seasonality of the industry outside many of the main towns, because I feel those issues might explain an awful lot of the unskilling, in that you are getting people for three months of the year?
Mr Wisdom: The skills shortages in the area of management leadership and in the area of chefs and in the area of customer service are reflective of trends you would see across the UK, so you would have to say that there is a more widespread problem here that needs addressing. I think the real issue or the real opportunity is the fact that tourism is growing fast in Northern Ireland and that actually if these skills issues are addressed today and in an integrated way, then the opportunity will be to stop those growing at the same rate as the tourism economy is growing in Northern Ireland and actually in that way fuel better productivity from the economy.

Q114 Dr McDonnell: You have had difficulty meeting the Minister but have you met the Permanent Secretary of the Department or have you met senior officials in DEL?
Mr Wisdom: We have met senior officials and we have made a presentation to the Permanent Secretary of tourism last week and most of the senior representatives of the tourism industry in Northern Ireland.

Q115 Dr McDonnell: Do you feel you are getting anywhere?
Mr Wisdom: I think importantly, people are recognising the saliency of the research that we have done and for the first time it has drawn together a lot of strands that had seemed very fragmented into one holistic approach, and I would say, yes, people are very receptive to the research that we have done.

Q116 Dr McDonnell: I want to come back very briefly, Chairman, on the 5,000 chefs that you suggest are without qualifications. Could I ask you to guestimate (because a qualification does not make a difference as to whether somebody is a good chef or not) how many of them are unable to cook?

Mr Wisdom: Unable to cook? Well, I am assuming that none of the practising chefs and cooks are actually unable to cook. I think the issue is a growing tourism product against the background of increasing consumer demand, particularly around authenticity and provenance in food products, which requires more than the ability just to be able to cook.

Q117 Mr Hepburn: We know that there is clearly a skills deficit, a lack of management, a lack of chefs, all this, and they all need to be trained up. To what extent—and I have not got that clear in my own mind—is it the skills deficit and the size of it that is holding back tourism growth in Northern Ireland? Is there a measurement?

Mr Wisdom: Probably a smaller number of employers in Northern Ireland train than in the rest of the United Kingdom, but what (I think 60%) those employers say is that if they did train they believed that they would increase their productivity as a business, so there is clearly a gap there because most business people believe that with training they can improve their productivity and improve the quality of their business.

Q118 Mr Hepburn: But what does that mean in jobs and money? Anybody can say if you give us extra training. I will increase it. What does it mean in measurement terms of extra employment and extra money going into the economy?

Mr Wisdom: I am not an economist.

Q119 Mr Hepburn: There are lots of figures.

Mr Wisdom: Actually there are lots of other drivers behind improving the output of the industry, whether it is investment in the hardware of the business, whether it is product innovation, whether it is actually the political conditions.

Q120 Mr Hepburn: But you have been talking about skills today. What is the effect of the skills deficit on the economy?

Mr Wisdom: The impact on the economy is that it is not growing as fast as it could.

Q121 Mr Hepburn: There are no figures?

Mr Kent: I think that is the difficulty really of linking it to a tangible output. What we do know is that 12% of employers report that their staff lack the required skills to meet their business needs so, by default, it is holding them back in terms of future plans. I guess because there is an inherent problem with management skills that are lacking, they probably do not know where they can go, so I think there is a whole area of research that needs to go on to look at the tangible impact.

Mr Wisdom: What we do know in the United Kingdom is that staff turnover is probably the biggest cost in terms of productivity lost to business. Employers have costed this and they cost it at about £1,500 per person who leaves the business. If you look at it across the UK, and Northern Ireland is indicative of the whole UK, the impact on UK plc business is £900 million a year. This means that by 2012 the productivity lost to the UK industry will be £6.2 billion. If you put that in the context of the tourist legacy of London 2012, which is £2 billion, it puts the issue into some perspective.

Chairman: Can Mr Murphy ask one final crisp question because we have had an hour with you, for which we are grateful.

Q122 Mr Murphy: Like the rest of my colleagues here I am rather worried about the 5,000 unqualified chefs, and more worried knowing that I am travelling to Northern Ireland on Sunday afternoon and hope to have at least one meal there! Could you clarify the definition of a chef? Would it be someone who has a boarding house and perhaps cooks five or six breakfasts and one or two dinners on a weekly basis, because I am seeking to clarify the 5,000 unqualified chefs?

Mr Kent: The official definition of chef is quite wide so it will include somebody who is a food handler as well as Paul Rankin, but it has to be their prime purpose, so arguably it would not include somebody in that position because their prime purpose is not necessarily cooking.

Chairman: I would like to reassure the Committee—and Mr Murphy is a relatively new member of the Committee and we are much looking forward to his participation—that we have been over to Northern Ireland several times and we have eaten well and we are still with you.

Mr Murphy: I am reassured.

Q123 Chairman: I hope we are all reassured. Mr Wisdom, could I thank you and your colleagues. If there are other points that you feel you would like to have brought to our attention, please feel free to write to our Clerk. By the same token, it may well be that there are one or two points that we would want to address to you. I think the abiding impression that I shall have of this session is that there really does need to be a degree of streamlining in the Northern Ireland tourism industry to realise the potential that we all in this room know is there. It could become the biggest earner for Northern Ireland; I hope it will. The attractions are there, the people are there, and you have a key job in trying to ensure that those people are sufficiently well trained and motivated.

Mr Wisdom: Thank you, Chairman.
Q124 Chairman: Professor Boyd, could I welcome you to the Committee, which briefly is a little depleted, but colleagues will, I am sure, come back. You are most welcome; thank you very much indeed. I have never met a professor of tourism before, so that is very good; you heard, I think, all the previous evidence, certainly most of it. Did you hear all of it?

Professor Boyd: Yes.

Q125 Chairman: Could I kick off, having welcomed you, by asking you directly, as you come from the University of Ulster, are you from the School of Hotel, Leisure and Tourism and as you are the professor, is there a case for the establishment of a national Tourism and Hospitality Skills Academy for Northern Ireland, or should we just leave it to you?

Professor Boyd: Can I go on record first of all and change the name; the school has been renamed by the university so it is called the School of Hospitality and Tourism Management. The school has been renamed the School of Hospitality and Tourism Management.

Lady Hermon: How big is the school; if you could just give us some details that would help as well.

Q126 Chairman: Yes, but do answer my first question.

Professor Boyd: I will answer that. It is about 500 students.

Q127 Sammy Wilson: Is that full-time equivalents?

Professor Boyd: Yes.

Q128 Chairman: Students drawn from throughout Northern Ireland?

Professor Boyd: Yes, for the most part, yes.

Q129 Chairman: Exclusively from Northern Ireland?

Professor Boyd: There are very few foreign students.

Q130 Chairman: English?

Professor Boyd: Yes, but the majority are from the Province.

Q131 Chairman: Are there any from outside the United Kingdom?

Professor Boyd: Yes, we have a few. We have a few students through the Erasmus programme; we have students who have come in from Portugal, Spain, Italy, for example.

Q132 Chairman: Good. Could you answer the basic question, do we need another? You have renamed yourself to have the name that our predecessors had sort of appropriated, you have now appropriated it, do we need another of you?

Professor Boyd: The idea of a skills academy is a good thing, but with a few provisos. There definitely needs to be some academy which deals at the operational level, the operational level of the basic skills, yes, I agree with that for Northern Ireland. But what is important about this is where the university pans into this. We can play a very effective role and that is that we can offer the managerial level skills, and we offer the opportunity of the FEHE sector to engage with the University of Ulster. I will try to stay away from the jargon, but the University of Ulster prides itself on widening access, it prides itself on inclusiveness, and the idea is that that sector, the FEHE sector—by franchising our degree programmes, the students are on foundation degrees, they do two years on that foundation degree within the FEHE sector and then they have the option of coming to us, with a link year, and then that allows them to be able to join our final year students who have come in straight from the beginning. The problem is that they have to do a two plus two, two in the FE sector and two in the university, and that is a devil of a requirement, but a lot of our FE sector have engaged in arrangements with other universities outside of Northern Ireland where students can leave the FEHE sector and go to other universities and do one year. The students look at three years over four, they look at the cost of doing a degree, economics come into play and, guess what: we lose out. We do want to play a role, therefore; we certainly feel that there needs to be a realignment—and I am speaking myself on behalf of the school. I have not had much chance to talk to the vice-chancellor about this, so these are my comments, they do not reflect the university as a whole, I want that to be on the record. I would support a skills academy provided that the skills that they offer are the basic skills, the skills about we need people in terms of cooking, we need people in terms of cleaning, we need people in terms of front service and so on. We need those skills which, unfortunately, the young people of today do not like. They do not like those skills, they do not see them as rewarding; they see the hospitality industry in, sadly, a negative way. I had the opportunity to be in Australia in the summer where I was presenting at an international conference. I took my partner with me and we could not get over the enthusiasm of young people at all levels within the tourism industry, the enthusiasm at the hotel, at the visitor attractions; it was unbelievable. They really prided themselves, but that is a cultural thing and we have to get to the stage of getting that culture. We do not have that here yet; there is a mindset that the hospitality (tourism) industry is low-paid, low-skilled, less rewarding.

Q133 Chairman: Of course, what you are describing is not unique to Northern Ireland, it applies throughout the United Kingdom and anybody who has travelled as you have, obviously, to Australia or to the United States, you find there is an exuberant enthusiasm among young people. They do not regard it as menial or demeaning to wait at table or to do things, whereas very often young people in the United Kingdom do.
Professor Boyd: Yes.

Q134 Chairman: I infer from what you say that that is very much the case in Northern Ireland.

Professor Boyd: Yes. To summarise very briefly—because one tends to be too long if one is not careful—I would support a skills academy, provided that the university gets to play an effective role—let them focus at the operational level; do not let them focus at the managerial level. There is a tendency of FEHE to get into the managerial level to a degree; leave that to the university so that we can offer those skills and teach issues of finance and accountancy, marketing and so on which is at the supervisory level.

Q135 Chairman: Without wishing to traduce a former British prime minister, you want them to concentrate on the basics and you wish to concentrate on the rather more important managerial skills.

Professor Boyd: No, both are equally important. You need a very strong base, against which you need very effective managers. You will find that the managers who are very effective have worked their way up from the bottom and they understand the industry. I am not saying that we are more important; we are part of the picture but we are a very important part of the picture.

Chairman: Thank you very much for that delightful rebuke. I accept it entirely. You are absolutely right. Let me bring in Mr Fraser and then Mr Wilson.

Q136 Mr Fraser: You have 500 students: the obvious question is how many go into the sector afterwards having got a qualification. How many are in Northern Ireland?

Professor Boyd: I do not have that information to hand. The submission that I gave you guys was a significant number of students do go into the sector in which they have been trained.

Q137 Mr Fraser: That is highly relevant because obviously we have heard there is a lot of churn in the industry, people coming in and leaving. It would be an interesting study to follow students through a five year pattern after they leave because in theory over three to five years you could pretty much fill the shortfall in some way, but it is clearly not happening.

Professor Boyd: Again, I do not have the information to hand. What I can say is that we offer seven degree programmes in culinary arts, consumer studies, hospitality, travel, hotel and tourism management, and while I cannot give you figures because I do not have the figures in front of me—but I can find them out—a significant number of students do go into the sector in which they have trained.

Q138 Mr Fraser: The name change: I am suggesting perhaps that was a marketing concept.

Professor Boyd: No, it was a couple of other issues to do with the university which I do not know need to be reflected at this level.

Chairman: We will accept it as read.

Q139 Mr Fraser: The point was to go on to the marketing question.

Professor Boyd: I could say also, to be fair to your question, when we look at our programmes, that is what we are about, hospitality and tourism. We do offer something about hotels, but we are not a leading hotel school any more. We maybe were in the past, but times change and you have to move with the change in the times, so hospitality and tourism management is what we are known for.

Q140 Mr Fraser: The point about marketing, if I may, have we got the problem because Northern Ireland is not seen as a holiday destination, and if that is the case what marketing needs to be done to make sure that it is, so that all the issues we are talking about can be dealt with?

Professor Boyd: We have to be careful. In my submission I said that, but if you look at the detail you will find that if you look at the different people coming in, some people will come in as visiting friends and relatives—the VFR market—and that is the mainland, that is the English, the Scottish and also people from the Republic of Ireland. For some reason, the Welsh are coming in as business tourists over anything else, but that is a different reason after all. The continental Europeans, the Australians, the Americans and the New Zealanders, they are coming in on holiday, so we have to be very careful, but the difference is in the numbers coming in from the GB mainland compared to outside of the GB mainland. That is how, when you put the statistics together, you find that the biggest market is VFR, then business and then holidays and it is true if you look at the aggregate statistics.

Q141 Sammy Wilson: Can I just go back to the training element, Professor Boyd, because you have hit on an important issue. It is not just true, of course, with the hospitality industry, it is true of the kind of status that a lot of ordinary trades are held in, where they do not have the associated status. I do not want to see everybody who is engaged in training having to finish up with a degree, I think that is daft anyhow, but is there any way in which you believe, even for the training of chefs, cleaners, waiters and all of the rest, that the university can involve itself with the trainers in a way to lift the status of that training, without taking it to degree level, which would be ludicrous, but at least to give people first of all the knowledge that this is actually an employment that carries some status with it and, secondly, it could be the first step towards something which will give a certain career progression?

Professor Boyd: I take your point and I would like us to do that, but then we are encroaching on the FEHE sector, and the FEHE sector can do that. The FEHE sector should be focusing at the operational level, it should be providing good skills and training at that level, and I do not think that university should be focusing at that level, that is a totally different niche. If we can offer some supervisory advice, we have four staff who are teaching culinary
arts, we can certainly second qualified people in terms that we are professional chefs, we run a training restaurant, we have our students that are in our training restaurant, so we can certainly offer supervisory guidance and advice. We kind of do that in a way because when the FEHE sector franchises our degrees we give them our information, so they have our knowledge, they have our module handbooks, they have everything, and we have also had the opportunity of giving certain FEHE sectors the opportunity of us coming down and talking to them.

Q142 Sammy Wilson: The University of Ulster has an excellent programme for trying to lift aspirations in working class areas, especially in relation to science with its step-up programmes.

Professor Boyd: That is right, we do that.

Q143 Sammy Wilson: You have identified a very real problem, but do you see any ways in which the university might be able within the catering sector or the hospitality sector to do something along the same lines?

Professor Boyd: We are involved in the step-up sector and we have run it now for quite some time. We get quite a lot of success out of it and we have had quite a bit of feedback saying how valuable it is to the students who are involved.

Q144 Sammy Wilson: Can I just take you back to the last question that Christopher Fraser asked you about Northern Ireland being or not being a holiday destination. I was not quite clear whether you were saying it had potential or did not have potential, but currently since it is not seen as a holiday destination, as your own submission states, the considerable funding which goes to Tourism Ireland which really is seeking to present Northern Ireland as a holiday destination, do you think that those funds then could be used in a better way?

Professor Boyd: No, you have to understand the context and you have to understand where Northern Ireland is with regard to tourism. If you look at the unprecedented growth in the last 10 years in terms of tourism numbers, in terms of revenue, it is on the rise, it is an upwards trend, and we have to catch up. We take time catching up, however, and we have a very healthy neighbour to our south, the Republic of Ireland, who have been in tourism, with a very established industry, with a very clear image and market for a much longer period of time. Politics come into this with the reality of the Troubles: you need a safe environment. There are key ingredients, as I say in my submission, for a successful tourism industry, and one of them is a safe environment, people will not come. People are now coming because they perceive Northern Ireland to be safe; that is the simple reality.

Chairman: London has had the same problems. Dr McDonnell.

Q145 Dr McDonnell: On the same issue and following it through, to take it a little bit further, we have concentrated a lot on skills but we are beginning to move here onto the product. Can we define a better product or, dare I say, a better range of products? The difficulty I have is I look at it in terms of what will draw me or what will draw other people to go on a holiday abroad, and you need a touristy interest. We do not seem to be able to package the attractions.

Professor Boyd: We are getting there, but it will take a little bit of time. It will take a lot of public involvement in terms of money from the Government and you have to look at the signature projects, you have to look at what is the unique selling point for Northern Ireland. If you look at the major attractions in Northern Ireland you have a blend between culture, heritage, natural scenery—some outstanding examples of all three—and you have to be able to attract different markets under certain stand-outs. What is stand-out for Northern Ireland?

Q146 Dr McDonnell: It was all right when it left us.

Professor Boyd: Yes, that is true.

Q147 Stephen Pound: The iceberg was built in west Belfast.

Professor Boyd: The reality is that we have some projects that we need to identify. It is a reality of a tourism industry that struggled through difficult times: in the last 10 years the USP, the unique selling point, of Northern Ireland is becoming very, very clear. There is a high degree of hospitality and the friendliness, the openness of the Northern Ireland people, and we have those great attractions, but we need some big ones that are finished in such a way that they will really bring in the numbers.

Q148 Chairman: I am sure we would all echo everything you have just said. The Committee toured in Northern Ireland last month and we visited all of the five signature projects, of which, obviously, you are very aware.

Professor Boyd: Yes.

Q149 Chairman: Most of us were very concerned that all but one of those signature projects was a long, long way off getting the funding that it needed.
Q150 Chairman: One was quite close, the Land of Derry, but the rest were well out. What would you like, in your role as a professor of tourism, this Committee to recommend to deliver what Dr McDonnell calls the product—perfectly reasonably—to the people not just of Northern Ireland or the south but to the people of Europe generally?

Professor Boyd: There is a massive programme of infrastructure development required and there needs to be these signature projects completed, but then against those there are other opportunities to spin off from those. We have other great opportunities for literary tourism in terms of C S Lewis, we have a great opportunity for unique food tourism, we have a great opportunity for activity tourism. Food tourism is not the same as unqualified chefs—and I cannot believe that figure, but let us not have that on the record.

Stephen Pound: Too late, it is on the record.

Q151 Chairman: It puts the feeding of the 5,000 in a different context.

Professor Boyd: The fact is, in terms of food tourism, we are looking at the idea of selling destinations, particularly the rural parts of Northern Ireland that have unique products, so they can use them as levers to further reinvigorate and redevelop the rural economy. There are lots of opportunities on top of those signature projects and it is those big icon projects that the international visitor will come to see.

Q152 Chairman: But some of them are at risk. We were told at Downpatrick that that fairly expensive, several million pounds centre, with which we were all impressed, we were told that it may not last another couple of years.

Professor Boyd: It is to do with how you market Northern Ireland; it is the idea of what is the brand.

Q153 Mr Fraser: That is the problem you have got, it is exactly the problem. You have Tourism Ireland, you have Fáilte Ireland and the Northern Ireland Tourist Board.

Professor Boyd: That is right.

Q154 Mr Fraser: Three different messages, three different agendas—

Professor Boyd: Not really, you have one agenda. Mr Fraser: You have competing interests. Would it not be easier to have one organisation looking after it rather than three, and then you would get a clearer message?

Q155 Stephen Pound: Hear, hear.

Professor Boyd: A non-political answer here from a non-politician. You have to look at it historically; it has taken some time for Tourism Ireland to bed itself in with Fáilte Ireland and with the NITB—

Mr Fraser: I am not suggesting for a moment that the South comes in with the North; I mean one organisation for the North.

Q156 Chairman: Let him answer. Come on, professor. Professor Boyd: They all have a unique role to play and you have to understand, Tourism Ireland is a marketing organisation, it is responsible to market the island of Ireland, it is not responsible for managing and developing tourism on the island, they leave that up to Fáilte Ireland and the NITB respectively, but at the same time I felt uneasy at the fact of the marketing dimension of NITB to do with the GB, which is a big market being taken away from it and being left in the hands of Tourism Ireland. I have watched the development of Tourism Ireland, I have looked at their marketing campaigns and over the last number of years I would suggest that there is increased emphasis on not just the placatory marketing of Northern Ireland but a much stronger emphasis on marketing Northern Ireland with the rest of the Republic of Ireland, but it takes time for these organisations to get themselves established and I think that they now do work quite well together in terms of the NITB with Tourism Ireland and Tourism Ireland with Fáilte Ireland.

Q157 Dr McDonnell: Professor, thank you for coming back to where I was at a few minutes ago. We have the flagship projects and you are obviously indicating, and we would agree with you, that there are funding deficits in terms of development. I do not know whether you would agree with the recognition of the Antrim Coast Road or the Antrim coast recently as the fifth in the world now. Professor Boyd: That is right.

Q158 Dr McDonnell: Compared with Sydney Harbour and places like that. Professor Boyd: Like Jacob’s Creek.

Q159 Dr McDonnell: That may be exaggerated, but even if it is exaggerated slightly how do we take advantage of that? That is not the Causeway, in my reading, that is out from the Causeway east, from the Causeway to Larne effectively.

Professor Boyd: That is right.

Sammy Wilson: Especially Larne. Dr McDonnell: I have been in Larne on a wet day and I do not want to go back to it, but that is a different thing. How do we take that raw product—I know that area well and Sammy knows it well too—the reality is how do we turn that into something more than day-trippers from Belfast or the surrounding areas, because that I believe may very well answer some of our questions. That is recognised, it has got a world ranking of some sort—whether we think it is exaggerated or not—yet how do we give somebody in Scotland access to that and the temptation to get come there for three days or four days a week?

Mr Hepburn: Get them on a ferry.

Q160 Dr McDonnell: That is the traditional market, the glens of Antrim from Larne to Coleraine were effectively a Glasgow tourist destination.
**Professor Boyd:** That is right.

**Q161 Dr McDonnell:** How do we do that?

**Professor Boyd:** It is all about image, how you sell the image. These announcements allow us to actually send that message through the different media and through the marketing literature. The result of the Lonely Planet, for example, putting Northern Ireland in a must-go category, is absolutely fantastic news because we have to realise that the majority of visitors to Northern Ireland are not interested in the politics of Northern Ireland, they are interested in coming to see what Northern Ireland can offer them. If they get to hear that it is on the Lonely Planet list, if they get the information that it has been identified as an outstanding coastal route, then that will encourage them to consider Northern Ireland as one alternative with others. That is how you change things around; it is getting the literature and getting the marketing out about what Northern Ireland has to offer beyond the actual issues going on in the Province. I would acknowledge that there is a novelty item to Northern Ireland at the minute. I am not advocating political tourism, though we may have to use political tourism in some measure to encourage some people to visit the Province, but we should not rely on political tourism as a major lever. In fact, I would really not want to see that and I endorse the NITB in not doing that, I think that that is dangerous, but you have to look at the international market and what do they know Northern Ireland about in the past? They want to do the black taxi ride, they want to see the murals because—

**Q162 Chairman:** They might like to tour the brothels, but one does not want to advocate it.

**Professor Boyd:** We have the reality, but hopefully that novelty factor will wear off and they will come and see what the Province has got to offer and then they will remember it for its qualities.

**Dr McDonnell:** Chairman, could I thank Professor Boyd for that?

**Chairman:** Of course, thank you very much, indeed. David Anderson.

**Q163 Mr Anderson:** I want to pick up on the point that Ulster is always on about, and that is that surely one of the key things of your whole product is the people.

**Professor Boyd:** Yes.

**Q164 Mr Anderson:** And one of the biggest things we learn is that more and more the people at the sharp end of delivery are not Northern Irish people, it is people coming in from Europe—and I understand all the issues with that. Surely there has got to be some work done to make the job much more attractive to people, the indigenous people, because they are the key to people coming. Whenever I think about different views, the one thing everybody does agree about is that the Northern Irish people have a massive warm welcome for everybody.

**Q165 Mr Anderson:** We are losing that at the sharp end.

**Professor Boyd:** It is a difficult pill to swallow and that is that the industry is not seen as an attractive employer, and it takes time to turn that around. When they see lots of visitors coming, when they see that tourism is a major employer in terms of GDP to the Province, then the level of wages will rise and then the perception of working in the industry will rise. But you will not do that overnight and you must remember that Northern Ireland is starting from a lower base than its neighbours, particularly the Republic of Ireland and the UK.

**Q166 Chairman:** Do you think it would be a good idea if we were to take evidence from the people who really have put what you are saying into practice? I am thinking, for instance, of the Hastings Group where they have not only shown confidence but they have actually produced hotels of international standard. We stayed at the Culloden and we stayed at the Culloden and they compare favourably with other places around the UK.

**Professor Boyd:** Yes.

**Q167 Chairman:** Would it be a good idea for us to interrogate them as to how they do it?

**Professor Boyd:** I think Howard would like interrogating—

**Chairman:** Perhaps it is not a good idea.

**Q168 Stephen Pound:** It is not the word I would use in a Northern Ireland context.

**Professor Boyd:** I do not think I would use it either. You have to remember that the Hastings Group is catering to the top end of the market in terms of hotels. They have an excellent product, they have got an excellent reputation and they have got a long-standing record in the Province. We cannot just look at the top end, we have to look at the middle and we have got to look at certain places that once were the icons of the tourism industry in Northern Ireland, and that is the coastal resorts of Port Rush and Port Stuart. We need massive investment, we need four star hotels, we need quality hotels but we also need more hotels at the lower level to be able to have enough bed spaces to accommodate the increasing programme of events which parts of Northern Ireland are increasingly offering now. You can certainly interview the top end, but let us not forget that the hotel sector needs to have a mix of three, four and five star. The majority of visitors are not going to stay in a five star hotel; the majority of families cannot afford a five star hotel.

**Q169 Chairman:** They can set a benchmark of excellence to which others can aspire.

**Professor Boyd:** They are a benchmark of excellence but they are going after a much smaller market and they are going after the business market as opposed to the holiday market. The VFR market does not stay; if you look at the statistics the highest proportion of spend with the VFR market is in terms
of food and drink, eating-out, because they are staying with friends and staying with family so they are not using the big hotel chains.

Q170 John Battle: When Chris was asking you about marketing, what about the market of people? I understand the visiting relatives segment, but have you measured what age range the visitors would be and whether you are targeting, for example, the young, relatively prosperous youngsters who come across for sport and want not necessarily five star hotels but maybe with a spa and a swimming pool in them, and whether there are any outside Belfast? As well as the old fogies like me coming to walk up Ayre’s Gap in the Mourne Mountains or take a photograph of Louis MacNeice’s door in Larne, what is in it for younger people than me? I am thinking of young couples who may not have a family yet; how do you attract them and would you want to? That does relate to the culture, the capacity for music events, sport events; are you working at that segment of the market? Are you doing any analysis?

Professor Boyd: I am not doing any particular personal analysis of this, if you want the very brief answer, but if you look at the NITB and how they record their findings, and if you look at this framework for action which runs until next year, from 2004 to 2007, you are looking at broadening the market through the winning themes, and some of those winning themes are short breaks, which are certainly geared to the young, mobile couples, and they are also looking at activity tourism which is clearly engaging in that sector that you are referring to. They are addressing that sector, therefore, but when you look at culture and heritage in general, and if you look at it in a larger capacity at the global level, 40% of all international visits take in a heritage or culture dimension and the heritage/cultural visitor is, on average, much older than the holiday-type of tourist. That is just the nature of the interest that we have as we go through our life cycle. The culture and heritage certainly appeals to much older people, it appeals to Europeans and it certainly appeals to the North American and Australasian markets, and the idea of short breaks and the idea of activity tourism is certainly more akin to young people, which probably are more European and GB-based.

Q171 Lady Hermon: Just a couple of points that come to mind—actually there are three and they are not in any particular order. When we were doing our wonderful tour of the six counties in Northern Ireland, when we visited the National Trust property at Castle Ward the point was made to us that there was no convenient hotel nearby.

Professor Boyd: Yes.

Lady Hermon: You have made the point this afternoon that we need more hotels; in your assessment does the planning process actually mitigate against more hotels, particularly in rural areas, and is there anything that we could advise on in that regard? It is not that I wish to see green fields being ploughed up and hotels built, but it is an issue in fact that we are going to have to address. What would you recommend?

Chairman: May I just say, in addition to what Lady Hermon has said, that we were actually informed when we were there that there are more beds in Donegal than in the whole of Northern Ireland.

Q172 Lady Hermon: It is a serious problem, the lack of hotels. It is a very serious issue.

Professor Boyd: It is a serious problem. I am not an expert in planning, but the process of planning is not the most user-friendly process and I think the process of planning needs to be amended to facilitate the private sector in being able to consider the viability of engaging in building plant, and the idea for the private sector to come in and to actually build more hotels, I think they will do so when they see the market. They see the market and they see the growth of visitor numbers to the Province, but at the same time they need to be aware that the planning process facilitates the development of hotels in spaces which maybe, in the past, might not have been considered.

I am not a planner so I am not going to be able to elaborate much more than that.

Lady Hermon: A bit more joined-up thinking—another of the phrases that our Chairman I am sure does not like—between the Department of Trade and Industry and the Department of the Environment would help.

Q173 Chairman: I do not mind joined-up questioning mind you.

Professor Boyd: If you want to add to that, there are seven Government departments that have a say in tourism.

Q174 Lady Hermon: Correct.

Professor Boyd: In my personal opinion that is crazy.

Q175 Chairman: Six too many.

Professor Boyd: Exactly. The problem is that until Northern Ireland is perceived as a very important tourism product and employer and the GDP rises to the equivalent of what it is in the Republic of Ireland, the reality is that you probably will not get a tourism minister, but that does not mean you should not aim for one. The fact is that the NITB has to answer to the DTI, but then tourism is involved with DoE, DARD, DHS, DCA and the list goes on. The problem is that there are too many and you need to simplify the thing, but that is not easy to do because there will be reticence to change. One of the things in tourism which is too problematic is the issue of inertia. Things do not change in tourism in terms of plant, in terms of use and then former use and previous use. The idea is that when certain government agencies get involved in tourism they do not want to not be involved in tourism, but for the benefit of the industry it needs to be much more simplified to facilitate tourism as an the industry growing in the Province.
Q176 Lady Hermon: A minister with a portfolio for tourism in Northern Ireland is what you would like to see.

Professor Boyd: Definitely.

Q177 Lady Hermon: One more question, and this is picking up the point that Christopher made earlier and that is to simplify things. I am going to ask it from a different perspective. You have made reference to the fact that there are three bodies: Tourism Ireland, Board Fáilte and the Northern Ireland Tourist Board. Whilst you and the Committee are now familiar with the three, let us assume just for the moment that in fact we are all consumers here and we wish to come to Northern Ireland and we Google. We come up with three different bodies doing three different jobs; it is extremely confusing. Surely there is an argument for simplifying the three organisations, so that the Northern Ireland Tourist Board comes out on top.

Professor Boyd: There is probably an argument for simplifying it, and that is right, if you look at yourself as a consumer, what website do you go to? People are less likely to go into a travel agency now as opposed to going on line, and the idea of a travel agency being more dominant than the internet in terms of the way to examine and investigate the types of holiday and then eventually to book them and to arrange your itinerary, the internet is increasingly winning out. Where do people go? There has to be a clear message so they know where to go, there have to be very good links when you go into a website so that you can then go off in different directions, if it is very clearly pointed out as to what organisation’s role is.

Mr Hepburn: I am speaking on the same lines as other members, I think, that there are too many people involved with tourism and there should only be one body. The other thing that is beginning to form in my mind now is the lack of a need for political direction in tourism and politics being involved. You say about a minister, and I assume when you say a minister you are talking about the Northern Ireland minister as part of his portfolio to have responsibility, so he is reporting it, but the point I would make is you are going to have a lot of competition with that. For example, we do not have that sort of thing in the North East and we do not have it in Cornwall, and they would like that. What I would suggest—and I ask your opinion on it—is that within the Assembly should there be a member, a senior member of the Assembly with one specific task? Bear in mind that we have identified how important tourism is to the economy and the future of Northern Ireland; do you think there should be one member with that task?

Chairman: You mean a minister in the power-sharing executive.

Mr Hepburn: Yes, that is what I mean.

Q178 Chairman: A job for you, Mr Wilson.

Professor Boyd: I think so, yes. That would coalesce lots of ideas and there would be a joined-up way of doing governance if there was a minister for tourism in the Assembly, yes.

Q179 Chairman: Applications after this meeting.

Professor Boyd: I am probably not eligible after what I said.

Q180 Mr Fraser: Could I just go back to the point that Lady Hermon made about the three confusing organisations. Did you go to World Travel Market as part of your . . .

Professor Boyd: No.

Q181 Mr Fraser: I was there, as I mentioned earlier, and I deliberately went up to the information desk, knowing they were coming in front of us, and asked them if they could tell me where I could go to get information on visiting Northern Ireland. There was a confusion at that level and I was pushed off towards the Irish Tourist stand at one point, I went there and immediately a very nice lady came up to me and tried to sell me information about Dublin and elsewhere. I said “No, no, I want to talk to you about Northern Ireland” and I was pushed off elsewhere.

Professor Boyd: Yes.

Q182 Mr Fraser: May I say there were more people—and this illustrates the problem, Mr Chairman—on the Visit Zimbabwe stand than there were looking around anything to do with Northern Ireland, and this is the world’s premier travel exhibition. As far as I am concerned that illustrated the big problem we have ahead of us.

Professor Boyd: It does, yes.

Chairman: It says something about masochism.

Q183 Mr Fraser: It certainly does that, but it goes back to my point about the three organisations. As Lady Hermon said, I would like to see the Northern Ireland Tourist Board on top of the pile; is there an argument in your mind, as a professional, without trying to commit you to costs or anything, that the Tourism Northern Ireland budget is too small; would you improve upon it and what other activities must be undertaken through that organisation to improve the lot of Northern Ireland?

Professor Boyd: Yes, the budget is too small and the budget has to be massively increased and would have to go towards a massive infrastructure development, of making sure stand-out projects were in place so that the visitor can see it today and not five years down the line, not three years down the line, but they would have to be able to have monies available to put forward very good projects that would be definitely seen as stand-out and necessary to sell Northern Ireland as a major destination.

Q184 Chairman: Professor, we are coming towards the end of this session because I know one or two colleagues do have to leave shortly after quarter to five. What you have said has been very interesting, helpful and stimulating. I would like to ask you two things: one is that there are a number of detailed questions that our clerk will write to you about that we have not had chance to touch on yet, but the other thing is that we may well wish to see you again
when we come to the point of doing a draft report; would you be happy to make yourself available to the Committee at that time?

Professor Boyd: Yes, certainly.

Chairman: We all appreciate that and it is very important that we recognise the potential of tourism and that we recognise the gaps. I hope we can make an incisive report that will make various considered recommendations to Government that can be implemented, in order that we can find a realisation of potential that both you and we would like. We will contact you again on that and probably have that in the way of a structured but informal meeting with the Committee, not a public session, to discuss our draft report. Thank you very much indeed, thank you colleagues and I have fulfilled my bargain.
Wednesday 31 January 2007

Members present:
Sir Patrick Cormack, in the Chair
Mr David Anderson
John Battle
Mr Christopher Fraser
Mr John Grogan
Mr Stephen Hepburn
Dr Alasdair McDonnell
Mr Denis Murphy
Stephen Pound
Sammy Wilson

Written evidence from Armagh Down Tourism Partnership is printed on page Ev 134.
Written evidence from Causeway Coast and Glens Tourism Partnership is printed on page Ev 146.
Written evidence from Western Regional Tourism Partnership is printed on page Ev 148.

Witnesses: Mr Mark Mohan, Armagh and Down Tourism Partnership, Mr Don Wilmont, Causeway Coast and Glens Tourism Partnership, Mr Gerry Lennon, Belfast Visitor and Convention Bureau, and Ms Tanya Cathcart, Western Regional Tourism Partnership, gave evidence

Q185 Chairman: Ladies and gentlemen, you are very welcome. Thank you very much for coming. For the benefit of colleagues, could you introduce yourselves and could you tell me who is leading the team. Presumably you, Mr Lennon?
Mr Lennon: We have decided Mark is going to lead on this one, if that is okay.

Q186 Chairman: Okay. Would you just introduce yourselves?
Mr Wilmont: My name is Don Wilmont, and I manage the Causeway Coast and Glens Tourism Partnership.
Mr Lennon: Gerry Lennon, and I work for the Belfast Visitor and Convention Bureau.
Mr Mohan: Mark Mohan, Chief Executive, Armagh and Down Tourism Partnership.
Ms Cathcart: I am Tanya Cathcart, I am the Marketing Manager for Fermanagh Lakeland Tourism and I am representing the Western Regional Tourism Partnership.

Q187 Chairman: You are very welcome. As you probably know, we have been conducting an inquiry into tourism in Northern Ireland. We had an extremely enjoyable visit in October of last year, last week we were in Dublin and we were looking at aspects of tourism from the Republican side of the border and the co-operation across the border and we are now moving towards the end of our inquiry. We are seeing Tourism Ireland next week and, of course, we have your colleagues from the Northern Ireland Tourist Board following you this afternoon. We would like to put a range of questions to you but, before I do that, is there anything, Mr Mohan, you or your colleagues would like to say by way of introduction?
Mr Mohan: No, other than that we welcome the opportunity to speak to you here today and talk specifically about regional tourism partnerships in Northern Ireland, and we hope to contribute positively to the debate and discussion.

Q188 Chairman: Does anybody wish to add to that? One thing that immediately strikes anyone who starts to look at tourism is the proliferation of organisations and boards and bodies, and whilst I am sure that you are all doing a wonderful job, how would you, briefly, justify your existence to the Committee, and the need for your continued existence, and tell us how you differ from the regional tourism organisations, the RTOs?
Mr Mohan: I suppose the regional tourism organisations, the RTOs, had two specific remits. The first one was to look at marketing and communication in and out of a state context, and the second one was to engage the private sector at a local level and establish a local partnership with the private sector and the local authorities in different respective regions. Those were the two specific remits of RTOs. Where RTPs differ, given what I have just said, those are two fundamental parts of what an RTP does as well. Obviously the Regional Tourism Partnership was set up as part of the NITB Strategic Framework for Action for delivering at a local level, and there are a number of things in addition to the two remits that I have just mentioned. Obviously we want to strengthen the partnership at a local level with the private sector and the local authorities and to look at areas relevant to marketing and communication from the respective regions that we represent. In addition to that, there are four other main areas where an RTP differs. We look at the whole area of product development and co-ordination as such across the geography that we represent; the same for the whole area of visitor servicing, business skills and development as well and the important area of research, market intelligence and information gathering. As a regional body we set out to coordinate those aspects of the entire tourism industry and to deliver locally for the industries in the areas that we represent.

Q189 Chairman: You see a continuing need for this, do you?
Mr Mohan: Absolutely. I think one of the key areas within the Strategic Framework for Action was to look at regional delivery mechanisms, and I think the regional tourism partnerships are a very effective regional local delivery forum. We have collectively at this date some 2,000 private sector, different agencies involved in terms of buy-in to the partnership, and we would see ourselves as having a central role in terms of delivery of that framework at a regional level.

Q190 Chairman: Before I bring in your colleague, who has indicated he would like to say something, and you are all welcome. Mr Mohan, what has been your major achievement to date?

Mr Mohan: Obviously from an Armagh and Down perspective (and I will speak first about that), we have brought together seven local authority areas across the south east corner of Northern Ireland. We now have a collective approach in terms of our product development. We have developed a strategy and a business plan to look at the whole issue of product development, to look at areas of marketing and communications relevant to the strengths of our region and to co-ordinate all aspects of development within that area. I suppose, very importantly, we have set up a partnership between the private sector at a regional level and the local authorities within the areas that we represent, and I think that is fundamental to the success of the organisations at this point in time.

Q191 Chairman: When the local authorities as they currently exist cease to be, will you still have a co-ordinating role; because you will then only have one or possibly two local authorities?

Mr Mohan: I think the issue of the final number of local authorities after the review of public administration is irrelevant. I think there will be a need for regional tourism partnerships. There will still be a need for a platform and a mechanism whereby those local authorities, one, two or three, whatever it may be in the respective regions, interface and work with the private sector. Certainly, if there is a desire, which there is currently across the seven local authorities that I represent, I would hope, certainly, when that number reduces to two or three, or whatever it may be, that that desire on the part of the local authorities will still be there to work together because of the obvious economies of scale and the important role we play in relation to the private sector buy-in and representing the interests of the private sector at a local level.

Q192 Chairman: Mr Lennon, you wanted to come in.

Mr Lennon: Thank you, Chairman. It is particularly around the issue of fragmentation. Fragmentation is inherent in the tourism industry because it is made up of so many different industries and, within each industry, so many different companies. The trick is how you put the glue so that the visitor sees a seamless flow of welcome orientation information, et cetera, and so it is no different in Northern Ireland than it is anywhere else. What I would suggest is that RTOs, RTPs, DMOs (Destination Management Organisations), call them what you will, are essential for the growth of tourism in Northern Ireland. Essentially they are a partnership between local government, local businesses and central government and about the delivery of national strategies and policies at a local level, because if you do not have buy-in at a local level for those national strategies, they will not be delivered effectively and efficiently. Local industries, local people have a need to feel that they are involved in the development of tourism in their area, whatever they perceive that to be, and so it is really about identifying what the various destinations are within Northern Ireland and making sure that our local communities and local industries are bought into that.

Q193 Chairman: Is this not a job that small numbers of individual local authorities could do for themselves?

Mr Lennon: It certainly would be made a lot easier in terms of moving from 26 down to smaller ones, but the idea is that visitors do not recognise local authority boundaries. They do not care whether it is Belfast, Greater Belfast, Lisburn, or whatever; the definition of the destination is in the mind of the visitor. For example, when they visit Belfast does that include Lisburn and North Down? Absolutely it does. Does it include Fermanagh? Obviously not, because they can understand that Belfast does not stretch the whole way across to Fermanagh. So, undoubtedly, in my opinion, the geographical areas of RTPs will not change drastically irrespective of what the administrative boundaries might be.

Q194 Chairman: Before I bring colleagues in, do you wish to add anything to this, or do you wish to add anything?

Mr Wilmont: I would just like to re-emphasise the partnership between the private sector and local authorities. Like Mark, I have eight local authorities in my patch, and we work very well together, and we see that the strength of the partnership is between the private sector and the public sector. We are 50:50 on our boards and the private sector is fully involved in the decision-making process, and I think that is crucial.

Ms Cathcart: I think it has certainly been a challenge in the west of Northern Ireland, in the Western Regional Partnership, because obviously that region had two existing regional tourism organisations in Fermanagh Lakeland Tourism and also Derry Visitor and Convention Bureau and in Tyrone there were a couple of delivery agents, but we have been working together at that wider level. It has been a challenge, because obviously we have different product portfolios right from Derry down to Fermanagh, and in the past we were able to secure funding, for example, for Fermanagh, or Derry, or Tyrone in the Sperrins. So it has been a challenge to work together, but we see that that is beneficial from a strategic point of view, that we in the west are all singing from the same hymn sheet, if you like. In particular, from Fermanagh Lakeland Tourism’s point of view, we have 376 members and, as I say,
from the private sector. We are now working within a larger partnership and money has to stretch over a much wider region whereas in the past we were able to get it for Fermanagh alone.

**Chairman:** You all want to sing from the same hymn sheet on a level playing field, do you? I want to bring Mr Fraser in on funding, but Sammy Wilson was trying to get my eye on a supplementary.

**Q195 Sammy Wilson:** Knowing the work of at least two of the organisations, I can understand the kind of justification which is made for the organisations that stand alone, but given the fact that new councils will, by and large, cover the boundaries that all of your organisations are covering anyway (there might be some tweaks there, and the councils themselves put a greater emphasis on partnerships between councils and the private sector and other areas of the public sector), what is the continued justification after RPA of organisations like your own standing outside councils and not being absorbed within councils?

**Mr Lennon:** From Belfast’s perspective, it is the same rationale that we set out in 1998 to set up Belfast Visitor and Convention Bureau, which is that the marketing of any city has to be a partnership between the private and the public sector and, because the marketing environment is such that it is best delivered through a company limited by a guarantee, that is purely focused with one remit and one role so it can dedicate resources, both human and financial, to that cause. When you look across the world from the city perspective, they have set up companies limited by guarantees that are supported by the public sector but driven very much along by the private sector; and that is the same rationale be it Belfast as is now or Greater Belfast after the RPA.

**Mr Wilmont:** The point that Mark made earlier that the tourist does not really care about council boundaries. We have currently got four partnerships in the north. If we had seven, or 10, or 11, or 12 councils, or whatever it turns out to be, that will be seven, 10, 11 or 12 different messages in the marketplace. We must put a message in the market-place that is focused on the consumer, and we think that we need clearly recognised destinations. Currently, if you look at my own area, we have eight councils. It may well be two or three, possibly a little bit of a fourth in the review, but that will be four councils working in partnership rather than eight councils working in partnership, so that is my justification.

**Q196 Sammy Wilson:** The logical extension of that is that given that Northern Ireland is a very small region, the size of Yorkshire really, is there then justification for simply saying, “Let this partnership arrangement be done on a Northern Ireland-wide basis”, rather than a proliferation of bodies. I was just listening to what you were saying about the role you have: product development, visitor services. Most of those are actually replicated within the Northern Ireland Tourist Board as well. What is the justification, therefore, for saying, if we are going to be divorced from councils, we cannot just be simply one regional body doing all of those functions? You do seem to be replicating some of the regional roles of the NITB.

**Mr Mohan:** Chairman, if I could just, in an effort to answer your question, touch on the point that my colleague, Don, has made. There are great economies of scale here in terms of local authorities working together. I will give you a specific example as to Armagh and Down and I will touch on your point as I do. Seven local authorities at the moment have bought into an agreed strategy and business plan that looks at a uniform approach across those seven local authority areas to the whole area of product development, marketing and communications, visitor management and servicing, business skills and development and research and marketing. So, there is the obvious benefit on the economies of scale. As to the point Mr Wilson has made, and it goes back to an earlier point that was made as well, one of the fundamental reasons for regional tourism partnerships is to get buy-in at a local level from the private sector, and the private sector at a sub-regional level can buy-in easier to a sub-regional organisation. They can see more ownership with that and they can participate more in that localised platform. At the end of the day organisations such as RTPs are here to facilitate the development of the industry. It is the private sector that we need in the partnership to deliver. We need that buy-in, and I think that buy-in can come better through sub-regional platforms like regional tourism partnerships.

**Chairman:** Thank you very much indeed. You have made your point there and we may return to that, but can I bring in Mr Fraser.

**Q197 Mr Fraser:** Thank you, Chairman. The point being made in answer to Mr Wilson’s question about streamlining I would see as being a natural process of evolution: because with what you have just explained, there are an awful lot of stakeholders in organisations trying to deliver a product locally and there is inevitably, I believe, going to be an overlap in one way or another. The one thing that has come out quite clearly from your memorandum and submissions to us is this whole question of funding. The fact is we cannot develop tourism without proper financial support, and clearly, from your submissions, you all agree with that. You say, quite clearly, that continued financial support from government is important to you. Could you explain how that funding comes about, how you see it coming about and how much funding you would like to see? Mr Mohan, you have just talked about the business plan that is in place. Where are the figures? What are we talking about in terms of the size of this?

**Mr Mohan:** I suppose my colleagues will add to this. To continue in relation to the point that was raised by Mr Wilson but in answer to your question, the NITB must be applauded in relation to putting together the Strategic Framework for Action. We are talking, as sub-regions, about buying into that strategic framework and delivering it at a local level. Within that framework there are a number of
different areas. We have identified signature projects, rightly so, within the Northern Ireland standard. We have delivered a number of winning themes that will help us to deliver at a local level. We need funding to make sure that we can develop the signature projects to a level that we can market them out of state and that they are in a position to serve the needs of the consumer, and we also need funding to ensure that the development of the infrastructure generally is brought up to a level that meets consumer expectations. In relation to our own area, our business plan suggests a full operational cost of approximately about £1 million per year, and that is for our own regional tourism authority area. About a third of that at the minute comes from a European source via the offices of the NITB, so where we are concerned that is the level of money we would need to implement the plans currently in place on our patch.

Mr Lennon: To contribute to that, the trigger is about partnership and partnership is not just about words, it is about pooling resources. The 64 million-dollar question is: how many partnerships and what size? Do you have three, do you have four and what is the destination? But ultimately it is going to be a partnership between central government, local government and the private sector. If you move from decentralisation, where it is, and centralise it into one body, you will lose support from the private sector and lose some support from the local authorities currently. For example, in Belfast, it has been a third, a third, a third split between local government, central government and the private sector, but if that is all centralised into the Northern Ireland Tourist Board, into one body, one gigantic RTP, you will find that certain elements of the private sector will not feel as much part of that as they do part of their region and, therefore, their contribution, both financial and in terms of human contribution, will be lost, and that is something we would want to avoid at all costs.

Q198 Mr Fraser: But you do say in your submission, “Marketing budgets have been reduced due to lack of government funding.” You actually say that yourselves.

Mr Lennon: Absolutely.

Q199 Mr Fraser: So, having admitted that is the case, you are hamstrung at the moment in terms of your ability to deliver as you wish to. Could you tell us something about your relationship with the private sector you have just spoken about, what commitments you are going to get and how you have put a business plan together to demonstrate the value, return and investment the private sector will see in your product?

Mr Lennon: In 1998, 1999 Belfast City Council saw the vision of doing a partnership with the private sector. What they did is they put their marketing budgets on the table and invited the private sector to come and join them. In that way the Belfast City Council at last had the value of the private sector contributing to the marketing of the city, but the private sector at last had what they saw was an influence over how public sector funds were being spent in their name. What we have managed to do in this six, seven years that we have been in existence is increase private sector contribution to the marketing of Belfast some 400%. In the first year we set up we got £60,000 from the private sector, this year we are talking £700,000, but that is only possible if the public sector leg is there. It is like a three-legged stool: if one of those legs disappears it will fall off. The private sector will only buy into a marketing campaign where they can get direct benefit, they will not put the funds on the table initially to deliver that campaign. It is a true partnership.

Q200 Mr Fraser: Are there any comments from your other colleagues on that?

Mr Wilmont: It is not just about new money. I think it is about the better use of existing budgets. Mark talked about the strategic framework. The industry fully supports the Tourist Board with the strategic framework, but it would be the view of our members that the different departmental budgets are not contributing. The spending money on tourism and tourism initiatives are not fully supporting the framework, and it is not being co-ordinated and the Tourist Board is not involved in having an input to that departmental spend and, in some instances, we are not getting a good return or the maximum return on that money. We have all heard the phrase “joined-up government”—some people like it and some people hate it, but we have not cracked the nut, certainly in Northern Ireland, and I think that we should spend within existing budgets.

Ms Cathcart: Certainly in the western region that I represent, which covers the Derry, Tyrone and Fermanagh area, the majority of that area outside Londonderry is very much a rural product. Fermanagh Lakelands, which I represent, has certainly been one of the tourism honey-pots in the past, but there is an awful lot more work to be done and an awful lot more investment that we require. We have had a number of big private sector investments, particularly in the Lough Erne Golf Resort, which some of the group may have had a chance to see when you were in Fermanagh, but there is a lot of investment required. The private sector is there, and they are prepared to invest, but they need to see further investment coming from government and seeing that back-up to develop, not just the rural product, but the city product as well.

Q201 Mr Fraser: Have you put a cost on that, like Mr Lennon has, in any way?

Ms Cathcart: There possibly has not been a cost put on it yet. Again, because we are working on a western regional partnership, the needs of Derry City, obviously a lot of investment has gone into the signature project there, but further investment is needed in the marketing project. Likewise, in Fermanagh we have a Destination Fermanagh Strategy. There is a lot of cost to go onto that yet, but we would be talking about significant funding to bring us up to par.
Q202 Mr Fraser: Before you move on, can I put one specific point to Mr Mohan about the St Patrick Centre. There has been significant capital investment at the moment, has there not? Over £6 million.

Ms Mohan: That is right, yes.

Q203 Mr Fraser: Is it correct that things are stalling slightly now in terms of the possibility of running costs being too much to keep the place open? Can you give us a quick picture of that and how you intend to manage debt and how you intend to get more capital investment to make that project come to its full fruition?

Mr Mohan: Certainly I will answer as best I can, given that we do not have any direct involvement as an organisation with the running of the centre. Obviously it is a centre that buys into our organisation and we have supported in terms of the marketing. I know that the centre is supported by Down District Council in relation to making the operation viable and, yes, it is something that has to be on-going, on an annual basis, to keep the centre operational. I suppose its prominence as an attraction needs to be considered as well, and I would support the whole idea of supporting the attraction, given the St Patrick theme, and indeed, Christian Heritage has been identified as one of the signature projects. Downpatrick is right at the centre of that signature project. Indeed, the centre is the only one in Ireland that tells the full story of St Patrick and his contribution to the way of life and bringing Christianity to Ireland, and so it is something that needs to be funded. Specifically, I cannot add much more in relation to, I suppose, sources of future funding in relation to it, but it is certainly an attraction.

Q204 Chairman: The Committee is very concerned about this. We visited it, we were impressed by it, I subscribe to it as a result of that visit, and the thought of such a large capital investment leading to closure is an utter contradiction of all the other things we have been told. I do think it is very important that it is taken on board.

Mr Mohan: Absolutely. I think it gets back to the point that Gerry made. There are a number of key players in the tourism industry as a whole here. We have the buy-in from the private sector, we have the local public sector support through the local authorities, and in this case Down District Council do support this particular attraction, but then we do need that central government support to ensure that key attractions like this, particularly when they are linked to signature projects, get the support to stay running and to be part of the tourism of Ireland.

Chairman: I would like to move to Dr McDonnell, who wants to ask some questions about the marketing of Northern Ireland.

Q205 Dr McDonnell: Thank you, Chairman. You have mentioned your own structures; you have mentioned the Tourist Board. Could you tell me, briefly, if any of your organisations did not exist what would be missing? What are you doing that the Tourist Board could not do?

Mr Mohan: I think the obvious thing (and I am repeating myself again) is the buy-in from the private sector.

Q206 Dr McDonnell: What is the value of that? What is the use of that?

Mr Mohan: Obviously, the public sector supports the development of the whole industry, or should support the development of the whole industry. It is the private sector and the people on the ground that really bring value to tourism as a contributor to the local economy. So we need that buy-in from the private sector: we need the guest houses, we need the attractions, we need the activity providers to buy in and participate with us in marketing opportunities in a way that helps develop the product realistically.

Q207 Dr McDonnell: Can you tell us how you see Tourism Ireland contributing to the work you are doing, or vice versa?

Ms Cathcart: I suppose we see Tourism Ireland, since it formed, has given us a platform in an awful lot more shop windows in countries than we would have had in the past. Certainly when we are marketing outside of Ireland we use the platforms that Tourism Ireland can give us, whether it is through advertising, or promotions, or whatever activity they are doing, in order for us to show-case our products or our destinations, where appropriate.

Q208 Dr McDonnell: How much help do you think that has been?

Ms Cathcart: I do think it has been helpful. In the past we did not have representation. The Northern Ireland Tourist Board obviously did not have the representation internationally that Tourism Ireland now has collectively. So it has given us the opportunity to bring people to Northern Ireland that perhaps would not have had the opportunity of coming here in the past; and we all, through our own organisations, have worked and do work with Tourism Ireland with regard to the marketing platforms that they can give us.

Q209 Dr McDonnell: We have heard suggestions that Northern Ireland is an unequal partner, the Northern Ireland bit is not an equal partner, within Tourism Ireland. How do you feel about that?

Mr Mohan: Prior to Tourism Ireland coming into being obviously there were two individual organisations, or agencies, looking after the promotion of Ireland. They are Bord Failte (now Failte Ireland) looking after the Republic of Ireland and the Northern Ireland Tourist Board in Northern Ireland. Obviously, the partnership with TIL, the creation of TIL, has presented Northern Ireland in many more out of state markets than they could have done as an agency on a stand-alone basis, and in that way it has been very successful. Personally I think Tourism Ireland is doing a good job at promoting the island of Ireland. Again, it goes back...
to the whole concept of partnership and buy-in from the relevant agencies to support what they do in the market-place. If they are sending out a message that says, “Come to Ireland”, we need a strong representation from the respective regions, where we are concerned, to get a message that says, “Come to Northern Ireland. Come to our region and visit the experience of St Patrick”, or whatever it may be. That is the point, I think, that Tanya has alluded to. I know, like everything else, nothing is perfect and there are things that can be improved, and certainly that is relevant to the GB market and how we promote that important market is something that certainly needs addressing and can be improved.

Dr McDonnell: That is the next bit of my question.

Q210 Chairman: Mr Lennon wants to come in.

Mr Lennon: Dr McDonnell, I want to go back to your initial question about the difference about RTPs and what we have done, and I can only speak with authority about what has happened in Belfast but you will remember five years ago we did not have any cruise ships. We have got 27 now. They bring 30,000 people a year. We had virtually no conferences. We had 71 conferences last year. We had virtually no PHV (pure holiday visitors) and we had 300,000 last year, and that is because we have had a focused marketing drive selling Belfast as a city break and a conference centre, and that is the power of the regional tourism partnerships because they can get focused in terms of their niche markets and their products and that is the value that it brings.

Q211 Chairman: Could you follow through on that, because that is exactly what we need to hear. How do you market your product in Britain, in the Republic, further afield, wherever? Do you think that could be done better? Could we expand the very markets you are talking about there?

Mr Lennon: Absolutely. We are busting a gut to get out there. We are not doing anything new that any other city has not done. What happened in the Republic of Ireland, in Dublin, in the mid eighties: they identified that when you are selling a country it tends to be generally a broader image or brand of country, and there was a gap there for Dublin, and they focused on city breaks and conferences, and that coincided with a huge renaissance of city breaks and conferences that tend to be the fastest growth sectors in tourism world-wide. We have just jumped on that band wagon, and rightly so. What we can do is we can sell this city wherever we have direct access. We know that with just the curiosity factor alone we can increase footfall in Belfast, and the benefit of that is not just for Belfast, it is for the greater good, because people do not stay in Belfast, or they will come again and we can sell them, when they are in Belfast, the other venues and attributes for Northern Ireland. What we need to do is ride the wave of city breaks and conferences and exploit it to its full wherever we have direct access, ie Europe. Europe is a big growth market for us over the next five years. That is where the big growth will come from.

Q212 Chairman: Do you see tourism Ireland being able to help you in Europe?

Mr Lennon: To be honest, doctor, what happens in the market-place is an issue. Whoever provides the platforms, be it the NITB or Tourism Ireland, we can exploit them. We will never have the resource in our city to go and do our own thing in out of state markets. Northern Ireland is an island. They should be part of the message, whatever the governments and the departments decide is the delivery vehicle out of state. Has Tourism Ireland been of benefit to us as a city? Absolutely it has, and we would exploit whatever opportunities whoever provides it.

Q213 Chairman: I would like to move on to Mr Wilson in a second but one brief question. Do you believe that signature projects are the right approach to marketing? Just a brief answer from each of you.

Mr Lennon: I am a marketeer by trade. Marketing should be product-led. I believe the signature projects are essential to tourism development, but I do believe they should be wrapped up in a destination sell. They may be the hook to get people to come, but it is part of a destination sell and, yes, they are priority number one in terms of the tourism infrastructure for Northern Ireland and we need them built very quickly. We have probably got five areas of curiosity and the fact that nobody has ever been here before, but we need them in place so that we have some strong honey-pots to attract people. That would be my opinion.

Q214 Chairman: Do you all agree with that?

Mr Mohan: Yes, I just add one simple point on basic marketing. Gerry would suggest you should play to your strengths and the uniqueness of the five signature projects that we have. They are unique to Northern Ireland and I think, yes, they should be developed, but all the other aspects of (to use the term) the winning themes that have been identified in the strategic framework need to be developed as well to support the whole idea of the Titanic, or St Patrick, or the Walled City of Derry or the Causeway, or whatever it may be. So it is an holistic approach. I think it is right that we have identified the key strengths within the strategic framework. What we need now is the investment to ensure that those projects are developed as fast as they possibly can be, and then, through the partnerships that we have mentioned here at a local and national level, we do what we can collectively but within the prominence of the strategic framework to deliver within the marketing effort the full signature projects.

Mr Wilmont: I would concur with Mark.

Ms Cathcart: In our case, in the Western region, obviously the Walled City of Derry is the signature project in our region. Obviously the other two counties, Fermanagh and Tyrone, do not have a signature project. Therefore I think it is important, in looking to the future how those counties can be developed from a tourism perspective, that not all the focus is put on the signature projects but also the
Chairman: Thank you very much indeed.

Q215 Sammy Wilson: Just before I move on to the structures again, can I go back to the Tourism Ireland issue and whether or not it is the best vehicle through which to market Northern Ireland. A large percentage of the tourism budget now goes to Tourism Ireland. I do not have the figures off the top of my head, but it is a large percentage. It is because it has come from a number of sources that I think this causes some concern. While it is a platform, nevertheless, Northern Ireland is, first of all, well behind the rest of the island of Ireland and probably needs more of a leg up than the rest of the island of Ireland. It is not evident that Tourism Ireland uses the resources which come from the Government in Northern Ireland to give that leg up, and, indeed, examples have been given where even the beaches of Northern Ireland have been used in promotions—they were not attributed to Northern Ireland—where you could, very easily, have identified one of the disadvantaged tourist areas of the island. Gerry, you mentioned about the tourist ships and what not. That was a joint thing. I know, between yourselves and the Harbour Commissioners. Are there not grounds for saying that sometimes a lot of that promotion money was not given to organisations like yourselves? You could probably target the spending better and use it to more marketing effect than it being given to an organisation which has got a larger remit.

Mr Lennon: That is a tough question, Mr Wilson. I suppose the best way of answering that is that Tourism Ireland create opportunities, and they are only opportunities and they will stay opportunities until we get out there and exploit them. From my point of view, I feel that we have not been able to exploit all of the opportunities. In other words, if you want to invest in Tourism Ireland, as we are doing, then you have got to invest in the RTPs so that you can get out there and exploit them. In other words it is a double investment. The more investment in Tourism Ireland, then you need to invest further in regional tourism partnerships so they can get out there and do not leave it up to Tourism Ireland. I do not believe that they would say that they are selling our regions for us. What they are doing is creating opportunities for us. It is up to us to get out there, but we need help to do it. I do not know if that answers your question. That is probably as far as I could go with that.

Chairman: We want to move on to the other section.

Sammy Wilson: I would like to have pursued that one, but I think we will move on.

Chairman: We will move on, and perhaps, if there are points we need to take up in correspondence, we can.

Sammy Wilson: I think it is fairly obvious from the briefings we have been given, and even, indeed, from the evidence that you have given today, that between Tourism Ireland, the Northern Ireland Tourist Board, the RTPs and all of the other bodies that chip in as well there are a large number of players in this whole market, and sometimes, as I read through the briefings here, I see massive overlaps in what they do and a lot of government departments, of course, as well have an input into tourism. What do you believe is the best way of trying to sort out the confusion that can inevitably result from the plethora of bodies? You have justified the role of some of them. There is still going to be confusion overlap. What is the best way of sorting out that confusion and making sure, as I think you used the term, Mr Mohan, that there is a seamless picture for the person who actually wants to come to Ireland?

Q216 Chairman: Enlighten Mr Wilson. Tell him how his confusion can be dissipated.

Mr Mohan: If we go back to the Strategic Framework for Action, which I think is a great document, it looks at the whole industry and how we need to develop. We have identified, I think, a series of 10 steps in terms of what we need to do. To be successful in the implementation, that strategic framework needs to be implemented at the highest level. We have a number of government departments that have a responsibility for tourism beyond that of DETI. I think there should be a full and inclusive buy-in from those departments to the strategic framework, and I think it is a point Don made earlier. If we were to use that as a starting point, ie if each of the government departments that have a responsibility for tourism, different aspects of it, were to utilise their money within the parameters of the strategic framework, it would be a much more effective and more efficient use of spend. If we look, I suppose, at clarifying roles and responsibilities within the specific framework in terms of who exactly does what and there is a clear understanding of the role and responsibilities of all the key stakeholders, then we can work to a common agenda to deliver the strategic framework. I think the basis of our future in terms of tourism development is within that.

Ms Cathcart: Probably at the moment as well the lines of communication are fragmented. We need very strong strategic tourism leadership. I think the lines of communication between all the departments which filter down into the industry are confusing at the moment because of the fragmentation. I think it is imperative that the communication with the private sector and the public sector—so everybody understands who is doing what and what the roles are and the clarification of the roles of the different organisations that are involved in tourism—filters down to the industry.

Q217 Chairman: Would it be a good idea if Mr Wilson became the Minister for Tourism in the Northern Ireland Executive, or would somebody else do? Let me ask you the serious question, because it is a serious question, would it be better to have one minister in the new executive, which we hope will be set up, to whom everyone was answerable and who had the prime and absolute responsibility for tourism, whether it be Mr Wilson or Dr McDonnell or somebody else? Would that be a good idea?
Ms Cathcart: If that was the way it was going to go and there was a minister for tourism, I think that would say to the tourism industry that tourism is being taken seriously in Northern Ireland. It is a huge economic benefit, particularly in the west, it is our number one industry after agriculture, and I think, if that was the way we were going to go, the industry themselves would be saying, “Listen, everybody is taking tourism seriously here. We all need to get behind it and support it.”

Mr Mohan: One quick point before Gerry speaks. I think that would be certainly a way of addressing the point I have made previously, ie if there was one central source, one person, one minister in charge of tourism regardless of the number of government departments, that has got a tourism budget and remit, there could certainly be more control over how that government money would be utilised.

Mr Lennon: Chairman, a minister would be major step forward and a focus for making sure the tourism agenda is on the Government’s agenda. That is where we have suffered in the past, and understandably so, but now we have an opportunity to put tourism higher up the political agenda and that is the way forward, but it will not be a panacea. We still need one agenda, because different government departments will be implementing their policies and that will have an impact on tourism, be it agriculture, be it roads, be it whatever. They need to buy into whatever the tourism department’s long-term vision is. The second thing in terms of confusion, we have put forward in our submission a proposal, it is only one proposal, one option, and that is that there is confusion, there is no doubt about it, there is overlap in roles, and whatever. When Belfast City Council sent me over to America for two weeks to learn how to market a city one message came back very clearly: it does not matter how many organisations you have as long as you have clarity of roles and remits. What I would suggest would be that if we are in this partnership and there is a Tourism Ireland and an RTO and an RTP, it is clarity of roles and who is doing what that solves the problem. One issue for us is that we need a strong Northern Ireland Tourist Board, well funded, robust that leads the strategic development and manages Tourism Ireland and manages what they do strongly, if that is the format, but also manages and influences and supports the regional tourism partnership and does not get involved in implementation. It is when there is duplication of roles, be it implementation or strategy, that the confusion is caused, in our opinion.

Mr Wilmont: Just to support my colleagues in terms of the tourism minister, there needs to be a clear recognition of tourism as an economic driver, but it is also about what Gerry is saying: we still have the seven different departments. We need to ensure that that minister will be able to draw those seven departments together.

Chairman: I am sure Mr Wilson would be able to do it!

Q218 Sammy Wilson: In your submission, Mr Wilmont, you stated that there need to be improvements in the case of Tourism Ireland, the Northern Ireland Tourist Board and the private sector. Given what has been said already that the private sector will tend to interface more readily with sub-regional bodies rather than regional bodies or Northern Ireland bodies, how exactly would you see that co-operation and communication happening?

Mr Wilmont: I think that has improved, indeed, even since I wrote that submission, because there is a member of staff at Tourism Ireland who is based in the current office and that is his particular remit, so the structure is already there. Obviously a lot of work and preparation has gone into coming here today and we thought we as an industry—the regions, the Tourist Board, the Department of Tourism Ireland—have never sat together in one room and talked to these issues, and maybe its time we did. In terms of roles and responsibilities and clarity and who does what, I have never been involved in that detailed platform discussion, and maybe that is the sort of thing we should be doing. There should be clear roles and responsibilities.

Chairman: We have a role. I am amazed. Can I move over at that point to Mr Murphy.

Q219 Mr Murphy: In discussions with Tourism Ireland in Dublin last week one of the points they raised was that in 1997 the Government of the Republic of Ireland decided to introduce some incentives to encourage investment in tourism, particularly in hotels, and in a 10-year period they have doubled the number of beds that are available in the Republic. There was some criticism at the way it was actually delivered. However, it does keep them ahead of the game. Do you think something like that would be useful in Northern Ireland? If you do, how would you see it delivered?

Mr Wilmont: Certainly the results are there, the infrastructure is on the ground, the hotel developments are there. It is not something that we have discussed, but my own personal view would be that certainly the fiscal system seems to have worked much better than the grant system that we have had in Northern Ireland. Bearing in mind that the Republic of Ireland are our main competitors, particularly in the coach market, touring coaches, the infrastructure is there. I look across to Donegal, the nearest part of the Republic to my area, and certainly the number of hotel beds in Donegal is much more significant than it is in my area.

Q220 Chairman: And the quality too.

Mr Wilmont: Not necessarily the quality. I think I would have to defend the quality of provision in my area, but certainly in terms of numbers.

Q221 Mr Murphy: One of the reasons they give for the smaller number of people who visited the Republic actually going into the north of Ireland was the accommodation, or the lack of it, and the number of people who came in usually were day visitors who were coached in and coached out on the same day; so they were quite concerned at the amount of the accommodation and the quality of it.
Mr Wilmont: In my area, which takes over 25% of the pure holiday visitors, somewhere in the region of between 50 and 60% of accommodation providers have four bedrooms or less or one unit of self-catering accommodation. I only have two hotels with more than 75 bedrooms. In terms of that coach tour business, that is not a sector that we are strong in. That is the sector that Donegal is strong in, and there are reasons for that.

Q222 Chairman: That is very interesting. You have got two hotels in your sector, which includes the principal attraction of the Giant’s Causeway?

Mr Wilmont: With more than 75 rooms.

Q223 Chairman: With more than 75 rooms.

Mr Wilmont: I hope I am right in saying that. I have a very small number.

Q224 Chairman: If by any chance you have made an inadvertent error, will you let the Clerks know, but this is extremely pertinent evidence and very helpful, because the point Mr Murphy is making did come over to us time and time again. When we were in Northern Ireland in October we were told that there were more tourist beds in Kilarney than in the whole of Northern Ireland, for instance, and so this is clearly very important. You referred to them as your competitors. I must say, they referred to you last week as partners and wanted to share but said that because there were not the beds they could not share to that extent.

Mr Wilmont: They are both a competitor and a partner. We do have a very significant cross-border scheme and we do hope to get significant input in existing forthcoming cross-border schemes. So in some markets they are our competitors and in some markets we are partners, and that just makes good, solid business sense.

Q225 Chairman: Indeed.

Mr Lennon: Chairman, I agree absolutely and the growth of accommodation has been key down there, but accommodation alone will not attract people, that has got to be understood as well, and an incentive like that by itself without the other development of the tourism infrastructure will just create empty bed spaces. In Belfast, for example, we have grown from 900 hotel bedrooms in 1996 to over 3,000 now. A lot of that has been driven by footfall, because there is a moratorium on support for hotels. So it has to be an incentive but also a marketing drive to get a yield out of that.

Mr Mohan: Just to add to that (and I think Gerry touched on it) we have seen, it is very evident, the additional number of beds that have appeared certainly within Belfast. I suppose the issue of bed spaces across the rest of Northern Ireland is another issue and it raises an all-important issue in relation to the whole area of planning. The environment in which tourism is now operating in Northern Ireland has changed dramatically over this last 10, 15 years, but the whole area of planning policy relevant to tourism development has not changed at the same rate as the industry is changing. I think that is another issue in itself. I do understand that there are a lot of sensitivities relevant to development in environmental areas. That raises another issue. We need to look at the bed space in an effort to secure the overnight business, particularly from the coach markets as well. It is an important sector. Let me just draw on one example. If we take the whole thing of St Patrick and Christian Heritage and that particular signature project, if we are encouraging, which we are, group business to come and experience St Patrick on the newly developed St Patrick’s Trail, we want to get the bed made within the immediate area, and there are issues relevant to planning and the development of hotels in particular that should be addressed locally.

Ms Cathcart: Just to add to what Don was saying about the hotels in the Republic of Ireland being our competitors, because a lot of us are focusing our marketing activity on the whole market, on the Northern Ireland and Irish market, it is certainly the case that the Republic of Ireland are our competitors. Obviously the further afield we go on a more all-Ireland level, and certainly from an international marketing perspective, we in the west are working quite closely with our partners in Donegal, Sligo and Leitrim from a north west of Ireland point of view to try to drive people into the north west region of Ireland, which usually does not get anything like the number of international visitors that other parts of Ireland get. But from a home marketing campaign, we are in competition with our colleagues in the south, who have a huge number of hotels and are selling them in such a way that people certainly within Northern Ireland are wanting to go and buy that product at that price.

Q226 Mr Murphy: Following that up with one statistic, out of the visitors that visit the island of Ireland only 8% who holiday in the south travel up to the north. That is 92% of the people there. It is a huge market and there is massive potential?

Ms Cathcart: Yes.

Chairman: I move over to Steven Pound who, after this question, wants to move on to training.

Q227 Stephen Pound: On that particular issue one of the common themes that emerged in our discussions in Ireland was the success of fiscal incentives for new-build and conversion. Although these are being phased out—virtually everybody we spoke to—in fact about the only two common things we heard from everybody was admiration for the Titanic Quarter, which is widespread in Ireland, and, secondly, the benefits and advantages of the fiscal incentivisation. Have you formed a collective view on a similar programme in your areas with a view to making a presentation on that? I appreciate asking for tax advantages is something that most people do as easily as breathing, but I just wonder whether you had formulated your own view in view of the demonstrable success in Ireland?
Mr Mohan: Certainly in our area, Armagh and Down, we work very closely with the network of colleges. We actually produce a little industry booklet that we make available to our entire 620 strong membership base highlighting the specific opportunities at those respective regional colleges, but I think we need to elevate that a level higher. It needs to be addressed for Northern Ireland as a whole. That is an initiative that we are involved in, because one of our sub-regional further education colleges in Newry is a centre of excellence for the hospitality industry and it is through the offices of that particular establishment that we have started to work with them. They are proactive and would like to present opportunities to the tourism industry. We would like to facilitate that and do the best we can, but I think it needs to be addressed at a higher level and then we feed the actions out at a sub-regional level.

Stephen Pound: My last question I touched on briefly. Politicians love ground projects, they love great building, which may possibly even be named after them, not that I am remotely suggesting that, although I always thought Pound Bank would be quite a good one! I wonder if you have any views on the possibility of a tourist and hospitality academy. This has been mooted by People 1st and by a few other people. Do you have a collective view on the desirability for such a structure?

Mr Wilmont: I am not sure we have a collective view.

Mr Mohan: Certainly I mentioned earlier on, in response to a question about the different remits that an RTP has, as a regional tourism partnership I see a need certainly for us to facilitate areas around business skills development and support and training. This is an issue, I should say, that is not specific to one particular region. It is something we need to address at a Northern Ireland level, and there is work going on through the offices of People 1st to try and put a training and development strategy in place. I would see the role of the regional tourism partnerships facilitating the implementation of any action plans that they come up with in relation to enhancing. I suppose, the industry and the education level and the training need within it as well.

Stephen Pound: Far be it for me to fill up Minister McDonnell or Minister Wilson’s in-tray before they even take office, but I would have thought that would be a sensible thing to put on the table.

Mr Lennon: Absolutely.

Q228 Stephen Pound: Ireland’s greatest export traditionally has been its people and Ireland’s greatest asset is very often its people. A lot of the evidence that we have had is that one of the reasons why people return to Northern Irish holiday destinations is simply the people they meet there, the people working in the industry, the people working around the signature projects, which leads us on to training. Traditionally you tended to have the typical profile within the north of Ireland as being small, family-based with a very small number of employees. We are now moving into a different situation and there has been much discussion about, for example, a National Tourism and Hospitality Skills Academy. What I wanted to ask you about was the role of the RTPs in both providing and organising training. How do you see the role and how do you see your successes?

Mr Mohan: Certainly I mentioned earlier on, in response to a question about the different remits that an RTP has, as a regional tourism partnership I see a need certainly for us to facilitate areas around business skills development and support and training. This is an issue, I should say, that is not specific to one particular region. It is something we need to address at a Northern Ireland level, and there is work going on through the offices of People 1st to try and put a training and development strategy in place. I would see the role of the regional tourism partnerships facilitating the implementation of any action plans that they come up with in relation to enhancing. I suppose, the industry and the education level and the training need within it as well.

Q229 Stephen Pound: I have spoken to FE colleges since we visited just before Christmas. What I am constantly told by FE colleges is that they are more than willing to structure and tailor vocational courses to the needs of what is demonstrably one of the fastest growing sectors of the economy in Northern Ireland. Do you have talks with FE colleges, or even the University of Ulster, with a view to specific vocational qualifications beyond the legal requirements of health, safety and food hygiene regulations?

Mr Lennon: Chairman, Mr Pound, the answer is NITIC (Northern Ireland Tourism Industry Confederation) has attempted to do that, and I know that the IOD have made presentations to the Government about reducing tax regimes. The short answer is not a very well structured or built argument but something that we should do, and I will be bringing that back to Clare Donnelly of NITIC and asking her to do that very quickly.

Mr Mohan: Certainly in our area, Armagh and Down, we work very closely with the network of colleges. We actually produce a little industry booklet that we make available to our entire 620 strong membership base highlighting the specific opportunities at those respective regional colleges, but I think we need to elevate that a level higher. It needs to be addressed for Northern Ireland as a whole. That is an initiative that we are involved in, because one of our sub-regional further education colleges in Newry is a centre of excellence for the hospitality industry and it is through the offices of that particular establishment that we have started to work with them. They are proactive and would like to present opportunities to the tourism industry. We would like to facilitate that and do the best we can, but I think it needs to be addressed at a higher level and then we feed the actions out at a sub-regional level.

Stephen Pound: My last question I touched on briefly. Politicians love ground projects, they love great building, which may possibly even be named after them, not that I am remotely suggesting that, although I always thought Pound Bank would be quite a good one! I wonder if you have any views on the possibility of a tourist and hospitality academy. This has been mooted by People 1st and by a few other people. Do you have a collective view on the desirability for such a structure?

Mr Wilmont: I am not sure we have a collective view.

Q231 Stephen Pound: I know the argument will be: where will it be, but if we can go beyond that.

Mr Lennon: It should not be moved from the University of Ulster.

Q232 Chairman: Can we have a quick answer as to whether you think it is a good idea or not.

Mr Wilmont: I think, in principle, yes.

Q233 Stephen Pound: I think that was four nods.

Mr Mohan: No.

Chairman: Three nods and a reserve.

Stephen Pound: Three nods and a “not in my back yard”!

Q234 Sammy Wilson: Can I follow up on Stephen’s question. I think recently the Department of Employment and Learning brought out the document **FE Means Business**, which is really going to move a lot of FE courses away towards qualifications which actually help people to get into employment. Has there been any contact between yourselves and DEL as to how that document and that policy could open opportunities for widespread training? You have mentioned the Armagh and Down situation, but right across Northern Ireland using the infrastructure of FE colleges to improve the training in each of your regions.

Q235 Chairman: I think a brief answer to the Minister of Education there because we have to move on.
Mr Wilmont: A brief answer: no.
Mr Mohan: My previous answer suggests we have made contact and we are very willing to support our industry through the network of further education colleges in whatever way we can.
Mr Lennon: No, but we in Belfast would not see that as one our top priorities at this stage because we are focused on marketing visitor servicing, but we would certainly like an input into it.

Q236 Sammy Wilson: Gerry, you have got the contact with the private sector. Surely you should be at the front-line line of disseminating that.
Mr Lennon: We would like to be, but one battle at a time.
Ms Cathcart: Again, our direct involvement would be that we would work with the local colleges in the west to help deliver training or courses specific to the industry, be that in hospitality or e-marketing or whatever is required.
Mr Wilmont: Chairman, I would like to clarify my brief response to Mr Wilson’s question about the new initiative. We do work on an ad hoc basis with the colleges and we do help deliver training in the region.
Chairman: Thank you very much indeed. I would like to move to Mr Grogan, who wants to ask about transport, and then Mr Battle, and I would just ask them to bear in mind that we are approaching the end of this session.

Q237 Mr Grogan: Some commentators have argued that tourism in Northern Ireland is held back by poor transport infrastructure, road and rail in particular. Are they right?
Mr Mohan: Certainly in the rural areas the geography that I represent, namely the counties of Armagh and Down, an improved public sector transport system would allow for easier distribution of visitors. There is no doubt about that. I think we heard in the conversations earlier on the potential we have from the Ireland-wide market. We are looking at initiatives working with Northern Ireland Railways and Translink to bring people from Dublin up north. If they are coming up on the train we want to encourage them to go to rural areas, we need a means to get them to those rural areas and I would suggest any improvement would certainly help the situation of distribution of visitors into the rural areas.
Mr Wilmont: Certainly Causeway Coast and Glens, being a rural area, would have limited public transport, and certainly an increase in public transport would be beneficial for our area. DETI have already done a review of public transport and have made a number of recommendations, and, again, this is another strategy which needs implementation. As I said in my presentation, I think we know what all the problems are and we have all the strategies in place but we need to start delivering on some of these.
Mr Lennon: It leads into joined-up government thinking again, because Translink is under pressure to operate as a private sector company. They need to go where they can make a profit and cover their costs, and if we were asking them to put transport links into somewhere where there is not a defined market yet, then they will need support from government from another department, so it has to be joined up thinking. If we are asking that the signature projects, when they are built, are all linked up, there might be a year or two where Translink would need support to put those services on.

Q238 Mr Grogan: Is there evidence that the increasing advent of low-cost airlines is helping visitor numbers, is that a big factor?
Mr Lennon: Absolutely, the whole route development project has been a significant help. The footfall through the Belfast Welcome Centre used to be about 40% domestic Belfast/Northern Ireland people and now it has totally turned the opposite, it is now 70/30 or even 80/20 international visitors so it definitely has worked through the Welcome Centre. The issue would be the load factors and have they significantly moved. I would suggest from the figures that I have seen (but they are out-of-date) that when you take all the European routes it is still about 80/20, 80% out and 20 per back. That is a key performance indicator for us and if we could shift that to 60/40 then we would know we are making inroads into Europe.
Ms Cathcart: Certainly the advent and the increase in the low-cost air carriers has been great for Northern Ireland and it is great to see all those international destinations flying directly into Belfast, but obviously to increase the business over towards the west, it is one and a half to two hours to travel west from the international airport so we need particularly in the west investment in public transport. If we could get a train service going down to Enniskillen that would be great. We may have missed the boat on that but we do have the City of Derry Airport.

Q239 Chairman: And Mr Mohan is going to give you some money for that!
Ms Cathcart: Obviously on the road infrastructure there is a lot more development that could be done with regard to getting west the road from Belfast to Derry, the road from the end of the motorway down at Fermanagh, so there is a lot of work and improvements that we would like to see in the road infrastructure.
Mr Grogan: Finally just changing tack slightly, can I ask Mr Lennon what you see as the possible potential of the proposed new multi-sports stadium for increasing tourist numbers and particularly what your business partners think of it? Does it make a difference whether it is at the Maze as the Government appears to want or in Central Belfast as Belfast City Council appears to want?
Q240 Dr McDonnell: No comment!
Mr Lennon: Oh, I have to comment!
Sammy Wilson: You had better comment!
Q241 Chairman: He is not only the Minister for Transport, Education and Tourism but he is now Minister for Sport!
Mr Lennon: It will be the greatest mistake ever if it is built there.

Q242 Mr Grogan: If it is built at the Maze?
Mr Lennon: Absolutely, it is the simplest no-brainer ever that it should be in the City of Belfast where there is the infrastructure already there and you do not have to build it and you are going to exploit all the benefits from it and save the money that you would spend to build the infrastructure round there and put it into something else that we are talking about. It is nonsense and every economist and every business person, even business people from Derry/ Londonderry who you know would like everything up there, are saying that they understand the economics of having it in Belfast.

Chairman: Thank you for that mildly clear answer! Mr Battle?
Sammy Wilson: I was glad to see, Gerry, that there was a message there.

Q243 John Battle: I think it was Mark Mohan who referred to the Strategic Framework 10 steps in a positive way but in one of the submissions, the Giant's Causeway and Glens submission—and you have had the framework since 2004—the remark was that not a lot had changed as a result. The framework runs out this year. Whenever I hear the word “strategic” I start to worry because we are shifting the language here and rather than meaning a plan of action it can often mean drawing up a document that we sit talking about for another 10 years and we do nothing. Are you involved in the drawing up of the next strategic plan? Is the strategic plan going to lead you anywhere and what would be your input in to it and how would you change it?

Mr Wilmont: Can I maybe respond to a comment based on my submission. In a sense there is a perception amongst industry that not a lot has happened simply because there has not been adequate funding. I would have to say that the industry buys into the Strategic Framework totally, certainly in my area and I think I can speak right across the Province and it really is the way forward. I also said in my submission that we have sufficient strategies. There is nothing wrong with the Strategic Framework for Action, it is an excellent way forward. We need to solve box 10 which is delivery and we said that at the outset. We have solved some of the problems and we need to solve the rest of them and we need the funding to deliver on the signature projects and the winning themes because the two have to go together. Certainly the framework is the way forward. My comment was made in the context of lack of funding to deliver it.

Mr Mohan: I think just to add the other point which goes back to something that was said earlier as well, we need full participation from all key stakeholders to make the implementation happen. You are right in that we have numerous strategies, there are strategies all over the place, but strategies sitting on the shelf are no good unless they are implemented and there are actions coming out of them. To make that happen we need full engagement from all stakeholders and the finance and the funding to help deliver it as the framework is intended.

Q244 John Battle: It did surprise me that you have not got together before, for whatever reason, working on your own plans, but will you be getting together as a team and drawing up a new Strategic Framework post-2007 for another five years or whatever? Are you actively thinking about that or doing it?

Mr Wilmont: We do get involved in the Strategic Framework, the industry is fully consulted on the framework and we will be consulted in the next one.

Q245 Chairman: But will you be together, Mr Wilmont?
Mr Wilmont: We will be together. My comment was in the context of roles and responsibilities where the Department of Tourism and the Tourism Board have never sat in the one room and talked about who does what. That is what I meant in terms of the context, but certainly in terms of the development of the framework and strategies the industry is fully involved in the consultation.

Mr Mohan: And in relation to the next stage, specifically yes, I sit on the committee that has met on a number of occasions under the guidance of the Northern Ireland Tourist Board to look at the next stage of product development relevant to the framework and what needs to be done. That is still in the planning stage as we speak at the moment but I would support the full implementation of the strategic plan.

Q246 Chairman: Thank you very much indeed. We have much appreciated your evidence. I would just like to ask one final question of you, Mr Wilmont if I may, because we did visit the Giant’s Causeway project and talked about the proposed centre. Have you made any progress since we were with you in October?

Mr Wilmont: I believe some progress was made but, like my colleague Mark, we are not directly involved in that delivery. I believe the planning application is going to be submitted mid-summer so progress has been made but it is a difficult challenge between the environmentalists and the marketers. It has been a difficult marriage but we are making progress.

Q247 Chairman: What you have just said, allied to what was said a few minutes ago leads me to be so bold as to make one suggestion to you and that is, as somebody said earlier, I think Mr Wilson, we are dealing with a small part of the United Kingdom, the population is small, the area is no bigger than Yorkshire; I think you do need to continue to get together and consult each other, and without wanting to be critical of you Mr Wilmot, the fact that you could not give an absolute answer to my question is a pity. I think you need to talk to your colleagues so that you can—
Mr Wilmont: Can I just clarify, Chairman, the reason I could not give an answer is that we are not party to those discussions. The Regional Tourism Partnership is not part of the group.

Chairman: Perhaps you should be; that is the point I am making.

Q248 Sammy Wilson: There is one last section we did not touch on and may I just ask one question on planning. Recently the Department has issued a PPS14 on static caravan sites. I think in your area, Mr Mohan, there are about 7,000 such sites which generate around £35 million per year and on the north coast about 5,000 generating £25 million. Have either of your two organisations made any submissions regarding that planning policy statement? What are your views on that end of the tourist market?

Mr Wilmont: Our board takes a view that planning policy is within the remit of the local authorities and unless we have a unanimous view across all stakeholders we do not take a position on an individual planning issue within that.

Mr Mohan: Our organisation has not responded to that particular initiative. Having said that, as part of our product development remit we are looking at a coastal and marine development strategy, and the caravan sites, namely because they are coastal based, are part of that equation and we want to consult heavily with them as part of that consultation and hopefully get recommendations which fit with the development of that sector as well because I know it certainly delivers a lot in the domestic context and we would want to support it.

Ms Cathcart: Just to reiterate that we really do need a planning policy statement with regard to tourism. At the moment there is a draft Planning Policy Statement 14 on sustainable development in the countryside and it effectively imposes a complete moratorium on single dwellings in the countryside, so with regard to tourism development particularly in rural areas it really is having a major impact and we really do need to look at the planning issues from the tourism perspective.

Mr Lennon: A last comment and it does not really relate to planning, it is simply a plea to government that over the last five to 10 years it has been shown that tourism works, tourism creates employment, it regenerates the whole area and what we need is for government to be very brave and invest in tourism now to get the returns, without doubt. There will easily be 100% growth in five to 10 years, that is not an issue, if the right investment is put in place.

Q250 Chairman: I do not know what the Committee is going to recommend yet because we have got to sift our evidence and if there are points that you feel you have not had opportunity adequately to make, if you write to our Clerk within the next seven days those points will be taken into account. The one thing that we are unanimous about is that Northern Ireland is an extremely beautiful part of both the United Kingdom and the island of Ireland and we are very anxious to see its enormous tourism potential fully and properly and sensitively exploited, with the emphasis on quality, so we shall be trying to make recommendations that will help in that direction, and thank you for helping us by coming this afternoon.

Mr Mohan: If I could on behalf of myself and my colleagues thank you and indeed your colleagues for affording us this opportunity.

Witnesses: Mr Alan Clarke, Chief Executive, Mr Tom McGrath, Chairman, and Mr John McGrillen, Board Member, Northern Ireland Tourist Board, gave evidence.

Q251 Chairman: Mr Clarke, Mr McGrath and Mr McGrillen, thank you very much indeed for coming, you are very welcome. We are delighted to see you again, we have seen you in Belfast and we appreciate your coming over to give formal evidence and thank you for the written submissions that you have made to us. I think you heard the whole of the previous session. Before I start asking you questions is there anything that you would like to say to us by way of an opening statement?

Mr McGrath: Just a few comments, Chairman, we realise that the purpose is for us to come and answer some questions. Alan Clarke is the Chief Executive of the Tourist Board and I am Chairman and John McGrillen as well as being our Board Member is also Chief Executive of Down District Council which is the major funder of the St Patrick’s Centre. The question was asked earlier so we have brought the expert with us. I think what we would say is that tourism is evolving in Northern Ireland over a period of time and evolving towards success and we are faced with many challenges. We see tourism as a key economic driver of the entire Northern Ireland economy and we believe that we can achieve a number of key steps. We have to ensure that tourism is taken seriously and that it moves up the agenda both within government and among the Northern Ireland population as a whole not only the business population. Now is the time for a step change while we are on a growth curve to invest for long-term growth in the industry. There are clear issues around structures and the level of fragmentation that the sector experiences and we believe more appropriate arrangements should be considered. There is a requirement for funding focused on both the strategic priorities and more general support facilities that are not necessarily perceived as being provided primarily for visitors—townscape, transport, et cetera—some of which have been alluded to in the previous presentation. We see the
key drivers for future growth as resourced long-term vision and market positioning, investment in infrastructure, especially our signature projects, the development of the industry’s skills, capability and competitiveness, a sustainable industry in tune socially and environmentally with Northern Ireland, marketing to meet the specific needs of Northern Ireland; and investment in new media especially the web. We believe the future is bright. The outlook for 2007 is really positive with Northern Ireland being recognised internationally as “a place well worth visiting”—we quote the Lonely Planet—and we look forward to assisting the Committee in its considerations.

Q252 Chairman: Thank you very much indeed. You will know that we are nearing the end of our evidence-taking sessions. We were very anxious to see you and next week we shall be seeing Tourism Ireland and then we shall be seeing the Minister and then we shall be deliberating and producing our report, and we very much hope to publish that in the first half of March, so that is our timetable. If there is anything that is not, in your opinion, fully covered this afternoon in the exchange of questions and answers then you must feel free within the next seven days to write to our Clerks who will take it into consideration. Perhaps I can kick off by touching on this subject of fragmentation and touching particularly upon your relations with Tourism Ireland. We have heard a number of comments about the work of Tourism Ireland, many of them extremely complimentary, and we have been impressed by what we have seen and heard talking to their leading officials and members, including the members from Northern Ireland itself. However, some people suggest that Northern Ireland is an unequal partner in spite of the fact you do have the same number of members on the board of Tourism Ireland, and that Tourism Ireland could have been more successful in marketing Northern Ireland overseas. What is your response to those criticisms?

Mr McGrath: Before passing to Alan, there are a few comments I would make. One is that we are not certain we receive the acknowledgement that we should receive as a shareholder in Tourism Ireland and I think we find it perhaps difficult to manage the process. One of the previous participants mentioned the question of the Northern Ireland Tourist Board “managing” Tourism Ireland. I think we find that somewhat difficult. Part of the reason, which again was alluded to previously, is the Republic of Ireland is one of our major competitors albeit with Failte Ireland a friendly competitor. Nevertheless Tourism Ireland markets the island of Ireland, and Failte Ireland and its predecessor Bord Failte always marketed the island of Ireland, so there is confusion out there amongst our potential buyers and we think that is one of the areas that it arises and we feel that Northern Ireland should be featured more strongly as an entity by Tourism Ireland.

Q253 Chairman: In what way particularly?

Mr McGrath: I think the difficulty we feel is that when the island of Ireland is marketed to some extent our product is diluted; it has to be because it does not stand out. We do have certain statistics regarding marketing particularly in Great Britain where when people are asked they say they see the advertisements applying to the Republic of Ireland and not the island of Ireland as a whole. Mr Clarke: There have been a number of successes with Tourism Ireland. The previous evidence in terms of the distribution through a more widespread network of overseas office and from an image point of view what we would call destination public relations—getting travel writers in—has been exceptionally important. However, as Tom has alluded to, the Great Britain market is probably key to us. It is a vital part of our business and I think we have seen over the last couple of years that there is a fragility around the Great Britain market in terms of Northern Ireland, which is not unexpected because the low-cost air access that was referred to in the previous evidence session also takes people out of the UK and therefore the competition for Northern Ireland in terms of the Great Britain market has become much more severe. Also if you go back to the research that Tourism Ireland carried out two or three years back, not unsurprisingly in Great Britain people have seen Northern Ireland on their television screens for the best part of 30-odd years and therefore they have a different image, a more harsh image of Northern Ireland than they have of the rest of the island. Our opinion is that the approach in Great Britain needs to be different, it has to be much more of a regional approach, and we do not believe necessarily the approach in Great Britain of selling the island of Ireland as a single destination is right. Most of our market is short breaks and people go to one part of the island of Ireland for a short break, not to the island of Ireland, or for conference and meetings business, and they go to one venue for their conference, they go to Belfast, Dublin or Galway, they do not go to the island of Ireland. Therefore we would like to see some reappraisal of the approach in Great Britain. I think there are parallels there in terms of what Visit Britain have done over the last four or five years where they have pulled back from their closer-to-home markets in Ireland, France, Germany and the Netherlands and they now concentrate their efforts much more on growing new markets like China and India. In those closer-to-home markets the “Britain” message did not have the same resonance and they now promote London or they promote Scotland or they promote Wales. I think we would like to see a different approach in Great Britain because it is exceptionally important to us, but we have seen the fragility kicking in over the last 18 months and I guess it is one of our major concerns as we move forward.

Q254 Chairman: Do you very often sit down and talk about marketing strategy with your counterpart in Tourism Ireland?
Mr Clarke: Tom and I are board members in Tourism Ireland.

Q255 Chairman: Yes, I appreciate that.

Mr Clarke: And also at officer level we are involved with Tourism Ireland in the planning approach towards marketing. I think the key fundamental issues have been aired but we never really seem to get a resolution of them, or perhaps they are not felt to be as important as we feel them.

Chairman: I see. Let me move on to Mr Wilson.

Q256 Sammy Wilson: Can I just follow up on that. You are board members so if there is a new promotion campaign that is going to be put out by Tourism Ireland what kind of input would you have into that? Is it run past you before it goes out? Do you have a chance to make comments and make changes if you feel that Northern Ireland is being marginalised or excluded or in some way treated in a disadvantaged way?

Mr Clarke: We do have some input into the creation of it and I suppose the essence, Sammy, in a sense is that Tourism Ireland should be able to get on with the job, should be able to do the job and I think one of the biggest elements is to have appropriate performance measures in place for their performance. Many of the performance measures that are currently in place are what you might call on industry performance, so the volume of tourism or the spend of tourism, whereas really I think Tourism Ireland’s job is two-fold: it is to increase awareness of the island of Ireland; and it is to secure catch-up for Northern Ireland. However, we need proper performance measures to define what that catch-up is. Most of that catch-up in my opinion has to be around changing the image of Northern Ireland in the GB and overseas market-place.

Q257 Sammy Wilson: Does catch-up not imply that there is some product identification specific to Northern Ireland? That is what I took from what Tom was saying—that that does not actually happen in the promotion.

Mr Clarke: Tourism Ireland’s job at the moment is to promote the island of Ireland and I believe the approach in Great Britain should be to move away from the approach of the island of Ireland as a single destination to what you might call a multi-destination approach. For example, Tourism Ireland have created what they call four “super-regions” of which Northern Ireland is one. I think that type of approach has much more resonance in the closer-to-home markets.

Q258 Sammy Wilson: You have talked about Tourism Ireland and setting targets, et cetera. How does the Northern Ireland Tourist Board measure the effectiveness of its marketing strategies?

Mr Clarke: Again if you go back to our corporate plan, the one before last, we were a bit like that too. We had three-year industry performance targets for the volume of visitors coming in and the spend of visitors. We have now tried to reappraise our targets in the current corporate plan to around what our key objectives are. For example, in the signature projects we have targets in terms of timelines and milestones in each of the signature projects that we need to secure by x date. We will have in place phase one of the Walled City of Derry project, so we have tried to become much more specific in our targets towards what we can have the ability to influence. At the end of the day no-one in tourism can truly control visitor numbers and spend; we can influence it but we do not have control over it.

Q259 Sammy Wilson: You say that but by concentrating on the signature projects as you have suggested are you not running into exactly the same danger as you have said about Tourism Ireland because Tanya Cathcart made the point, you probably heard her, that for example in the western part of Northern Ireland there is not a signature project so here is a part which we are told is already disadvantaged because of its remoteness and whatnot, so there will probably need to be some catch-up using the phrase, but yet your targets and your measures are all concentrated on areas where perhaps there is less disadvantage.

Mr Clarke: They are not all. I have given that as one example but we have targets around all our key programmes so that winning themes, for example, and things like short breaks, activities and business tourism are also key elements of the framework. The framework has 10 programmes and signature projects is one of the 10 programmes, a very important one of the 10 programmes, but we also have to deliver across all those 10 programmes.

Q260 Chairman: Before I move to Mr Battle there is one specific question that I feel I must ask, particularly as you have brought somebody specifically to answer it. The St Patrick’s Centre has come up several times during our inquiry. We visited the centre, we thought it was admirable. We were delighted to see so much money had been spent on it but then we were appalled to think it might not survive, it might have to be closed we were told. As this is part of one of your signature projects can you just give us a little update and possibly some reassurance, Mr McGrillen?

Mr McGrillen: I am pleased that you did get the opportunity to visit the centre and that you were impressed by it. I have got to say that this has come as something of a surprise to me. I heard this first when we had dinner in the Slieve Donard Hotel and I think it may be reflective of a comment that had been made in the press that week with some political expediency at that point in time. The fact of the matter is that Down District Council is highly committed to the St Patrick’s Centre. There is absolutely no question of the St Patrick’s Centre closing. That would be my take on it. We have invested at least £100,000 per annum in the centre over the last seven years. In fact this year we put £168,000 into the centre. The issue from my perspective is not one as to whether it shall stay open or close; it is what is the most appropriate management structure for the centre, and I think that some councillors have formed the view that...
there is the opportunity for rationalisation of the management and the marketing of some of the council facilities like the Down County Museum and the St Patrick’s Centre, and I do think that there is some merit in that view and that is something that we will be looking at. It is a matter of how do we minimise the cost of running a number of cultural facilities all of which play a role in the St Patrick’s signature project.

Chairman: Thank you for that, that goes some way I think to reassuring us. I would like to bring in Mr Battle and then Mr Hepburn.

Q261 John Battle: You have commented on the relationship with Tourism Ireland but in the previous session there was a bit of a discussion about the relationship between the RTPs, yourselves, Tourism Ireland; how do you see all that settling down in the future? Would you knock them all into one organisation?

Mr McGrillen: Possibly. Certainly I think we have too many organisations. We have the Tourism Industry Forum and I cannot remember how many organisations are represented at it, so there is confusion because there are so many. I think we should have fewer organisations, but how many and whether there should be one organisation for Northern Ireland, I think that might be one answer. You heard the comments made previously regarding buy-in. I think the local businesses will buy in where they do see advantage and they see advantage to their particular area. I know the concern, the size of Northern Ireland is small but you find in all localities people put their hand up and said, “What about me? What do I get in my piece?” That is probably why we have arrived where we are today.

Mr Clarke: It is a very crowded pitch at the moment but I think when Tourism Ireland was set up four years or so ago we tried to shape our own activities much more towards product development and complementing Tourism Ireland’s activities in the market-place. Things like the signature projects came in then that (a) would be iconic and (b) would have an international standard for Northern Ireland essentially to make Tourism Ireland’s job in the market-place that bit easier. I think in terms of the regional network, the regional network under the old RTOs was set up with European money and because it was European money it was to do out-of-state marketing. Tourism Ireland came on the scene with £301 million of Northern Ireland money to do that job, so I think the whole lessons of where the regions go in the future has to be much more focused on local product development. If you look at our visitor attitude surveys some of the major negatives that come out from visitors are the ones that you have already alluded to, things like public transport, things like the evening economy, things to do in the evenings and things to do on Sundays. Those are the things that our visitors tell us we need to improve and we have to get some of those quite basic things right and get those foundations in place. I suppose as we are faced currently with 26 councils there is a need for regional co-ordination. That need, as the Committee has alluded to, may be somewhat less if you move to a model of seven councils, but the key thing is under that model you still need engagement with the private sector.

Q262 Chairman: Would you keep the RTPs or not?

Mr Clarke: I think it has needs less. If you look at what our competitors have done in the Republic, and in Scotland they have moved much more towards an integrated network to reduce that confusion. So Fáilte Ireland now has an integrated network with its regions and VisitScotland now has a totally integrated network with the regions so it appears seamless and they have tried to move away from what they call geography or territory marketing towards more marketing across the whole destination based on key themes.

Mr McGrillen: I can almost see this issue from two perspectives from either end of the microscope because I can see it from a local authority perspective and from a Tourist Board perspective.

Q263 Chairman: If the public review does indeed result in seven or 11, would you still see a need for RTPs?

Mr Clarke: I think it needs less. If you look at what our competitors have done in the Republic, and in Scotland they have moved much more towards an integrated network to reduce that confusion. So Fáilte Ireland now has an integrated network with its regions and VisitScotland now has a totally integrated network with the regions so it appears seamless and they have tried to move away from what they call geography or territory marketing towards more marketing across the whole destination based on key themes.

Mr McGrillen: The point Alan makes is a very valid one. I have certainly seen the advantages of the RTPs from a local authority perspective and the St Patrick’s signature project has been a good example. Previously we had a very parochial view being held by two of the district councils in that partnership. It was almost a fight as to who owned St Patrick and we have now got to a point where we have begun to look outwards and we have got the local authorities to realise that there is more to be gained from working in partnership than working in competition and that has been absolutely crucial. I think the real benefit to be gained is in the area of product development and working to develop the product that people experience on the ground. If we move to a lesser number of councils, I am not sure if you would want seven RTPs, you desperately do need to engage with the private sector, but if we end up with 10, 11 or 15 I still think there might be some merit in a partnership spanning two new local authority areas because my own experience is that working closely with those councils which would not be part of our new council area does yield a benefit from a product development point of view.

Q265 John Battle: If that is your response in terms of organisation and if I asked you in a general sense your view about the politics of it, as tourism becomes a much more, as I am learning, influential factor in the whole economy it ranges across departments; is it better to have people in each

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1 Correction from witness 13 million.
Mr McGrath: One minister please.

Q266 Chairman: There are two candidates here.  
Mr McGrath: We will take them both.

Q267 John Battle: One big minister is the answer, and why, can you give the reason for that?  
Mr McGrath: We have seen particularly when we look into the Republic of Ireland the Minister there John O’Donoghue really champions tourism and he does a great job.

Q268 Mr Hepburn: What do you see as the main factors constraining the growth of tourism in the North and how are you trying to get over those constraints?  
Mr McGrath: I would start with planning, we seem to have difficulty getting major projects past the planning process; transport infrastructure; and already it has been mentioned in the previous session the fiscal situation and the encouragement of more and more private business to take risk.

Q269 Chairman: Could you give some examples on planning?  
Mr Clarke: On planning we currently have identified a number of key priorities in the initial work on our product development. We did some work on golf tourism about 12 months ago. It said that if we were to have an aspirational approach towards golf tourism we need to realise three or four golf resorts. There is one example on the north coast at Runkerry near Bushmills which is being called into planning as an Article 31 application for four/five years, and it is a North American investor who if he had not come from Northern Ireland probably would have gone elsewhere. One of the issues with golf resorts, and we have looked at it in terms of best practice for golf resorts, is that it requires some form of self-catering, time-share or housing development up-front to realise the capital costs down the line. That goes against planning policy in terms of development of the countryside, as has been referred to earlier, so we are trying to develop tourism in the rural economy but to do so we need a more flexible planning approach. Planning policy was referred to in the last session. PPS16, which is the desired policy statement on tourism, is probably at least 18 months or two years away from being developed yet tourism is growing very rapidly within the economy. We almost have a situation at the moment where anything outside the urban settlements is being refused permission yet a lot of tourism like golf resorts takes place in the rural economy.

Q270 Mr Murphy: You mentioned problems in transport; what are they?  
Mr McGrath: Particularly outside the Greater Belfast area the provision of transport and quite literally the facility to get from A to B within a reasonable time. We often find lack of transport or poor transport services commented on by our visitors in visitor surveys.

Q271 Mr Murphy: We have heard that the low cost airfares were encouraging visitors and that is fairly self-evident but what we were considering as a Committee when we were over in the North is for example if I wanted to go somewhere in the UK for a weekend, Inverness say, I would jump in the car and off I would go. If I decided to go to Northern Ireland and take the ferry that would put an extra couple of hundred quid on the journey. Obviously that is a problem. Have you any ideas on how that can be overcome?  
Mr McGrath: Simply bringing folk from Great Britain to Northern Ireland?

Q272 Mr Murphy: By ferry. Is there a future for the ferry apart from cargo, apart from freight?  
Mr Clarke: We have lost a ferry operator two years ago in terms of Seacat out of Troon so we are now more consolidated and the picture in Northern Ireland is probably not that much different from the rest of the UK over the last five years. There has been a gradual decline in sea carryings and an increase in air carryings. That has been the trend with low-cost air access coming on. In fairness to the ferry operators, they have become much more proficient in identifying their key market segments so they will identify, for example, families who require more space or people who are golfing who require to bring their clubs with them. They are much more astute at segmenting their market and being very clear on those markets that they are tackling. We have had the introduction of the Norse Merchant service from Birkenhead over the last 18 months and that is very much a new business model, much more based on passenger traffic as well as cargo traffic, so the business model that they put in now is much more passenger orientated so they do have a long-term view that tourism in Northern Ireland will increase and that sea will be part of that.

Mr McGrath: The ferry traveller and tourist tends to stay longer and spend more which is the other advantage if you can get them to come and stay for a longer period and they will travel further.  
Chairman: It is a much nicer way of going across; I think flying is horrible. The ferries are delightful, yes.

Q273 Mr Murphy: Just to come in on that, one constraint you have not mentioned is the limited availability of beds and the type of beds available. Previous witnesses did mention this as a problem. How would you get over that and why have you not mentioned it as a problem?  
Mr Clarke: Probably because we had not got on to it. We have done some work. We are probably in the latter stages of doing some product development priority work and we looked at capacity in the accommodation sector as part of that, mainly in the context of was there still a requirement for public sector intervention in the sector. It has already been alluded to that Belfast and 10 miles round Belfast has had a moratorium around it for some years now.
The issue really was if you had a block of public sector money what will make the biggest difference in terms of tourist growth; do you put it into accommodation development or do you put it into more infrastructure development like the signature projects for example, and that is part of the discussion and debate we are currently going through. Part of that analysis has showed that generally demand and supply were pretty well in parallel. The big exception to that was probably the north coast where there was a gap for a four star plus hotel and throughout the whole of Northern Ireland was the one area that probably had the biggest gap in terms of demand and supply. As was alluded to earlier, there are some pockets like Downpatrick that John will be aware of in terms of the St Patrick’s project that probably require new accommodation in that area.

Q274 Chairman: When we were in Dublin last week we met with some tour operators, coach operators for the most part, and they showed us their brochures. They were very frank and they were very anxious to bring more tourists into Northern Ireland but they made the point—and I am sorry that you have not made a greater study of this—that the disincentive was the lack of beds and particularly the lack of quality beds. That also came out in the previous session when we were told that within the area of the Giant’s Causeway, the number one attraction in visitor numbers, there are only two hotels with more than 75 beds. Now what can be done? What should this Committee say should be done to rectify that situation over the next decade?

Mr McGrath: There have been hotels in that area which have closed down, it has been quite a changing area hotel-wise, and a number of the towns do not have hotels which did have hotels. Obviously folk are voting with their feet. Alan mentioned this golf project at Runkerry—that would produce a four-star hotel on the north coast relatively near the Giant’s Causeway. That is one reason we are very keen on that project not only for its golf but because it will produce that sort of hotel.

Q275 Mr Murphy: How many bedrooms are you anticipating in that hotel?

Mr Clarke: 100-odd hotel bedrooms plus potentially 70 self-catering/time share lodges as well. I suppose from that perspective it is a golf resort plus hotel, therefore from a seasonality point of view the golf resort has the ability to drive all-year-round demand plus corporate demand.

Mr McGrath: When we talk to hoteliers they often say that the trade is not sufficient to maintain a hotel for a whole year. That is what they say when we ask folk in the hotel business why would you not think of putting an hotel in that place or that place.

Q276 Mr Murphy: I understand that as an organisation you should look for a unique identity for Northern Ireland and in many ways try and market it separately and pick out the qualities of the North. However, there exist already substantial numbers of people who come into the South of Ireland who potentially could be a market that is as yet untapped and without the accommodation you will not be able to tap into that market.

Mr McGrillen: I think the significant issue here is one of confidence. You are asking the private sector to put its hand in its pocket and invest large sums of money. They are only going to do that if they are confident that there is a future in the tourism industry.

Q277 Mr Murphy: To be fair, the suggestion has been made that we follow a model similar to that which existed in the South of Ireland where tax incentives were made available to allow people to invest in the tourism sector.

Mr McGrillen: The point that I was going to make was that the private sector would like to see a commitment from government which will give them the confidence to believe that there is a long-term future in the tourism sector, and I think that includes things like having fiscal incentives put in place which are long term in nature based on profitability as opposed to an up-front capital grant that they might get. I think it does come down to the resource being made available for signature projects where the private sector can see the public sector putting its hand in its pocket and actually starting to deliver the vision that it has created. We do have a vision at this point that everybody has bought into and, as Don Wilmont said in the previous session, the reason that we have not delivered on it is because we have not had the resource to deliver on it. If you have a grand vision and it is very slow in terms of its delivery it starts to undermine the confidence of the sector.

Q278 Chairman: It is not just governments that have to have vision. We saw a very good example of a man who had vision when we stayed at the Slieve Donard Hotel because there was a private entrepreneur who had brought back a grand hotel into a grand state, probably made it better than it ever was, at a time when all around there were very few shops and restaurants and things to offer complementary (in terms of quality) facilities to those who come and stay at the hotel. Do you not need somehow to inspire more people like Dr Billy Hastings to do things like that?

Mr McGrillen: I do not disagree with that but I think there are certain elements in the mix as to why Mr Hastings made the investment he did in the Slieve Donard. He does see a national park somewhere down the road so he does see a benefit in that. He has created a niche market for himself. There are only two hotels of that nature in Northern Ireland. That is where the market is going. He owns both those hotels. He sees the local authority spending very large sums of money in improving the physical environment of the town in which he has invested that money and all of those things come together to create a degree of confidence which I think we jointly share in that particular area and it may not be shared elsewhere. Of course the private sector has to take the risk, of course it needs to have vision, but I think...
there are things that the public sector needs to be able to do to encourage the private sector to make that leap of faith.

Dr McDonnell: I am a bit confused and I get more confused as we go on here because I am not quite sure on the Tourism Ireland thing whether you want rid of it or whether you want some minor changes. Certainly the picture we are getting is very different from the picture your fellow Northern directors gave us last week, and they are largely in the commercial world, and they said that quite simply it was an outstanding success as far as they were concerned. They recognised that yes, it could be better but on the question of Northern Ireland featuring more strongly in tour operators, or that we were getting very clearly from tour operators, who essentially are the people who are going to bring many of our customers in, was that they were being forced, dare I say it, not quite at gunpoint but nearly at gunpoint to feature Northern Ireland in their brochures.

Chairman: We certainly hope not at gunpoint, Dr McDonnell.

Q279 Dr McDonnell: Not quite at gunpoint but they were certainly heavily pressurised to include specific Northern Ireland promotional stuff in brochures with the various tour operators and it was not selling for many of the reasons—and I do not want to go back into the reasons round the table here—that have been discussed already; there was not the accommodation, there were not the bed spaces, and that indeed bed prices in Northern Ireland were sharper than they needed to be in order to accommodate large groups, bus loads or whatever, of American tourists, or that beds were available very of season, beds were not available when they were needed if there was another event on. It feeds into the thing there and we need to clarify it and I hope you can help us do that. Is there some sort of negative baggage with Tourism Ireland, which is the impression I am beginning to get, or is it merely a question of a few tweaks for someone to fix it up because I am surprised, if the two of you as I understand it are directors, that it appears not to be listening because certainly it appears to be listening to the other Northern directors and in fact they seem to be very satisfied with the product because all the information we were given was that general growth in the Northern end of tourism was very, very good, relative to the rest of Europe and relative to the Irish Republic and relative to Scotland, or wherever you want to pick on it.

Mr McGrath: There are a couple of issues there, Dr McDonnell, some of which are commercial issues regarding availability of beds, et cetera. If you go back to Tourism Ireland what I did say was that we were not certain we received the acknowledgement we should receive as a shareholder and also I would say from time to time there is a feeling that you are not allowed to criticise Tourism Ireland. My view is that it is a commercial arrangement of which we are a shareholder and we have to keep demanding more for the Northern Ireland Tourist Board. We would acknowledge in the overseas markets the further afield you go from the island of Ireland that Tourism Ireland do a good job and they do a job we could not do because we do not have the resources to do it, we would not be in all those territories. We are saying we are concerned about the Great Britain market.

Q280 Dr McDonnell: Can that not be discussed and sorted?

Mr McGrath: It has been discussed and mentioned many times.

Q281 Dr McDonnell: What is the conclusion?

Mr McGrath: We all have that desire; it is a question of implementation and achievement.

Mr Clarke: We have major concerns, as I expressed earlier, around the Great Britain market because it appears to us to be quite a fragile market yet a vitally important market for Northern Ireland. Tom has already alluded to the fact that when you had Bord Fáilte selling the 26 counties of Ireland it was sold as Ireland, we now have Tourism Ireland selling the 32 counties of Ireland as Ireland, and one of the issues for Northern Ireland Tourist Board from day one is would the consumer, the visitor take out of the Tourism Ireland the message that it includes both jurisdictions.

Q282 Chairman: Dr McDonnell is quite right we have had very conflicting accounts here. The account you are giving us this afternoon is in marked difference, and if I may say the attitude is in marked difference, to what we found talking last week talk to Tourism Ireland where there did seem to be a very great anxiety to see Northern Ireland’s potential fully exploited. Your figures are well below and we understand better than most people the reasons for that, of course we do, but it seemed to be a genuine desire to your having a larger share of the cake of tourism within the island of Ireland as a whole. You are really saying to us that you do not think you are getting a fair crack of the whip.

Mr McGrath: We all have that desire; it is a question of implementation and achievement.

Mr Clarke: We have major concerns, as I expressed earlier, around the Great Britain market because it appears to us to be quite a fragile market yet a vitally important market for Northern Ireland. Tom has already alluded to the fact that when you had Bord Fáilte selling the 26 counties of Ireland it was sold as Ireland, we now have Tourism Ireland selling the 32 counties of Ireland as Ireland, and one of the issues for Northern Ireland Tourist Board from day one is would the consumer, the visitor take out of the Tourism Ireland the message that it includes both jurisdictions.

Q283 Chairman: I would like to tease this out of you because it is important. Are you really saying to us that the Northern Ireland Tourist Board would like to deal with the Great Britain market and that you are very happy for Tourism Ireland to deal with the market, as it were, beyond the English Channel and further afield?

Mr Clarke: The Chairman might well wish that. My concern as Chief Executive of the Northern Ireland Tourist Board is to make sure that we are getting return on our investment for Northern Ireland and therefore the approach in Great Britain is relevant to the market-place, and therefore when you look at the attribution levels of Tourism Ireland when Tourism Ireland has advertised in Great Britain (and they have improved, in fairness) still only 26% of consumers in Great Britain see their advertising as relating to both parts of Ireland.
Q284 Chairman: In answer to my question—and it is a very important question and it could be a central part of our report—would you like to have the exclusive marketing rights of Northern Ireland within the United Kingdom market?
Mr McGrath: Yes, I would.

Q285 Chairman: And you feel that Tourism Ireland is best equipped to deal with it outside that market but you with your sister body from the Republic should be left to deal with the United Kingdom market?
Mr McGrath: Yes indeed.
Chairman: That is your clear view?
Mr McGrath: That is my view, yes.

Q286 Chairman: Is it your view, Mr Clarke?
Mr Clarke: My view as an officer of the Board is to force an approach in Great Britain that I think is relevant to the market-place and my approach is around the message I gave earlier, the single destination of the island of Ireland in the Great Britain market is driven by short breaks and driven by business trips.

Q287 Chairman: Your Chairman has given an unequivocal answer which is extremely helpful and it is very clear—and we must assess that in the light of the other evidence we have received—but it is very clear that your Chairman feels that if you had a free run in the United Kingdom side-by-side with your sister organisation from the Republic there would be a more equitable marketing of both the Republic and Northern Ireland within the United Kingdom and Tourism Ireland would be a wonderful umbrella organisation to deal with the rest. That is your Chairman’s view and I have not misquoted him?
Mr McGrath: No.
Chairman: Because he has nodded and again agreed and it is very important that we take that evidence and consider it. I am grateful to you for it.

Q288 Dr McDonnell: Chairman, could I probe a little and thank you for that because you articulated much better the point I was trying to make. What is the fragility of the Great Britain market that has been referred to?
Mr Clarke: We are currently forecasting based on roughly eight or nine months’ data a 3% decline in Great Britain for 2006.

Q289 Dr McDonnell: A 3% decline to Northern Ireland?
Mr Clarke: Yes, but our concerns, Alasdair, were along the lines that the Great Britain market, we all recognise, is a very competitive market. If you talk to my colleagues in England, Scotland and Wales they have seen what they call their domestic market very flat over the last number of years driven by the improved low-cost air access out of Great Britain, and therefore our concern is whether the approach is right in Great Britain, is it giving the message that the British consumer requires to make them aware and travel to Northern Ireland. We have used the example in the past of the Skoda effect where Skoda had a very poor image as a car manufacturer. They tackled that image up-front with a very defined message. As well as having a much better product they saw the need to face the consumer up-front and say, “We know what you think about us but we have changed, we have changed our product and we have changed our image; why not come and buy?” and there is a similar approach required for Northern Ireland.

Q290 Dr McDonnell: Equally, from where I am sitting and information we have picked up over the last few weeks, ultimately somebody has to put the money on the table to buy the product and what I am trying to probe and what the Chairman has been alluding to is we would like out of this inquiry because I have been around this issue as an Assembly member and an Assembly committee some years back, there is a conundrum somewhere there and there is a gap in the middle all the time that we are not getting it together and there are a number of bits of the jigsaw missing, so it is how we get that. You mentioned the 3% decline. What is the Great Britain to Dublin market, for instance?
Mr Clarke: It is probably projecting an increase for 2006 but in fairness the Republic of Ireland went through a phase over the last three or four years where the British market to the Republic declined and it is now picking back up again but it is not that much ahead of where it was three years ago so it is going through a cycle where it has dipped and then has come back up over the last 12 months.
Mr McGrath: There are some of our colleagues in the West of Ireland who say Dublin is doing fine, the eastern seaboard is doing fine, but particularly with the change in marketing from Great Britain people were not coming for longer than four days, they do not travel very far, so it is managing a different type of market.
Mr Clarke: And in fairness you have got to look at the market make-up because the Northern Ireland market make-up is very heavily driven by visiting friends and relatives. It is almost half of our business and that business has increased over the last five years driven mainly by low-cost air access. I would suggest that low-cost air access is probably not quite as low cost as it was even one or two years ago so there is some pressure on the VFR market that will largely drive our visitor numbers to a greater extent.

Q291 Dr McDonnell: This brings me on to the Strategic Framework for Action. Would I be right in saying that it has not had a lot of impact to date? On that premise, what changes need to be made to make it effective?
Mr Clarke: The Strategic Framework for Action was launched by us in 2004. It was very much a vision for the industry rather than a vision just for the Northern Ireland Tourist Board. We went through a pretty extensive development and consultation process where we involved a lot of private sector people in working with us to draw up the framework. I suppose the weakness of the framework was that there never was the resourcing behind it. It was a vision for the industry and it
required the industry in terms of the private sector and it required government departments and other government agencies to buy into it and help us deliver it. So for example the Invest NI, the Northern Ireland Events Company, DARD and DCAL were key players within the framework in terms of delivery. I think where it has had an effect is to focus the industry in the widest context on what are the priorities moving forward. There have been some success stories within it especially around the signature projects. Not all the signature projects have been implemented but for example phase one of the Walled City of Derry has now been fully implemented. There is much more, I guess, confidence now in trying to realise a Titanic attraction in Belfast than there was two years ago and I think that is largely through the framework. A lot of the investment from Government going into Giant’s Causeway in terms of the new visitor facilities but also into the wider Causeway area has been driven by the framework. You have had evidence already from People 1st in terms of the skills agenda and part of the framework was to identify what was called in it a Human Resource Development Strategy for the industry. People 1st are now taking that forward for the first time. I think there has been much more focus but if you are asking whether it could be made better it could be made better through long-term resourcing of the framework.

Q292 Dr McDonnell: You mentioned very little buy-in. How much consultation did you conduct to get that buy-in? Secondly, what will replace the framework at the end of this year.

Mr Clarke: In the consultation process we involved 10, 11, 12 industry folk in working with us to draw up the draft framework. It then went out to widespread public consultation before it was finalised and was approved by the Minister at that time. In terms of the next framework, we are now in the final year of the framework. Our board has tacitly approved it and it is going to the board on Friday for formal approval to extend it by another year because we think the programmes within the framework are still valid. Not all the signature projects have been developed to the extent that we would like to see them developed or resourced so we think the thrust and most people think the thrust is still right. The intention is to extend the current framework by another 12 months which will bring it into line with our corporate plan. We have a new framework coming out in 2008 at the same time and paralleling with the new corporate plan for NITB.

Mr McGrath: The Walled City of Derry is a very good example of signature project progress. We are now seeing two further hotels being built in the city and in addition to that there is going to be a conference centre.

Q293 Chairman: Before we close, you touched very briefly there on training. How big a factor is the lack of a skilled workforce in restraining growth in your sector? In answer to the question asked earlier by various colleagues do you favour this new academy that has been proposed?

Mr Clarke: Training is vitally important and, Chairman, you are probably aware the NITB does not have a remit for training, that is part of DEL and part of People 1st. We think that whatever is delivered through the current work of People 1st is probably an attempt to get the industry in terms of what they require and the public sector in terms of what is provided much more in synergy than has been the case in the past. I think the success will depend on the resourcing of the implementation of that. We do not really mind who is accountable for delivery so long as someone is accountable for delivery. We do see parallels with the Fáilte Ireland approach in the Republic and how the training message that has gone out in the Republic has been one of their success stories. There is really no point in us putting in the hard infrastructure in terms of the signature projects unless that is supported by the soft infrastructure in terms of skills and training. There probably is too much divergence at the moment between what People 1st do in terms of skills development, what we do as NIPB and what Invest NI do in terms of capability development. That circle has to be better squared.

Q294 Chairman: I am sure it does.

Mr Clarke: I think there is a greater role for the FE colleges in terms of centres of excellence to really have much more in tune with the industry at local level in terms of what is provided.

Chairman: I think that your answer again illustrates this fragmentation point which is one that has come up again and again and certainly concerns me and I know a number of colleagues, but I must not cut out Mr Grogan before I end the session and he wants to ask you a question of which you have been given prior notice if you listened.

Mr Grogan: Just coming back to the possible multi-sports stadium in Northern Ireland, what assessment have you made of the possible impact on visitors and tourism and so on? Do you have any preference?

Q295 Chairman: In the elegant words of one of your predecessors today, is it a “no-brainer” to put it somewhere other than Belfast?

Mr McGrath: I am going to pass the ball to the Chief Executive.

Q296 Chairman: Which ball is it?

Mr McGrath: Any shape at all.

Q297 Chairman: Are you going to kick it or run with it?

Mr Clarke: I do not know, it depends whether somebody is going to kick me in a minute. The Tourist Board has always felt the stadium is an opportunity for tourism. The whole remit that the Strategic Investment Board were charged with was to find a stadium and location that would meet the needs of the three sports. We thought there was a wider debate there in terms of what could the stadium contribute towards tourism and towards economic development and all the Tourist Board asked in a sense is that in the evaluation criteria of
whichever site that tourism and economic development are up there high in the evaluation list. We have also looked at best practice internationally as part of our research and it would suggest that if you do not have a lead anchor tenant, like the Southampton Football Club in the new St Mary’s Stadium, then it tends to steer towards city centre locations because that is where you tend to have greater economic benefit through infrastructure, whether that is transport infrastructure, hotels, restaurants or accommodation. All we have really said is we have been site neutral but tourism evaluation criteria positive.

Q298 Mr Grogan: Can I push you slightly on the site neutral business. You were widely reported in the Irish news in the Belfast Telegraph.

Mr Clarke: I was?

Q299 Mr Grogan: Yes just to quote a couple of lines, this was last April: “The debate over the site of the Province’s new multi-sports stadium took a dramatic new twist yesterday when the Northern Ireland Tourist Board announced it was backing a location in Belfast rather than the Maze which is favoured by the Government. Yesterday NITB Chief Executive Alan Clarke urged the Government to fully explore the significant impact on the tourism industry before reaching a final decision on the location of the new stadium. We are certain the new stadium is conveniently located and will assist in attracting more tourism and leisure events as well as business conferences and exhibitions to Northern Ireland.” Did perhaps someone in the Northern Ireland Office have a word with you after that and suggest you change your tone?

Mr Clarke: Not me personally.

Q300 Mr Grogan: The Chairman possibly. Did someone have a word with you?

Mr McGrath: The Chairman was asked to clarify the position and he did.

Chairman: You have eaten some of your words then.

Q301 Mr Grogan: Just finally then, what are the relative disadvantages and advantages of the two sites?

Mr Clarke: There is an important point within that which maybe we have not touched on here which is the need for new exhibition facilities for conference business. Our feeling is that Belfast has done exceptionally well in terms of conference business. We potentially have the new Dublin Centre coming along in 2010 which will be a major competitor for Belfast. More and more conference business requires exhibition facilities in close conjunction with it. We saw that perhaps rather than looking at it as a stadium we need to visualise it more as an arena with a wider use beyond sport and therefore it had potentially, depending on its location, the ability to be multi-purpose beyond sport, it could offer exhibition facilities that would tie into new conference business coming in as well.

Q302 Sammy Wilson: Can I just ask then in light of what you said, does that not drive you back to your original conclusion that if it is to be tied in with conference business that for example Ormeau Park in Belfast close to the Waterfront Hall and close to the other major hotel facilities in the city centre makes a much more ideal location for the facility rather than the Maze?

Mr Clarke: We have had meetings of the Strategic Investment Board and we have said that these sort of factors need to be built into your decision-making criteria. To look at it, in our view, as being a stadium for the three sports is one thing but looking at it where you can generate economic value and tourism value through the stadium is widening the debate and certainly in terms of conference and exhibition facilities we mentioned that as a specific that needs to be built in too.

Q303 Chairman: I can foresee some interesting future conversations with the Minister for Tourism in the Northern Ireland Assembly, if such a creature emerges. Do you want to say something finally?

Mr McGrillen: There is an opportunity with a new stadium to generate economic and social regeneration. We should not forget the Shared Future agenda that we have in Northern Ireland and we have some extremely depressed parts of Belfast which could very well benefit from a development of that nature. It could encompass a whole range of policy issues if the right location were to be selected.

Chairman: On that very positive note, I would like to thank all three of you gentlemen. If there are points that you wish to expand or clarify, please feel free to write to the Clerk. Anything that is submitted in the next week will certainly be taken carefully into account. We have noted your views and we are grateful for them, particularly for the very unequivocal statement you gave about what you see as the role, Mr Chairman, of the Northern Ireland Tourist Board. All I can say because obviously the report is not drafted let alone written is that we will take these things into account. We are utterly convinced of the beauty of Northern Ireland, as I said to your predecessors this afternoon, and we are utterly convinced of the potential of tourism and we hope that the suggestions and recommendations that we are able to make will be helpful to tourism in Northern Ireland and therefore will assist you in your work. Thank you very much indeed.
Wednesday 7 February 2007

Members present:

Sir Patrick Cormack, in the Chair

Mr David Anderson  Lady Hermon
Mr Gregory Campbell  Dr Alasdair McDonnell
Mr Christopher Fraser  Mr Denis Murphy
Mr John Grogan  Stephen Pound
Mr Stephen Hepburn  Sammy Wilson

Witnesses: Mr Paul O’Toole, Chief Executive, Mr Niall Gibbons, Director of Corporate Services and Policy, Mr Simon Gregory, Director of Brand and Markets and Mr Howard Hastings, Board Member, Tourism Ireland, gave evidence.

Q304 Chairman: Good afternoon gentlemen. Mr O’Toole, I would like to welcome you and your colleagues formally. We are delighted to see you; thank you very much for coming. Could I again thank you, Mr O’Toole and Mr Gibbons in particular, for the help you gave with the organisation of both our visits and the visit to Dublin a couple of weeks ago which was fascinating and very helpful to the inquiry. It is very good to see Mr Hastings again and he, again, was very helpful with both of our visits. Mr Gregory, I am sure you were in the background but I do not think we have yet had the pleasure of talking to you so you are very welcome. Would one of you like to make an opening statement?

Mr O’Toole: With your permission I will do that. Chairman, distinguished members of this Committee, thank you for this opportunity to address you briefly in advance of taking your questions. At the outset I would like to state that we firmly believe that tourism has made a significant contribution to the Northern Ireland economy, particularly over the past five years. Since 2001 the tourism industry in Northern Ireland has earned an estimated £1.46 billion in overseas revenue. Given that Northern Ireland has invested £60.3 million in Tourism Ireland’s overseas tourism marketing and its operations in the same period, this represents an excellent return on investment. The strong revenue was driven by the increase in the number of overseas visitors. In fact, based on current forecasts, 2006 will have represented a record year with 1.73 million visitors. Northern Ireland, with its compound average growth rate of 4.7% in visitor numbers since 2001 has punched above its weight and outperformed the European average of 3% over the same period. Particularly pleasing is the average growth of holiday makers at 7.5% per annum since 2001. The industry can also be pleased with the strong growth in business from mainland Europe and North America in 2006. Based on eight months’ figures the Great Britain market may appear to have softened last year. Reports from Northern Ireland industry itself suggest a better performance. Great Britain currently represents approximately 72% of overseas visitors to Northern Ireland. This fact underlines the need for the Northern Ireland tourism industry to continue to view this wider market as one which can deliver growth certainly but also a market in which it must reduce its dependency. This overall positive picture must be put into context. The relative success of Northern Ireland tourism to date can be attributed to a variety of factors, including the emergence of more confident and entrepreneurial industry, the benefits of the peace process, new air-route development and increased private sector investment as well as the development and delivery of coherent well-focused marketing campaigns. However, we must acknowledge the low base from which the industry seeks to grow. As we move forward competitive pressures will be brought to bear which will make the going tougher and the goal of securing premium growth more challenging. In this regard, based on international tourism forecasts and future market trends, we believe that Northern Ireland has the potential to achieve revenue growth of 7.5% per annum and a 4.5% growth per annum in visitor numbers for the period 2007 to 2013 above both world and European growth rates. If, however, there were to be limited development of the tourism product, access capacity, investment in promotion or infrastructure development, then the revenue growth achievable by Northern Ireland is more likely to mirror the predicted revenue growth of other European destinations at a more modest 4.8% per annum. For our part Tourism Ireland, in the context of the island of Ireland and in partnership with the Northern Ireland Tourist Board, regional tourism partnerships and all these industry sectors in Northern Ireland would ensure that the visitor potential of Northern Ireland would continue to be promoted vigorously in all of our core markets. In terms of our support for Northern Ireland industry to realise its potential we create and manage hundreds of trade platforms in over 30 countries. These platforms have been designed by Northern Ireland enterprises to develop and grow their overseas business. We would welcome greater participation from these tourism enterprises in the future. In conclusion, a concerted programme of public and private investment, together with the support and commitment of government and its agencies, represents the best way forward for our industry. The prize is the opportunity to grow overseas earnings from £340 million in 2006 to almost £600 million by 2013. Tourism Ireland is committed to playing its part in achieving the best possible future.
Q305 Chairman: That is a very optimistic and positive assessment; thank you very much for that. I will open the questioning and I will direct the questions to you, Mr O'Toole, but please feel free to ask any of your colleagues to come in and if any of them wish to add anything to what you say then just let me know. I want to ask you two questions to start with. How do you, as an organisation and as a board, devote your time when you are looking after the whole of the island of Ireland as between the Republic and Northern Ireland? I know you have six members of the Board from each even though the Republic is much larger in extent and population, but how do you divide it up?

Mr O'Toole: I suppose to that lies in our objectives, why we were set up. The first was to grow tourism to the island of Ireland and that is our theme and our international marketing theme. Within that we were asked to support Northern Ireland to realise its tourism potential. We have a variety of interfaces in place with colleagues in the Northern Ireland Tourist Board with the northern industry and their representative bodies, the Regional Tourism Partnerships. In practice, at planning and strategy development stage, at senior executive level, at executive level and operational level there are a series of engagements with northern industry and, as I said, colleagues in the Northern Ireland Tourist Board. For example, if we are running an event—World Travel Market springs to mind in that regard—we will run the actual event here in the Excel Centre in London. The conduit to northern industry to seek their participation and attendance will be organised to the Northern Ireland Tourist Board. If we can persuade an international travel and trade journalist to come to Ireland and consider writing positive articles about their travel experience we will make the contact in the market place and the Northern Ireland Tourist Board and their counterparts in Fáilte Ireland will arrange the visit on the ground. Those are very practical examples. So at the strategic level, the planning level and the operational level we have a series of interfaces. We have a dedicated officer who is in charge of our Northern Ireland liaison and he works with Niall Gibbons who is our Director of Policy in that regard. We have an overarching overview of what happens and very practical working relationships to make it happen.

Q306 Chairman: Last week we took formal evidence from the Northern Ireland Tourist Board. It is quite obvious to me and I think to my colleagues when we have travelled both in Northern Ireland and in the Republic, that personal relations between you are all are very good. It is also apparent that there is rather a proliferation of bodies dealing with tourism which is initially rather perplexing, even to people like members of this Committee. Last week when we had the Northern Ireland Tourist Board, in answer to direct and specific questions—you may well have seen the evidence or heard about it because it was public—the Chairman of the Board said quite clearly and unequivocally that he would like the Northern Ireland Tourist Board to look after the marketing of Northern Ireland in the rest of the United Kingdom whilst remaining entirely content to be working with you and part of you and so on in marketing Northern Ireland in the rest of the world. He did feel there was a very real case for the Northern Ireland Tourist Board to be looking after the UK marketing. I must put that to you; what is your reaction?

Mr O’Toole: The views of the Northern Ireland Tourist Board Chairman in this regard are well known and he has stated those previously. In essence he is apparently in disagreement with the current policy in that regard which is that Tourism Ireland promotes the island of Ireland in the Great Britain and other markets. As an executive it is our job to get on and do the job that we have been given. I do think an objective analysis from a strategic marketing point of view supports the fact that the theme that has been delivered over the last number of years has in worked for the Northern Ireland industry as indeed it has for the island of Ireland.

Mr Hastings: I suppose the Tourism Ireland that I joined had been formed out of the Good Friday Agreement. I joined it knowing that the marketing of Great Britain was to be done in Great Britain by Tourism Ireland and I was comfortable with that from the outset. As a board member of Tourism Ireland I have seen my role as being one of making sure that I can achieve for Northern Ireland everything that Northern Ireland should achieve commensurate with the Tourism Ireland mandate of growing visitor numbers to the island of Ireland and achieving some measure of additional support for Northern Ireland. On that basis I have to say that I have found Tourism Ireland both in its executive and in its out-workings to be totally committed to achieving that mandate. Going back to your previous question, in addition to what Paul said earlier, our board meetings are held north and south. The annual conferences of Tourism Ireland are held north and south. There is rarely a week goes by when these guys are not up in Northern Ireland, pressing the flesh, doing what they have to do to make sure that Northern Ireland achieves what it is supposed to achieve.

Q307 Chairman: You, as somebody with a very real interest in the tourist industry in every sense, are entirely content with the way things are working.

Mr Hastings: There are always things that can be done better. I think the role of the board is to challenge the executive to perform better.

Q308 Dr McDonnell: I think it is very important that we pursue this and we may come back to it from various angles, but to go into some of the detail, you had a marketing and communication strategy rolled out last year, 2006, can you tell us something about the purpose of that strategy and how effective it is proving to be and how you might measure that with a particular interest and emphasis on our Northern Ireland interests?

Mr O’Toole: One of our key tasks is to ensure that the proposition that we put in front of potential visitors to the island of Ireland and Northern Ireland
is optimised in the circumstances. We carried out extensive research with consumers in all of our main market areas and for the information of the Committee that would be North America, Great Britain, France and Germany. They would be our four largest markets. We carried out extensive consumer research and we therefore wrote our marketing strategy in what they indicate to us are their positive impressions about the island of Ireland. That gave us our position. We then had to develop a campaign. We had a tender to process to engage an advertising agency of international repute which is in fact based here in London to help develop the creative material for that. We had an engagement with the industry in Northern Ireland and the south with our colleagues in both tourist boards as we developed and rolled out that strategy. The campaign which can be described as “Your very own Ireland” or “Discover Ireland” is one which clearly shows the potential customer that Ireland is an island—that is not a trite observation, it is actually quite important—that it is two jurisdictions (Northern Ireland and the south); it invites the consumer, having had a look and perhaps being motivated to consider Ireland, to get more information; it gives a call to action; it gives a website number, a phone number and it says, “Come and explore”. If they contact us they are given all of the information they need on both parts of the island and indeed on the products and things to do within the island, ultimately persuading them to come. Measures of success, I suppose, at the very top line, in 2006 a record number of visitors visited the island of Ireland; final figures are not in but estimated at 8.8 million visitors. Encouragingly within that, those who came for their main purpose to take holidays numbered 4.1 million, ahead of forecast, and overall revenue came in to the island of Ireland at about 4.3 billion euros (about 2.9 billion sterling). Within that, as I indicated, there were increases in revenue and visitor numbers to Northern Ireland continuing a trend over the last number of years.

Q309 Dr McDonnell: Does the NITB have much input into your marketing strategy? The other thing riding on that is, how much confusion is there between the Northern Ireland Tourist Board, Tourism Ireland and even Regional Tourism Partnerships?

Mr O'Toole: At the strategic level Northern Ireland inputs into our strategy at our Board. The Northern Ireland Tourist Board has two members and then Northern Ireland as a whole has six members. The Executive presents its strategies on a three year corporate plan basis (a rolling basis) and on a one year business plan basis to the Board each year. It outlines the strategy at least once during the year. It makes its recommendations to the Board in respect of its plan annually as well. The Board approves that strategy. At a practical level we engage with the executive colleagues in Northern Ireland Tourist Board in a variety of forums. In developing the practical operations there are meetings between the relevant executives and we have an umbrella partnership group which we call the Tourism Marketing Partnership; the Northern Ireland Tourist Board are represented on that group as are members of the Northern Ireland industry and it sits, if you like, as an interface, a monitor and a contributor to the strategy as it develops. In terms of your question regarding the understanding of the different roles of Regional Tourism Partnerships of the Northern Ireland Tourist Board and Tourism Ireland it has to be recognised that there has been quite a period of change in tourism structures within the island of Ireland and specifically within Northern Ireland. It has been a communication task for ourselves and colleagues in the Northern Ireland Tourist Board to try to bring clarity to that. The fact that we interface at operational levels in practical ways—workshops, media trips, familiarisation trips—sometimes does lead to confusion but we do try, through our communications generally, to ease that confusion.

Q310 Dr McDonnell: At the core of a lot of this there seems to be a sense that there is not enough being done to push visitors to the island of Ireland north. Would you like to mention briefly how can more visitors, visiting the south, be encouraged to visit the north, and have you put any particular mechanisms in place to try to tilt the market towards the north?

Mr O'Toole: One of our core mandates is to support Northern Ireland and to give it an emphasis and attention. It is one of our tasks to do. It is a task which we have embraced wholeheartedly and with full commitment over the last number of years as is manifest in the many activities, the many ideas, the many marketing campaigns we have launched to do just that. Obviously Northern Ireland tourism is coming from a different base than the Republic of Ireland or indeed England, Scotland and Wales. There is a great desire within the northern industry to grow and there is a pressure on us—and indeed the Northern Ireland Tourist Board and government—to support that growth. The growth in Northern Ireland has been excellent over the last few years. Again for the information of the Committee over the last five years international tourism has been buffeted by world events so whether it was the aftermath of foot and mouth, the various wars in Afghanistan, the Gulf, currency exchanges, a lot of factors have impacted on international tourism and when you look at Europe, for example, as a whole it has only grown by 3% whereas Northern Ireland has grown 50% greater than that at 4.7%. I would, however, be objective about this and point out that a lot of that growth happened over the 2002, 2003 and 2004 period and that growth has started to moderate now. I think, looking forward, if we are really engaged on how the industry needs to be taken forward, it is how we get it back into a position of growth and above average growth. I think the seed for that is contained in the comments I made at the beginning. It has to be about a concerted action plan with the investment, led by the private sector, and supported by the public sector in a variety of ways, including the promotion in relation to that. You asked me what do we do practically in terms of the Northern Ireland tourism industry to give it an extra
attention and focus. We have nominated a senior official who is based in Coleraine who works and liaises with the northern industry and indeed the Northern Ireland Tourist Board to help people focus. We put aside an investment for special initiatives and we would like to do more. At board level there has been a discussion on whether we can introduce a Northern Ireland specific campaign to add to or be part of or extend the island of Ireland campaign here in Great Britain to see if we can give it an extra push. That is something we are certainly open to doing and would look to co-invest with the Northern Ireland Tourist Board and ourselves if we could get the necessary funds to do that. We believe that what we have done has worked; we understand that we have to do more and, if you like, have an appetite to see how we can move it forward.

Q311 Sammy Wilson: Can I say that I am amazed at the answers we received from both Mr Hastings and Mr O’Toole? Mr Hastings seems to think that Tourism Ireland are doing a good job because they come to Northern Ireland for every other meeting and press the flesh (I think that is a direct quote). Mr O’Toole has indicated that as far as he is concerned Tourism Ireland achieved all their objectives in relation to Northern Ireland. That does not actually sit very easily with the facts. Since Tourism Ireland has taken over the GB market—which I think two-thirds of your budget is spent on—that market has actually declined. All of the surveys indicate that only 26% of the people who have been surveyed realise that Tourism Ireland are actually promoting Northern Ireland as well as the Irish Republic, whereas three-quarters of them are blind to the fact that you are meant to be promoting Northern Ireland and rather than catch up on your own figures, Mr O’Toole, the Irish Republic is actually growing faster than tourism in Northern Ireland is growing. I find it difficult to understand how you can therefore claim that all of your objectives in relation to Northern Ireland are being attained. You are not raising Northern Ireland’s profile in the GB market—the GB market is falling—and Northern Ireland, rather than catching up, is falling further behind. That is hardly success.

Mr O’Toole: In terms of the first point, we took over the overseas marketing of the island of Ireland in January 2002. Over the period 2002–06 the market in Northern Ireland overall has grown by about 26% or 27% and the market from Great Britain to Northern Ireland has grown by 16% in overseas visitors. The figures in 2006, which I think do bear scrutiny, show for the first eight months of the year a decline in visitors from Great Britain to Northern Ireland of approximately 3%. We are waiting for full year figures and we will have to examine those figures to see what lessons are there. I would quote from the Northern Ireland Tourist Board barometer of industry undertaken in December 2006, “Great Britain has made the most significant contribution in terms of growth”. This was from Hoteliers. “Guest houses have also benefited from growth in demand from Great Britain. For the B&B sector the volume of overseas bed nights can be attributed to an increase in demand from Great Britain and Europe.” The industry are showing some evidence and I do accept that based on the eight month official figures and some of these messages we do have to square the circle: I do accept that that is a point. I do believe that if you look over the period there has been growth in relation to that.

Q312 Sammy Wilson: The point that I made was first of all that your marketing campaign in relation to Northern Ireland clearly is not getting the message over. Three quarters do not even realise you are marketing Northern Ireland. Even more important than that, since one of the objectives was to help Northern Ireland catch up—Northern Ireland was falling relatively further behind—why is it (maybe you could explain just what you do in relation to Northern Ireland) that in all of your marketing Northern Ireland is not in any way identified? We looked at some of your marketing campaigns where you took images from Northern Ireland and did not even attribute them to Northern Ireland. Those who were looking at the advertising campaign would not have known that you have to go to Northern Ireland to experience that particular event or that particular experience.

Mr O’Toole: In terms of the first of your points, the 26% and the implication from that that 74% do not appreciate that Northern Ireland are involved, I believe that that is drawn from a piece of work called a brand tracking study that we undertook. We undertook it over a couple of years. Looking at the numbers there what it shows is that 26% of people spontaneously said, “Yes, this is for both parts of the island”. Something in the region of just over 40% said it was the Republic of Ireland. About 20% said, “We are not sure which part of the island it refers to” and 8% said it was from Northern Ireland. When you take it on balance and you compare it to the first time we did this piece of work in 2004, what we are seeing is a movement towards an understanding that the island of Ireland imagery very much incorporates Northern Ireland and we have seen movement from where there was no recognition of Northern Ireland to a more positive recognition of Northern Ireland.

Q313 Mr Campbell: If it had been Northern Ireland imagery would there have been any doubt among any section of the people you would have been surveying where it is they would have been going to?

Mr O’Toole: As part of what we do we ensure—we are obliged to and we do ensure—that any images that are displayed in our destination campaigns are a balance of images that include key features of Northern Ireland in its tourism product. We use television and on television we identify that this is the island of Ireland. We do not attribute any image to being either the Republic of Ireland or Northern Ireland. We attribute it to Northern Ireland and on our little device we use there is a device that shows that the island of Ireland has two jurisdictions.
Q314 Chairman: Because the Republic is so very much bigger than Northern Ireland, would most uninformed viewers just infer that it was probably the Republic?

Mr O'Toole: Yes, and I think that probably is what is behind some of the figures that emerge but I do want to put this in the context of an industry within the Republic of Ireland which has been promoted vigorously and it has been successful over many years, whereas Northern Ireland has had to come from the base where it was more difficult over the past five years trying to redress that. There is a movement here but I think it is very important to state that all television advertising does or all a press advertisement achieves is to get people thinking, “This is somewhere I might like to go”. Very clearly, when people engage through a call to action, by phone or fax or e-mail or on the web, by securing a brochure, attributing a consumer fair, we very clearly differentiate the product in terms of its geographical location and Northern Ireland is very clearly identified through that.

Q315 Chairman: You have to be interrogated to do that.

Mr O'Toole: You engage the consumer at the first level. When people view a 30 second television advertisement they take an overarching image; that is all they take and hopefully they take the means to go further. It is when they go further that we believe you show them the richness and diversity of the product throughout the island and you orientate the visitor to the different jurisdictions.

Q316 Mr Anderson: Mr O'Toole, you mentioned in passing the role of the private sector but one of the things that came back most regularly when we were in the north was that the private sector was not engaged anything like it is in the south. Is there a strategy anywhere within the tourism industry to actually engage the private sector?

Mr O'Toole: If you look at what has happened in terms of investment in Northern Ireland in recent years, what we have seen is a significant investment in Belfast, a reasonably significant investment in Londonderry and, I suppose, more patchy investments—but significant in their own right—around the rest of Northern Ireland. The urban areas are being reasonably well served through investment but it is not necessarily permeating out broader than that. That, I would have to say, contrasts with development in the Republic of Ireland where, in part driven by capital incentives (taxation incentives), there has been an upsurge in the development of hotels and other products around most urban centres within the Republic of Ireland and that has seen the difference. Again, as a more than interested observer over many years, not just the last five in terms of development in Northern Ireland, what we have seen is industry members who have had to invest in a certain way in more difficult times now having greater opportunities. They have been grasped initially in the honey pot areas of the urban centres and it is more slowly occurring outside of that. I think investor confidence is going to be critical to taking it forward.

Q317 Mr Murphy: When we met with yourselves a few weeks ago you saw Northern Ireland as being in many ways complementary to what was offered in the Republic. When we met with the Northern Ireland Tourist Board last week they had a completely different outlook on the partnership and indeed said that they saw the Republic as being competition. They very much felt that they were second fiddle and did not feel they were getting value for money, hence the suggestion that they wished to market Northern Ireland directly in the UK themselves. First of all, can you comment on that? Secondly, have you any break down of the numbers of people from mainland Britain who actually visit the island of Ireland and the break down between the north and the south?

Mr O'Toole: I think the difference of view is really confined to the Great Britain market first of all. Our view is that the island of Ireland—and the research supports this—has great places and great activities brought to life by great people. That central proposition does apply as an island theme and does allow the industry in the south and within the Republic of Ireland—east, south and west where they are also competing—to put its particular theme in front of a consumer in Great Britain, and indeed for Northern Ireland. We do believe that there is a single message. When you are marketing in Great Britain you are marketing into one of the most vibrant, lively and important markets in the world. There are another 200 destinations who are actively seeking to grow their tourism market business here as well so we think a singular message which is potent in its impact, supported by tactical and other campaigns for Northern Ireland and the south is the way forward. Whether there may be different views within the Northern Ireland Tourist Board in respect of that, we do believe that that strategy holds up.

Q318 Mr Fraser: Coming back to the points that Sammy Wilson was talking about, the point is that there is a difference of opinion about the marketing of Northern Ireland between yourselves and the Northern Ireland Tourist Board. That is quite clear, as referred to just now. Mr McGrath, who you know well, said, “We do have certain statistics regarding marketing, particularly in Great Britain where, when people are asked, they see the advertisement as applying to the Republic of Ireland and not as the island of Ireland as a whole”. He goes on to say that their survey has found that only 26% of GB customers believe the adverts were related to both parts of the island. How do you answer that?

Mr O'Toole: I tried to address this question in part a little bit earlier. He is referring to a brand tracking study which sees the attribution levels to a particular campaign. For any product it is one of the hardest things to do but most recently, within Great Britain, 26% of people who see the advertisements spontaneously said it was for both parts of the
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island; 20% said they were not sure which it applied to; 8% said Northern Ireland only and 47% said Republic of Ireland only. That contrasts with the position in 2004 when 59% said Republic of Ireland only (so there has been a movement there); 18% said both and the other figure was 4% Northern Ireland only. What we are saying is that over time this idea is taking root in the minds of the consumer who, as we acknowledge here, was more used to seeing advertising and promotion for the Republic of Ireland only. You do not change the perception of a broad mass of consumers in a very short space of time and we do believe the movement is moving in the right direction.

Q319 Mr Fraser: Given that we all hope Northern Ireland is going to see a much brighter future, can you envisage a time when you step aside and let Northern Ireland market itself within the United Kingdom and elsewhere as a separate entity, given the points we have just made about the fact that they see you as a competitor?

Mr O’Toole: I think it would be incorrect to see me as a competitor as Tourism Ireland because we have 32 counties, two jurisdiction, island of Ireland responsibility. They may see the southern industry as a competitor and I think that is an important distinction. We take our responsibilities for the island of Ireland—both jurisdictions—very seriously in that regard. It is the policy of both governments and the Northern Ireland administration to undertake the marketing in the way that we do and as the executive responsible that is what we do.

Q320 Mr Fraser: Would you support the Northern Ireland Tourist Board if they came forward in the future and said that they would like to carry on and promote Northern Ireland on its own?

Mr O’Toole: I think I would confine my remarks to my previous answer in that regard.

Mr Hastings: Before the ceasefires a lot of the escorted tour market—a very large part of the tourism market—would have offered Republic of Ireland only itineraries. In the period since the ceasefires they have started to include northern content. The challenge for me and my company is to ceasefires they have started to include northern content. The challenge for me and my company is to get them to increase the northern content of the tour bus itineraries that they offer. In that regard we are in competition with the Republic of Ireland for those escorted coach tours to enrich the northern content, but acknowledging that there are no coach tours who would spend the entire time that they have to spend on the island of Ireland in the north alone at this stage. At some level it is a cooperative and at some level we are fighting to get a better share of the mix that is coming to the island in the first place.

Q321 Sammy Wilson: Given that a large slice of your budget comes from Northern Ireland what specific measures have you put in place to test whether or not your marketing of Northern Ireland is being effective?

Mr O’Toole: We do a number of tests in relation to it. Firstly we submit an agreed target in relation to what is meant to be achieved over a given period and we are in the middle of a corporate plan design to do that. There is a bottom line in terms of business to Northern Ireland and that is obviously a key one. We check on a campaign basis how Northern Ireland is featuring. For example, in 2006 we brought over 350 overseas travel journalists to Northern Ireland. Thus far, based on those visits, we have identified £7 million in equivalent advertising value in positive publicity for Northern Ireland achieved on the back of that. In 2006 we brought over something just under 400 members of the overseas travel industry to Northern Ireland and with our colleagues in the Northern Ireland Tourist Board we introduced those to the product and in what we call a “meet the buyer” session we put 100 of them together with Northern Ireland tourism suppliers. The effectiveness rating from the Northern Ireland industry in that is very high. The colleagues in the Northern Ireland Tourist Board carry out surveys of business and business progress from the various markets (I have mentioned this already, the tourism barometer) which again shows very positive feedback from Northern Ireland industry. We measured on the bottom line and the individual campaign effectiveness.

Q322 Mr Campbell: You said about the increase of 4.7% in numbers or something like that; I want to ask about that. Most people who have been to Northern Ireland you get a glowing testimony and glowing report about the actual product: excellent tourism product, the scenery, the lakes, the coastal routes, et cetera. If you have that along with the very low base that I think you alluded to as well when you were giving us the figures, if you put those two things together would an objective person or any analytical observer say that a 4.7% increase is really pretty abysmal compared with what it ought to be. Have you done any work about trying to see if there is some sort of professional analytical observation that can be made with those two criteria, an excellent product, very low base; what ought the increase to be? You have told us what it is, but what ought it to be if the effort, endeavour and resources were being put in?

Mr O’Toole: I think for the five year period in question a lot of countries around the world would have killed for a 4.7% average growth rate.

Q323 Mr Campbell: If they had such a low base and a great product.

Mr O’Toole: Many places have a low base and a great product. The tourism industry worldwide is investing heavily and the competition right around the world—within Europe, Eastern Europe—are all trying to grow their tourism. It is tremendous. The point I am trying to make is that in the five year period in question the business in Northern Ireland grew at 50% higher than the European average. That was 3% masked by a lot of decline because of global events that I have spoken about and Northern Ireland moved ahead of the pack in relation to that.
If you asked me whether we should be satisfied going forward, given the potential, no I would not say we should be satisfied. I think there is a lot more potential in Northern Ireland for greater tourism growth.

**Q324 Mr Campbell:** I presume none of those European countries would have had the experience that we have had over 30 years; I would have thought that would suppress the figures. However, I want to move onto the signature projects now if I can. Everyone I think is aware of the five signature projects: The Causeway Coast, the Titanic quarter, Londonderry, St Patrick and the Mournes National Park. In terms of the marketing approach to those projects, how does that go on initially and how do you think it can be done better from hereon in?

**Mr O'Toole:** I think it has gone quite well in terms of warming up the idea within Northern Ireland and indeed the tour operating and travel media fraternity overseas. We have emphasised the five signature projects and their potential in our campaigns. Again working with colleagues in the Northern Ireland Tourist Board that is starting to resonate. I think to take it forward is quite simple; we need to get them done. What we have seen is that there has been a significant investment in Londonderry, the Walled City of Derry project. That is coming on stream, the first phase is nearly over and I think that is very good. I think in terms of the Giant’s Causeway it is a world icon; it is very well known. In fact it is probably the single biggest known feature within the island of Ireland—not just Northern Ireland—and I think it is a product that is here and really it is talking about enhancing it. I think in terms of the St Patrick and the Christian heritage idea, that broad Christian idea, there has been some good promotion work undertaken again by colleagues in the Northern Ireland Tourist Board and we are using it as a theme for publicity and other aspects of our marketing overseas. That is progressing quite well. Obviously the work necessary to bring the Mournes National Park into shape is there. We would very much welcome progress on the Titanic quarter and the iconic Titanic centre because we do believe it would be the central piece of a very significant visitor hook for not just Belfast but for Northern Ireland as well. I suppose the short answer is we need to get them done. We have warmed up the audience; our colleagues in the Northern Ireland Tourist Board are doing the same. If we get them done that will help us take it forward.

**Q325 Mr Campbell:** Are you saying that you think the Northern Ireland Tourist Board has done quite well in marketing the signature projects?

**Mr O'Toole:** The signature projects were conceived by the Northern Ireland Tourist Board when it developed its strategic framework for action. I was very pleased to be part of the group that they put together to do that. I think it was a simple and effective idea so I think they have been very good in identifying the potential but the real issue to take it forward is to put the necessary resources to get it done and they are not currently within the grasp of the Northern Ireland Tourist Board.

**Q326 Lady Hermon:** May I just pick up on a point about one of these wonderful tourist projects and that is the St Patrick and the Christian heritage. It is a fact that the Department of Education in Northern Ireland has, for some reason, seemed to have decided that the substantial grant for community relations promotion through the St Patrick’s centre is to be ended. Does that come as a surprise to Tourism Ireland and does Tourism Ireland respond or do anything in making representations to the Department of Education?

**Mr O'Toole:** We certainly have not made representations to the Department and I have to be honest that I was not aware that a grant was being cut. I do know that we work very closely with the St Patrick’s Centre in terms of its overseas promotion and I believe this has been quite successful in helping them grow their business.

**Q327 Chairman:** It is a very recent development because the Member of Parliament concerned approached me yesterday and expressed the hope that I was going to bring this up if Lady Hermon did not. He is writing to me about it to put before the Committee. You have not made representations; that is fully understandable as it is very, very recent. Now you know about it will you be making them?

**Mr O'Toole:** I think what we will say—and can say publicly here—is that having developed the Centre it is important that it is promoted to fulfil its potential and we would urge that the resources, wherever they are funded from, would be put behind that.

**Q328 Lady Hermon:** Will you be putting that in writing to the Department of Education?

**Mr O'Toole:** I will consider whether I put it to the Department of Education. Our policy line is to our colleagues in the Department of Enterprise, Trade and Investment, but I assure you I will make the point.

**Q329 Chairman:** Can you say one more thing about the Centre? Most of us went to it and we thought it was rather good. In your opinion does it rank on a par with major attractions throughout the island?

**Mr O'Toole:** I think it is a very important Centre. My colleague on the right here visited it most recently as well. I have also been there myself. It is right up there as an attraction. What I particularly like is how the Centre responded to tourism needs. The Centre was developed, it tried a few things, it needed to adapt and they were very open to adapting. That told me that the operators of the centre were very open to adapting their product to suit the overseas market place and have done so. We would be very supportive of it and, as I said, we highlighted some features in many of our promotions.
Q330 Stephen Pound: I wanted to come onto the economic impact but I have a quick question about niche marketing. In the Irish Republic for a while there has been very successful niche marketing on the scale of Bloomsday and Yeats’s Sligo, and I see now that in the north there are such things as the Louis MacNiece tour and the Colin Bateman tour, there are some specialist ones, even a George Best one. Where do those come from, those niche marketing initiatives structured around individuals rather than signature projects and places?

Mr O’Toole: Generally speaking they come from either local enterprises or local individuals who have an idea and have the courage and fortitude to follow the idea. That sort of innovation which is what you are referring to best springs from generally the private sector and then supported in practical ways by the public sector. Generally in my observation—having worked in tourism for many years now—the best ideas generally come from individuals, people who are entrepreneurially minded, who have a flair for enterprise and have the fortitude to take them forward and sometimes work their way through the bureaucratic system to get them done.

Q331 Stephen Pound: I hope you are not implying that the Board is in any way a drag on innovation; I was hoping you would help encourage such individual initiatives.

Mr O’Toole: We would always try to encourage initiative and I think it is one of the welcome features of industry on the island that it has been able to innovate. But to be successful it has to constantly innovate. The one area we have not particularly addressed today is competition. Everyone else in the world is having good ideas as well and people are developing and expanding and adapting their tourism products and the industry in the island of Ireland has to be able to do that as well. We would always encourage good ideas and we would help those good enterprises to try to access the international market place which is what we are best placed to do.

Q332 Stephen Pound: In 2005 total holiday visitors to the island of Ireland were about 8.1 million, have you broken those figures down north/south yet?

Mr O’Toole: Yes, we have. In 2006—which is more pertinent—we estimate a total visitor number of 8.8 million and of those about 1.73 million will have gone to Northern Ireland, just under 7.4 million to the Republic of Ireland. The build-up of investment in the hotel product in Northern Ireland has been largely—not exclusively, but largely—concentrated around Belfast and, to some extent, Londonderry. From an industry perspective—a tour operator intermediary perspective—they are seeing a huge increase in the number of good quality, three and four star properties in the south, aided by fiscal incentives, and they are not seeing a similar development in Northern Ireland. While we are seeing an increase in the bed stock overall in Northern Ireland, it tends to be more concentrated. What we are seeing is that quite a number of hotels in the non-urban areas are falling out of the system and that does give an imbalance and perhaps that is what is behind the comments.

Q333 Stephen Pound: Maybe we should seek to link the William Butler Yeats tour with the Louis MacNiece tour and possibly even Daniel O’Donnell with Van Morrison. Although that might be straining credulity. You mentioned the question of fiscal incentives and I appreciate the fact that sitting at your table is one of the most successful hoteliers in northern Europe, but do you think that the time will come when we need seriously, in the north of Ireland, to look at fiscal incentives for hotel building, hotel adaptation and the expansion and extension of this still very, very significant small two or three bed accommodation sector?

Mr O’Toole: In my view if the aspiration and the ambition of Northern Ireland tourism is to achieve a somewhat similar economic impact as England, Scotland, Wales and the Republic of Ireland then the same level of investment with appropriate interventions by government will be important. What has driven the build up of hotels in recent years in the Republic of Ireland has been a fiscal incentive. There have been capital incentives in Northern Ireland that have certainly helped build up the stock but it is not operating at the same level. I remember when the same questions were being posed in the Republic of Ireland in the late 1980s and 1990s. The strategy then was to have a combined approach that looked at each facet of the value chain about how business was developed and look for an appropriate intervention to encourage investor confidence. The private sector must lead; its investment must lead the formation and the build up of the industry. When there are appropriate interventions government can support that tremendously.
Q335 Chairman: Mr Hastings, would you like to add to that at all as you are the hotelier referred to by my colleague?

Mr Hastings: We have invested north and south. When we build a hotel in the south we can take advantage of the capital allowances that were available; we can sell those capital allowances to the bank and we can invest at a very low rate of interest over the first seven years of that project. Any entrepreneur needs to know that they are going to be able to make their financing requirements at the outset of a risky venture such as hotel building. That was available to anyone who wanted to engage in that. When we have had support for hotel projects in the north that has been by way of selective financial assistance, by way of capital grant. It has been an extraordinarily slow and laborious process and did nobody any favours because in the eyes of the grant giving authority—the Government—they gave us far too little in our eyes but in the eyes of all of our competitors we got far too much in every case. It really does not put the Government in a good position to have to go through that delay with the potential opprobrium that if something to which they give assistance goes wrong then there is always second guessing of that, whereas the way it works in the south is that if the project fails there is a loss of tax revenue; it was tax revenue foregone rather than the exchequer writing out a cheque in the first place.

Q336 Chairman: Are you really saying to the Committee that the Government of the Republic is easier to deal with and has more understanding of your problems than the Government of the UK?

Mr Hastings: It was more straightforward to do business.

Chairman: That is very interesting. Mr Hepburn?

Q337 Mr Hepburn: There are now six or seven Northern Ireland departments with a role in tourism, would you be in favour and what do you think the merits would be of a single department, possibly with the overview of a minister for tourism in Northern Ireland?

Mr O’Toole: I think it would be inappropriate for me to make any comments about how ministers and departments are set up within Northern Ireland. I think it would be inappropriate for me to comment. I would say that the situation where many departments contribute to how tourism operates is not unique to Northern Ireland, it is also evident in the Republic of Ireland. Many of the conditions that affect citizens—roads, sign posting, sanitation, transport—also affect visitors so they are going to have an involvement. The experience in the south has been that tourism has a part of a senior cabinet portfolio for many years and that has brought the focus of attention to the tourism industry in the south.

Q338 Chairman: You have a civil servant’s reticence; I understand that and I am not going to press you, but I am going to press Mr Hastings because he is a member of your Board and he can say whatever he likes. In answer to Mr Hepburn’s very pertinent question, would you favour—in the new dispensation in Northern Ireland which we may well have within the next couple months—a minister with responsibility for tourism rather than a proliferation as Mr Hepburn is saying?

Mr Hastings: I think on balance yes. The reason for that is because it would shed light on what is one of our fastest growing economies. The very fact that you are taking on this subject is testament that it is a vibrant factor of the economy now and in the future. At the moment if I enter the hotel business and I want to talk about training I have to go and find someone in the Department of Education to help me there; if we are talking about marketing and quality assurance that is obviously the Tourist Board with the Department of Enterprise, Trade and Investment. Then if we move onto events led tourism or the stadium then I have to go and talk to someone in the Department of Culture, Arts and Leisure. If I want to talk about access or planning then I have to go to the Department of Regional Development or the Department of the Environment. All these things impinge on tourism and for a new entrant starting here it is a very, very difficult process, even for those who have been in it for a while.

Q339 Chairman: In your activities in the south you do not have such a problem.

Mr Hastings: There certainly seems to be a minister who is able to knock the various heads together to give leadership in this and I think sometimes our current arrangements do not allow for that.

Chairman: That is extremely helpful. I would like to move on to Lady Hermon now.

Q340 Lady Hermon: Can we move onto the topic of accountability, picking up on a point that was made by Sammy Wilson. How do you measure your effectiveness? To whom are you accountable? To whom do you report in the Republic of Ireland and to whom do you report in Northern Ireland?

Mr O’Toole: As the executive we report directly to our Board of Directors. I am responsible to the Board of Tourism Ireland Limited of which Howard Hastings is a member. There are members from Northern Ireland including the Chairman and Chief Executive of the Northern Ireland Tourist Board. As Chief Executive my first accountability is to my Board. The Board in turn or the company as a whole reports to the North/South Ministerial Council and that operates in sectoral format for tourism whereby the Department of Arts, Sport and Tourism in the south and its minister and the Department of Enterprise, Trade and Investment and its minister act in concert to approve the policy, to approve our corporate plan, our targets and our resources. The organisation reports to that Council operating in sectoral format. That is supplemented by the relationship we have on a day to day basis with the sponsoring departments—Arts, Sports and Tourism, Enterprise Trade and Investment—whom we meet on a regular basis and they carry out the day to day oversight of our operations.
Q341 Chairman: Who would hire and fire in the event of a chief executive being dispensed with or a new one being appointed?

*Mr O'Toole:* The Board.

Q342 Chairman: Do they have the sole authority to do that?

*Mr O'Toole:* The Board do. The Board choose the chief executive and the appointment of that chief executive is ratified by the North/South Ministerial Council acting in its tourism sectoral format.

Q343 Chairman: Can they veto the appointment that the Board has made?

*Mr O'Toole:* They have only made one appointment to date.

Q344 Chairman: At the end of the day does the Board have the ultimate executive authority or does that rest with some sort of cross-border ministerial set up?

*Mr O'Toole:* At the end of the day, to approve the appointment of a chief executive the Board must get the approval of the North/South Ministerial Council.

Q345 Lady Hermon: Are the reporting requirements different in the Republic of Ireland as to Northern Ireland itself? Are there different requirements to the Department of Trade and Industry in Northern Ireland?

*Mr O'Toole:* The reporting line for the organisation—myself to the Board, to the organisation, to the North/South Ministerial Council—acts on an island of Ireland basis but I, as accounting officer, have two separate forms of authority derived from the south and Northern Ireland. I get a particular line of authority from the permanent secretary of Northern Ireland and a different line of authority from the secretary general in the south.

Q346 Lady Hermon: You sit with two hats.

*Mr O'Toole:* At least two.

*Mr Hastings:* I have never seen a committee subject to such scrutiny as our meetings are. Our audit is conducted partly by the auditor and comptroller general in the south and partly by the Northern Ireland Audit Office in the north. In our accounts if you ever look at them we have some people who transferred in from the Northern Ireland Tourist Board, we have some people who transferred from Bord Fáilte, we had some people who joined subsequently. The pensions note is about five pages long.

*Mr Gibbons:* It is a complex environment, there is no doubt about that. We did a chart of it at one stage and we called it a spider’s web but I have to pay compliment to some excellent civil servants both north and south who have helped us through the process. There is a set of integral procedures which have been passed at both Westminster and in the Parliament in Dublin which help us operate to ensure that the corporate and operating plans are signed off by ministers every year through the North/ South Ministerial Council. At an executive level, on a day to day basis, the corporate governance frameworks in both jurisdictions are actually very broadly similar. They do operate across both jurisdictions but obviously there may be differences in relation to pay scales and certain operating procedures and we do quite a lot of work and interaction with both the finance departments (DFP in Northern Ireland, DFP down south) and also with the Department of Arts, Sport and Tourism in the south and Enterprise, Trade and Investment up north to ensure that all the sort of cracks are smoothed over. Not only are we lucky enough to have one auditor, we have two, the comptroller and auditor general and the Northern Ireland audit office who audit our annual report every year as well. There are a lot of complex cross-jurisdiction issues which do arise.

Q347 Lady Hermon: I do know that the North/South Ministerial Council is specifically mentioned in the St Andrew’s Agreement; does that impact on you at all?

*Mr O'Toole:* If I understand it properly the intention is that if devolution is restored the north/south architecture and the bodies within that would be reviewed in terms of their effectiveness. We will participate fully in that process.

Q348 Lady Hermon: I am aware that in 2002 Tourism Ireland was set up, the same year in which the Assembly was suspended. It will be very interesting when we have a devolved Assembly which we hope will be by 26 March. Do you anticipate being scrutinised by the committee within the Assembly?

*Mr O'Toole:* I cannot comment because I do not know what will happen but I can say that prior to the suspension we did operate under the auspices of the North/South Ministerial Council when Sir Reg Empey was in fact the minister of the time. The system that was operated was that the body—in this case the chairman and myself—presented ourselves to both ministers and a shadow observer several times and we brought forward our plans, we were asked questions in relation to activities, we debated issues of concerns.

Q349 Mr Grogan: Could you just say a word about the potential of sports tourism? I am thinking about angling, rugby union, horse racing both north and south now with Down Royal taking off.

*Mr O'Toole:* There are great opportunities in sports tourism. Sports tourism as a form of event related tourism is very important. When we are dealing with a lot of short haul business and volume led business as we do, events are a great bringer or premium business, particularly to urban areas which are of great benefit. I think it is important that whatever opportunities are there under sports, it can be sports events that are special or unique like the Six Nations Championships, it can be one off like the Ryder Cup when it came last year to Kildare. They are a great way of developing the business.
Q350 Mr Grogan: I think Mr Hastings mentioned the stadium in passing. Obviously there are stadiums in both Dublin and Belfast and there are different approaches as to where they should be in terms of the city centre. Is there likely to be a greater impact on tourism and hotels and so on in the city or outside the city? What is the balance?

Mr O’Toole: Tourism Ireland have not done any analysis in relation to that.

Q351 Mr Grogan: Does Mr Hastings have a view?

Mr Hastings: My own personal view is that Belfast is the best location for a stadium for Northern Ireland, but going back to your previous point one of the interesting things about sports tourism is the way in which the southern government has voted additional money to the promotion of sports tourism which, in turn, has been given to Tourism Ireland in order to maximise the overseas impact of the potential of sports tourism. Up to now that is not something that the Northern Ireland Government has had the resources to participate in.

Q352 Dr McDonnell: I am getting an echo running through all of this. Are you telling us, in a word, that there is under-investment in the north in tourism generally and the amount of money we are putting into tourism is less than is being put in to the south?

Mr Hastings: Certainly sitting as a Northern Ireland Tourist Board member on many occasions I have seen where additional funds have come from the south to top up the core budget which both jurisdictions contribute to. Those additional funds are allocated to Tourism Ireland to conduct additional campaigns, supplementary campaigns over and above what the core remit is.

Q353 Chairman: It is clear to me, Mr Hastings—if I am wrong please tell me—that there is a more coherent strategy in the Republic than there is in the north at the moment.

Mr Hastings: I think they have been doing it for a very long time. We, in the north, have been learning a lot about what has made it successful.

Q354 Lady Hermon: I have a quick question of training. We did take evidence from People 1st which is, of course, the UK Sector Skills Council to give it its correct title, that we had very poor arrangements for our training and catering in Northern Ireland. Do you have any views on how that could be improved as compared to the training and skills and strategies in the Republic of Ireland? How can they be improved in Northern Ireland?

Mr O’Toole: I think Howard again would bring an industry practitioner view. The point I would underscore in relation to it is that the delivery of a tourism product does not just stop at the building or whatever it is. The consumer experience—the people they meet, the quality of their service—is critical to ensuring that they leave with a favourable experience and they tell others. I think this again is not confined to Northern Ireland. I think the island of Ireland as a whole has a long way to go to ensure that we meet the best international standards.

Q355 Lady Hermon: How do we do it?

Mr O’Toole: Investment. A coherent investment in all facets of the tourism industry, how the tourism experience is delivered to visitors; the will to do it and the investment behind it. Private sector led supported with appropriate interventions by the public sector.

Mr Hastings: In my experience there is an awful lot of training money for tourism training in the north. It is wholly misdirected because there is no engagement with industry whatsoever. All tourism training money through further education colleges is done without reference to industry needs.

Q356 Lady Hermon: Who has wholly misdirected the funding?

Mr Hastings: It is about colleges putting into the Department of Education that these are the courses they want to run.

Q357 Chairman: There is no clear, central guidance.

Mr Hastings: I have been chairing a Committee with People 1st but I refuse to take it any further until I can get some assurance that the industry will be part of an engagement in that. People 1st who presented to you had done most of their work before November and there is still no word back that there is any appetite to engage with some of the thoughts that we have.

Q358 Chairman: If we have an evolved government, there is a real challenge there.

Mr Hastings: A real opportunity, Sir Patrick.

Chairman: Thank you. I think what you have told us is extremely helpful. The Committee has obviously got to reflect on your evidence and on the other people we have met both formally and informally, and partly through your own good offices in our visits to Northern Ireland and to the Republic. We are very grateful for all your help. Your commitment, gentlemen, is clearly not in doubt at all. We have to wrestle with the problem of how we think the thing should best be administered. I speak for all the Committee not only in thanking you but also in wishing you well in what is clearly going to be an exciting but not altogether easy transitional period, and we just hope it all works well for you. We are as convinced as you are that the island is beautiful, that Northern Ireland is a particularly beautiful part of the island and the potential for tourism throughout is very considerable. Thank you very much indeed and I wish you all a very safe journey home.
Wednesday 21 February 2007

Members present:

Sir Patrick Cormack, in the Chair

John Battle
Rosie Cooper
Mr Christopher Fraser
Mr John Grogan
Mr Stephen Hepburn

Lady Hermon
Mr Denis Murphy
Stephen Pound
Sammy Wilson

Memorandum submitted by Department of Enterprise, Trade and Investment (see Ev 86)

Witnesses: Maria Eagle, a Member of the House, Parliamentary Under-Secretary of State with responsibility for DETI, Northern Ireland Office, Mr Willie Hamilton, Deputy Secretary, Department of Enterprise, Trade and Investment, and Mr Norman Houston, Head of Tourism Policy, Department of Enterprise, Trade and Investment, gave evidence.

Q359 Chairman: Could I now declare the public session open. Could I welcome Maria Eagle, who is the Minister currently with responsibility for tourism; none of us knows for how much longer. Thank you very much indeed for agreeing to come. She knows what I am referring to.

Maria Eagle: I do.

Q360 Chairman: There may well be in a little over a month from now a Northern Ireland Assembly which has got all of these responsibilities and many of us will be delighted if that were the case. The fact is you have that responsibility at the moment and we are very grateful to you for coming. This is the last public session in our inquiry into tourism. We intend to publish our report, and we hope to do so in Northern Ireland, during next month before the 26th so that we are able to report not only to you and the Secretary of State and to Parliament but also as something that might be helpful for the Northern Ireland Assembly when it takes up these particular challenges. Thank you very, very much indeed for coming. Is there anything at all that you would like to do, apart from introduce your officials, before we start?

Maria Eagle: I do have an opening statement, Chairman, but I am perfectly willing to be guided by your wishes.

Q361 Chairman: We always give our witnesses the opportunity to make an opening statement and we would be delighted for you to make one.

Maria Eagle: Thank you, Chairman. Can I begin by introducing my officials here today: Wilfie Hamilton, who is the Deputy Permanent Secretary of the Department, and Norman Houston, who will be assisting me, no doubt very ably, if I get into any trouble.

Q362 Stephen Pound: Houston, we have a problem!

Maria Eagle: Otherwise they may keep quiet. They are certainly here to assist me, Chairman. I am grateful for the opportunity to contribute to the investigation that your Committee has been conducting over the last few months into the tourism industry in Northern Ireland and the contribution which that industry makes to the economic prosperity of Northern Ireland. I look forward to hearing in due course what your findings and recommendations are although, as you have pointed out, Chairman, I may not then be the person responsible for deciding how best to use the recommendations that you come out with. I will not be offended if people say that on the Committee, I also hope that things work very well by 26 March and that these matters can be dealt with as they ought to be by locally elected and accountable ministers. It is obvious, and I hope the Committee agrees, that tourism in Northern Ireland has come on in leaps and bounds in recent years. Of course, there is more that needs to be done and over the past few months my Department has been engaged in a major exercise to establish the full economic contribution that tourism in Northern Ireland makes. The emerging report which describes the economic value of tourism in 2003, which is the most recent reference year for which detailed statistics are available—it is still to be finalised but I will ensure the Committee receives a copy as soon as it is, and that should be within the next few weeks—uses a tourism satellite account methodology to demonstrate the wider contribution of the sector to the local economy. This type of accounting is regarded as best practice internationally as an approach to provide a detailed description of tourism activity. Emerging findings suggest that the total contribution of tourism to the economy in Northern Ireland from Northern Ireland residents and non-residents was worth some £7591 million, or 3.4% of gross value added in 2003, and supported approximately 37,300 jobs, that is 28,900 full-time equivalents. Of this, non-residents contributed £192 million or 0.9% of GVA and supported 9,790 jobs. There are some other preliminary findings from the report which may interest the Committee, including the fact that comparisons with other places indicate that while Northern Ireland may be gaining close to its share of visitors to friends and relatives, it has a significantly smaller number of business visitors than the size of the country and business community would normally generate. In addition, Northern Ireland only has a fraction of the holiday trade

1 Correction from witness: 759 million
which it might expect. These are areas where clearly we need to focus some effort going into the future. Perhaps the most notable fact regarding Northern Ireland is that it is under-performing in comparison with its neighbours. Direct tourism generated gross value added for Northern Ireland is lower than any other region in the United Kingdom and lower also than the Republic of Ireland. Whilst this indicates that there is under-performance at present, it does highlight the opportunities that exist to maximise the tourism potential of Northern Ireland in the future. In spite of the significant challenges that the Northern Ireland tourism sector has faced, the level of spend by incoming visitors has grown rapidly by more than 5% per year in real terms since 1975. This is almost twice as fast as the Northern Ireland economy as a whole and comparable to the growth of the international tourism market. In 2005, for example, there were almost two million visitors which created £357 million in direct spend. If we look at the first six months of 2006 there was a 4% increase in visitors from outside the island. Furthermore, there was an impressive 20% increase in those coming on pure holiday and leisure trips. Obviously we all need to work to make sure that these trends continue. I do pay tribute this afternoon to the work of the Northern Ireland Tourist Board, to Tourism Ireland and to the local tourism partnerships and district councils of Northern Ireland, all of whom have contributed their efforts over the last few years to reinvigorate an industry which had obviously suffered by the wider political situation that was going on in Northern Ireland. But I do not wish to sound complacent. I recognise, as do my officials and as do the Department, that we still do not have the correct volume of tourist business that the natural assets and developing infrastructure of Northern Ireland deserve, and, whilst we are moving in the right direction, the next few years will certainly need to see an improvement. Tourism development is a partnership and we need also to develop further key partnerships with the private sector. Considerable credit is due to those who held their nerve and maintained their confidence in the future of Northern Ireland and invested in tourism infrastructure. The growth of hotel accommodation in Northern Ireland in the past few years has really been quite dramatic; some of it at the top end of the market and all of it very welcome. I know that there is room for more and I hope that Northern Ireland’s private sector, supported where necessary by the public sector partners, will not let us down in that regard. Visitors will, of course, only come to Northern Ireland if there are first class attractions for them to visit. I am very happy this afternoon to endorse once again the Northern Ireland Tourist Board’s Strategic Framework for Action because I believe that the Signature Projects and the winning themes do offer excellent prospects for the future. It is encouraging that phase one of the Walled City project is now complete and I was pleased to be there to mark the occasion a couple of weeks ago. Good progress continues to be made with the St Patrick and Christian Heritage projects in County Down and County Armagh. We are continuing to take forward the new Giant’s Causeway visitor facilities and Titanic Signature Projects with considerable energy. Both of these are, of course, very large scale and expensive undertakings and in both cases we are being careful to ensure that economic and environmental considerations are maintained in an appropriate balance and that we provide value for money obviously to the public purse and to the taxpayer. Government has taken a lead in expressing tangible support for the Signature Projects. As we continue to develop good quality hotel accommodation, an enviable range of visitor attractions and greatly improved access, we have got to ensure that these assets and Northern Ireland’s other virtues of incomparable scenery, majestic views and the warmest of welcomes are all brought to the attention of our potential visitors throughout the world. I would like to commend the Northern Ireland Tourist Board for their efforts in the local market and in the Republic of Ireland which offers considerable potential for expansion, and I pay tribute too to the efforts of Tourism Ireland elsewhere in the world, particularly in North America where great things have been achieved.

Q363 Chairman: Is there much more of this? Maria Eagle: Sorry?

Q364 Chairman: It is a fairly long statement. Maria Eagle: No, that is as much as I need to say, I think, Chairman.

Q365 Chairman: Thank you very much indeed because it was rather a long opening statement, but we are very grateful for it. I think we can all agree that there is enormous potential for a very beautiful part of the United Kingdom. The Committee is anxious to make some recommendations and we want to be able to ask you some questions. We have met with Tourism Ireland and the Northern Ireland Tourist Board and they have both given us formal evidence. There is clearly a bit of tension. There are some people who suggest that Northern Ireland is an unequal partner in Tourism Ireland, there are others, of whom the Chairman of the NITB is perhaps the most prominent, who feel that the marketing of the island of Ireland should be handled rather differently and that the NITB should have the UK rights, if I can put it that way, and Tourism Ireland the others. Would you, please, be able to comment on those particular points? Maria Eagle: Yes, indeed. On your first point, Chairman, about whether or not there is an unequal partnership, I do not believe that there is. I believe that there is an obvious advantage in marketing terms and Tourism Ireland’s job is to market to the rest of the world. There is an obvious advantage in pooling resources and pooling expertise in order to take the most advantage of marketing expertise around the world. I do not believe it would be a good use of what are always limited resources to start duplicating offices around the world with NITB trying to duplicate what Tourism Ireland does. I believe the structures that are there do enable
NITB—I acknowledge there is some tension—and facilitate NITB influencing properly, as it should, the work of Tourism Ireland.

Q366 Chairman: The specific point that had been made to the Committee, and the Committee does not necessarily endorse this, we greatly welcome your view on it, that was particularly made by the Chairman of the NITB was that they should have a free rein in the UK. They believe that because Northern Ireland is part of the UK, the marketing of it within the UK should be by, if you like, a domestic agency. They are more than happy for the marketing of the island of Ireland outside the UK to be conducted by Tourism Ireland but they are advocating this split. Obviously the Committee will want to address this issue in its report. It may wish to make a recommendation one way or the other, it may not, but it would be very helpful if you could assist us by telling us your view. Do you favour that sort of demarcation or not?

Maria Eagle: I am not persuaded at this stage certainly that that would be the best way forward, in part because I believe that the NITB has the capacity and the structures are there in Tourism Ireland for them to influence the way in which marketing in the UK is done, and I believe that the marketing expertise of Tourism Ireland would be difficult to replicate in an NITB context. As long as we can get the relationships right, Chairman, I believe that the best way forward, and I am not persuaded otherwise at present, would be for NITB to properly influence the marketing work of Tourism Ireland in the way in which it is done in the UK. I believe that would be the best way forward and I have not been persuaded otherwise to date.

Q367 Chairman: That is a very clear and very helpful answer. Before I bring in Mr Wilson I have just one other issue on which I would greatly welcome your opinion. Another one of the charges levelled is that in marketing the island of Ireland, Tourism Ireland does not always make it specific that the particular feature on the screen, if you like, is in Northern Ireland and there does seem to be a degree—I can see Mr Houston nodding that he recognises this point, I am not suggesting he agrees with it but he recognises the point—of perception that perhaps in being part of the wider package of the island of Ireland, Northern Ireland’s gems are not being specifically or sufficiently specifically identified.

Maria Eagle: I have some sympathy with that concern, and no doubt there is the issue of visitor numbers this year from GB and the market research that indicates that those who see some of the Tourism Ireland adverts from GB, the majority of them think they are about the Republic. I do think that there is an issue here that Tourism Ireland needs to address. I think the way of addressing that is by improving and refining the marketing strategy. I believe that can and should be done and that Tourism Ireland would be open to proper suggestions about how they might refine their marketing strategy. I think the Northern Ireland Tourist Board could have a very important role to play in putting forward those points to them from a position on the Board and from a position that is deeply within the structure of the organisation, and properly so. Yes, I do think that one would recognise the concerns arising out of the evaluation of the current marketing strategy and what is happening to visitor numbers.

Q368 Sammy Wilson: Chairman, I noticed that when the Minister talked about Tourism Ireland she mentioned specifically the North American market and I do not think anyone is going to say that there should be a duplication of effort in the wider global area. However, I just wonder would you not accept it is being a bit complacent when one looks at the figures? Since Tourism Ireland took over the visitors from the GB market has fallen by 6%. 74% of people in England do not even recognise that adverts by Tourism Ireland refer to Northern Ireland at all, they think they refer to the South. Thirdly, rather than catching up, Northern Ireland is falling further behind the Republic of Ireland in the number of visitors who are coming. Is the Minister not being complacent when she then says that the status quo should be maintained?

Maria Eagle: Well, I hope not. I have certainly acknowledged in respect of the second point about falling visitor numbers that attention needs to be given within the marketing strategy and refining the way in which marketing is done to try and reverse that. I do not think it is absolutely clear precisely why that is happening just at present but I do think attention is required in respect of that. In terms of visitor numbers, Northern Ireland has seen an increase since 2001 of 4.7% a year. Over the same period the EU market has grown by 3%, so that is one and a half times. I accept that we are starting from a lower base in Northern Ireland and we do need to catch up. One of the two aims of Tourism Ireland is to make sure that Northern Ireland gets its proper share of overseas tourists to the island. That is specifically one of its two main strategic aims. I do not believe that it is ignoring that. In terms of visitors from GB, my numbers indicate that the numbers in 2001 were 1.053 million and in 2005 1.308 million, which is an increase. I hope I do not sound complacent, Chairman, because I am really trying not to be, I do accept there is an issue about confusion and a lack of clarity.

Q369 Chairman: You have made that very clear and I think we appreciate that.

Maria Eagle: But I do not want us to under-sell what is happening and the gradual improvement over and above the average is there, and that is important, but we have got to build on it.

Q370 Chairman: Your view is that more could be done to focus on Northern Ireland attractions but in order to do that you do not need to transpose the functions of the two organisations. That is really what you are saying, is it not?
Maria Eagle: I believe that is right because I believe the expertise is in Tourism Ireland, but I do believe that NITB should shout loudly and use its structure inside that organisation to make very clear its point.

Q371 Sammy Wilson: All of the evidence is that was what exactly was being done, however Mr O'Toole from Tourism Ireland told us that their remit was to market the island as a whole and not to identify regions and, therefore, should the people from Northern Ireland shout louder it is unlikely, given the remit of Tourism Ireland and the fact they intend to stick by it, that they would be prepared to identify the region. I am not sure how the Minister expects us to catch up if the part of the island which she has accepted is disadvantaged cannot be identified in the marketing strategy of Tourism Ireland, and they are adamant they do not do that.

Maria Eagle: Well, that is not my understanding. I think there will be some move towards them doing that.

Q372 Sammy Wilson: Could I ask one last question. There is a role for the representatives of Tourism Ireland and there is also a role for the Department. Northern Ireland contributes 15 point something million pounds to Tourism Ireland’s budget. What specific targets has the Department set for Tourism Ireland to ensure that £15 million actually does benefit Northern Ireland?

Maria Eagle: First of all, the Department has a role both in agreeing and okaying corporate plans and business plans for Tourism Ireland. My officials at various levels will have very regular meetings with the relevant people and senior management team at Tourism Ireland on a regular basis to make sure day-to-day issues are being dealt with. There are targets that Tourism Ireland has in respect mainly of revenue generated and visitor numbers, which it sometimes meet and sometimes does not meet, but those are the kinds of targets by which we will judge the success of Tourism Ireland and the value for the money that we are putting into Tourism Ireland. This is in the context of them being a worldwide marketing organisation rather than in having other functions that they do not have. I am satisfied that we have levers to hold them to account for the money that we are putting in.

Q373 Lady Hermon: How regular are “regular”? Monthly, weekly, half-yearly?

Maria Eagle: There would be regular meetings. If Wilfie Hamilton wants to come in I am happy for him to answer.

Mr Hamilton: Just to say, Lady Hermon, there are regular bimonthly meetings at senior management level.

Q374 Chairman: At official level?

Mr Hamilton: Yes, and that would be a formal thing, but there are many, many more meetings and phone calls. In fact, there would not be a week that passes when the department are not in touch, just like the case with the Tourist Board. There is very, very frequent contact and we would be assessing performance and monitoring against targets.

Q375 Lady Hermon: Would you be in touch with them equally? Would you be in touch with Northern Ireland Tourist Board as equally as you would be with Tourism Ireland?

Mr Hamilton: Absolutely.

Q376 John Battle: If I could ask you a bit more about the so-called flagship Signature Projects, because I think that was a great move by the NITB. They have identified the Giant’s Causeway, the Titanic quarter, the Walled City, the St Patrick Centre and the Mournes National Park. Those are the five big ones. I am just a little bit confused. I welcome the fact that you said you are continuing to take them forward and they are expensive, but when we got the evidence from the Department of Enterprise, Trade and Industry, their submission said: “Good progress has been made in advancing these Signature Projects and in most cases funding is already in place to enable implementation to proceed”, but when we had a conversation with Alan Clarke of the NITB he said that not all the Signature Projects, and there are only five, had been developed or resourced to the extent which would take them to the implementation stage. Can you let me know which ones are going because the Titanic Centre is not off the ground at all yet. Which ones do you think are doing well? Can you tell me how much funding the Department has made available and what other sources of funding you expect to get and just some clue as to whether there is a budget track to enable those pretty good projects to happen actually because those five projects would carry most of Northern Ireland if they really got off the ground and were backed.

Maria Eagle: First of all, the Walled City is probably the one that has advanced the most.

Q377 Chairman: That is the one that has advanced. Mr Battle is absolutely right, the others are wonderful ideas, or not as the case may be, they are ideas, but the money is not there.

Maria Eagle: The money is there. In respect of the Causeway, for example, remember it is a World Heritage Site so there are additional planning constraints over and above the normal planning constraints in respect of developing the visitors centre at the Causeway. It started out being £12 million originally but because of the fact it is a World Heritage Site there are additional planning constraints over and above the normal planning constraints in respect of developing the visitors centre at the Causeway. It started out being £12 million originally but because of the fact it is a World Heritage Site, the design of the visitors centre is buried into the hillside so the cost has gone up and we are looking at around £20 million worth of build there now. Most of that money, not all of it because of the increase in the cost, has been secured and is in baselines but it cannot be spent until planning permission has been gained. The money is there and of course it has not been spent, which means it is tipped back into the Comprehensive Spending Review, but there is a clear commitment from the Government to doing these projects so I would certainly be bidding very, very strongly in the CSR.
for these monies. The Causeway one, the delay is about how to handle getting a lot of people to a World Heritage Site without environmentally wrecking the view and all of those concerns. In respect of the Titanic, this is a project which is massively ambitious. It would be a public-private partnership with approximately a third, a third, a third contribution from the private sector, the public sector and the Big Lottery. At present we are involved in designing the iconic Titanic Centre which will be the centrepiece of this huge regeneration project.

Q378 Mr Fraser: Yes, but without the Titanic.

Maria Eagle: The Titanic is on the bottom of the ocean.

Q379 Mr Fraser: It is a flaw in the project, surely.

Maria Eagle: It is. It is certainly the case that we are proceeding as swiftly as we can. We are very well advanced with preparing the Big Lottery bid, which is due in on 31 May, we have spent a significant sum of money in developing this. I think the decision on whether that £25 million Lottery bid will succeed will be in October of this year. Meanwhile, we are committed in an outline way to our contribution to this and we have very, very high hopes indeed that the private sector will do their bit. It is frustrating, I know, that one still sees an empty patch of ground but this type of project is inherently slow in the sense that putting the packages together does take time, but I can assure you that we are proceeding as swiftly as we can.

Q380 John Battle: Can I just follow that up a little bit. If those five projects are really given good backing they are world class projects and what worries me, and it is not just your Department but always in government, is local and national government will get it going and then—There is a heritage site in my constituency, Kirkstall Abbey, and we built a hut to advertise what the monks did and it was inadequate and we had to fight for nearly 15 years to get the centre that is there now and it is good. It is whether you are ambitious enough at the beginning to build it in and get it on track so that come the next Comprehensive Spending Review—it is going to take longer than that to build the Titanic Centre—the money is in place and people assume it is going to be there and a top world class prestigious project is backed all the way. I think the worst thing would be to start ambitious and start cutting back the expectations because that would undermine the international status of these projects.

Maria Eagle: I absolutely agree with that. There has been no lack of ambition from the Government in respect of this and no delay at all that has been caused by the lack of availability of money to take this issue forward.

Q381 Chairman: If that is case, and obviously the Committee is encouraged by what you say, I would like to ask you a very specific question about a very particular part of one of the Signature Projects. Minister, have you been to the St Patrick’s Centre in Down Patrick?

Maria Eagle: I have not visited it myself.

Q382 Chairman: Well, the Committee has and all of us were very impressed. This was a project that got £6 million of public money to develop for the millennium. We were impressed by the way in which the story of St Patrick was told, both in the rather graphic video presentation in the lecture theatre and then in the centre itself. Then when we sat down with the Director we were very concerned when he indicated that the very future of the centre, whether it remains open or not, was in some doubt. We received a partial reassurance when we had before us a representative of the local authority but since then I have had a letter from Dr Campbell, who is the Director, who does record very clearly his appreciation to Down District Council and Mr McGillen, one of our witnesses in particular, for their continued financial support to the project, but he said: “I am very concerned that the potential of the centre will not be reached if we do not take it forward as a Northern Ireland-wide facility”. He then goes on to tell me, and the Committee have all had this letter, “We have just heard from the Department of Education Regulations Office, who have funded the salary of our education officer for the last four years, our application for funding over the next three years has been rejected which means that inevitably our cross-community education programme, which brings thousands of children together every year to celebrate their common Christian heritage, will have to close”. He tells us he is frantically looking for other sources of income and so on. This does concern the Committee because it is a key part—it is not the whole Signature Project, of course not—of one of the five projects on which a significant sum of public money has been spent and it is being stifled in this way, even if not closed completely. As this appears to come from Government funding, can you give us some encouragement?

Maria Eagle: Well, I have not had the benefit of seeing the letter but I am happy to look further into what has occurred and come back to the Committee.

Q383 Chairman: The Committee would be grateful if you would do that. We are not seeking to take you by surprise, we are merely bringing before you something that we are concerned about, having been to see it for ourselves.

Maria Eagle: I know that the Committee has taken evidence in respect of this and there has been some concern about salaries and management of the centre. I am happy to do what can be done in respect of trying to assist with this. Certainly as far as I am aware there has been no mention of an application there in respect of the salary from one of my departments, DE, but I am certainly happy to go away and have a look into that. Certainly it is not in anybody’s interest to have the centre undermined in any way and as far as I am aware there is no attempt
to do so, which is not to say that every application for every type of funding that the centre makes would always be successful.

Q384 Chairman: You will look at it?

Maria Eagle: Yes.

Chairman: Thank you very much.

Q385 John Battle: I think sometimes part of the issue is that the money is there for the capital but the revenue and management funds are never built in and, as we all know, on the ground they are the hardest to sustain. It may be a better conversation with the local government and national government to ensure that happens so that those jobs that are keeping the place open do not fall into the gap between. I sometimes suspect that is what is happening and if you could look into that and maybe help to make sure that project is not jeopardised.

Maria Eagle: I will certainly do that.

Q386 Sammy Wilson: Just on one of the Signature Projects the Minister mentioned, the Causeway project, there had been difficulties with the centre but there are also difficulties with the golf course, with the chalets, et cetera, and the Environmental Heritage Service, as far as it is my understanding, are the people who are currently standing in the way of it. Whilst the money has been committed, can I just ask what type of commitment and time commitment has there been by yourself, Minister, to try and resolve this matter with another department? There is a great fear that a massive opportunity is going to be missed because of the intransigence of one department which seems to be taking a totally different line from your own Department.

Maria Eagle: I think there are some issues that have caused delay in respect of the Causeway project, in part because the various owners of different parts of the site do not appear to be getting on as well as one might wish. The Department has its proposal for a visitors centre in lieu of there not being any others but there is another proposal which has put in for planning permission from one of the owners which is being considered by the planning department. I know that my Department across government on a day-to-day basis does take an interest in these issues but one cannot interfere overtly with planning decisions. There is a planning application in and certainly one has to observe the bounds of propriety in respect of these issues.

Chairman: We would not expect any less of you, Minister.

Q387 Sammy Wilson: Is there any contact between ministers from the two departments which maybe take different views but nevertheless, as you have said, this is an important project which is currently being held up because of the difference between the two departments? What kind of ministerial interaction is there on this?

Maria Eagle: I do not believe it is being held up for that reason. To the extent that there was a disagreement between departments that was causing a problem ministers would certainly engage with each other to sort that out. This is a planning issue as I understand it, Chairman, and one has to be a little bit more careful in respect of planning issues, particularly when considering the fact that this is a World Heritage Site and certainly we would not want anything to happen to jeopardise the status of the site as a World Heritage Site, so there are perhaps a few more complications than one would normally expect even with planning decisions in respect of this issue. I can assure the Committee that if there is a disagreement between departments ministers would certainly talk about it.

Q388 Mr Fraser: You talked about confusion and clarity of marketing. Can I just go back to the point I made about the Titanic. Could you make me less confused about the clarity of that particular Signature Project given the fact that there is no way you will have the product there, the fact that it needs an awful lot of money put into the project and the artefacts from the Titanic are traded around the world at incredibly high prices. What is it that is going to inspire me and my family to come to that Signature Project because at the moment all I see is a dock which is bare and it does not really attract me?

Maria Eagle: Of course the Titanic Quarter Limited are the ones who are developing the concept of the building and what the attraction would be. I do not know whether the Committee has had the opportunity of seeing this but they certainly have some graphics and presentations that they can give.

Q389 Mr Fraser: Yes, but I would like your view.

Maria Eagle: My view is that the Titanic is one of those things around the world that interests people absolutely enormously. It was built right there.

Q390 Mr Fraser: As an enormous tragedy, yes.

Maria Eagle: As an enormous tragedy, yes.

Q391 Mr Fraser: I am sorry to interrupt you but when I put the point to you just now, and I think it probably has been recorded, I said there is a flaw in it and you agreed with me.

Maria Eagle: No, I do not accept—

Q392 Mr Fraser: I think that is on record.

Maria Eagle: I do not accept that there is a flaw.

Q393 Mr Fraser: Right.

Maria Eagle: I think the name of the Titanic and the interest that there is in what happened to that ship and the people who were on board is of worldwide interest and in that sense I accept that the Titanic’s sinking was a tragedy. I do not disagree with you about that, but we are far enough from it that I do not think it is something that is going to repel visitors. I do think that done appropriately the building that we are talking about would attract visitors to Belfast and the fact that the Titanic was built there would lead people to go there. Certainly there is no point in us developing a building at enormous cost if it is not going to attract visitors. The project is being led by Titanic Quarter Limited,
they are a private sector organisation putting their own money into this and are absolutely convinced that this will be an enormous success and are investing appropriately. I find some reassurance in that because the private sector are perhaps a little better than the public sector at second-guessing what people might be interested in in terms of where they might like to visit. I find some comfort in the fact that they are willing to provide a third of what is a very large sum of money to get this project up and running.

Q394 Chairman: We are very glad to have your endorsement in that sense. The eruption of Vesuvius was a terrible tragedy but there is quite a lot to see when you go and have a look at Pompeii.

Maria Eagle: It was a long time ago.

Q395 Mr Fraser: Can I move on to the structures, roles and responsibilities. In some of the evidence we have received there is a criticism of the structures of departments and seven departments involved in tourism. Particularly Nicola Carruthers, the Chairman of Northern Ireland Tourist Industry Confederation, and Michael Maguire, the Regional Director of the Chartered Institute of Marketing, have passed comment about structures. Is there a case for transferring responsibility for tourism to one government department or Minister for Tourism so that you get what you want, which is more clarity in the marketing?

Maria Eagle: Yes. First and foremost, I am not going to argue that there is fragmentation in tourism delivery. I accept that there is. There are very, very many organisations, it took me a while to work out quite how many when I arrived in the job.

Q396 Chairman: It did us too! Maria Eagle: So I am not going to argue with the Committee about that. I do not think it is ever possible to give total responsibility for something that is as cross-cutting as tourism to one department. One should try and minimise the overlap that there is but you would fragment other important issues if you were to put everything in one department. For example, if you were to have skills training for tourism in a department for tourism, or in my Department here now, I think there would be some people in further education and higher education who might have something to say about that fragmenting their arrangements. I do not think there is perfection when one is talking about cross-departmental working in a Whitehall based system, you can never get it perfect, there is always going to be a cross-departmental element. That having been said, it may well be something the incoming Executive would want to look at as to where the responsibility ought to be. We have to make the best of the current system and I think we do try and do that by being clear about what the functions of the different parts of tourism delivery mechanism are. I think clarity about that can assist good relationships between different aspects and the minister’s job is to try and make sure there is not departmental-itis, let me put it that way.

Q397 Chairman: In the Republic there is a Minister for Tourism.

Maria Eagle: Yes.

Q398 Chairman: We all hope for the very best of reasons that you will be handing over this responsibility in the very near future which you clearly discharge with enthusiasm. Do you think that there should be, as a counterbalance to the Minister for Tourism in the Republic, a Minister for Tourism in the Northern Ireland Assembly?

Maria Eagle: Certainly that would be one way forward. I leave it to the incoming Executive to decide what they think the machinery of government ought to be that they are taking over, it is not for me to really tell them. I consider myself to be the Minister for Tourism at present.

Q399 Chairman: Yes, of course, that is why you are here this afternoon.

Maria Eagle: Indeed. One does one’s best with the situation that is there and changes it to the extent that one can sensibly in the time that is available. Certainly I think the incoming Executive may well want to have a look at this when they take a look at the way the machinery of government is currently established in the domestic departments in Northern Ireland. I think there is scope for some rationalisation if they wish to go down that road.

Q400 Mr Fraser: If you say there is scope for rationalisation, do you not think the Government should have rationalised it all beforehand?

Maria Eagle: Well, we are doing.

Q401 Mr Fraser: You cannot just pass it on to the next administration.

Maria Eagle: It is a delicate balance between rationalising ahead and thereby being seen to put the incoming administration into a straitjacket.

Q402 Mr Fraser: That is what government is about, is it not?

Maria Eagle: I think there are sensitivities that one wishes to try and observe in the current situation. There is rationalisation going on. The Review of Public Administration is rationalising at a district council level and the Regional Tourism Partnership level which has been way too complicated in the past, and still is somewhat complicated. There is rationalisation going on but that is not to say the incoming Executive might not wish to rationalise further or differently.

Q403 Chairman: Re-rationalise!

Maria Eagle: Re-rationalise, indeed.

Q404 Mr Fraser: Can I just ask about the Regional Tourism Partnerships. How successful have they been given the fact that they argue there has been a decrease in funding and can you give a guarantee that there will be an increase in funding from the Government?
Maria Eagle: There is about £1.1 million available for the Regional Tourism Partnerships which are just up and running. There are four of them, as the Committee will be well aware, just getting going now. In terms of increasing funding, I think for carrying out the role that they do, they certainly ask me for more money, and perhaps that is not surprising, everybody always asks ministers for more money, and they could have asked for more resources. We have got the spending review coming up and certainly it would be open to the Executive or myself to increase the funding that is there, but that has not been determined yet because the CSR has not been determined. Certainly there is £1.1 million there for them to have their share of. I know that Mr Houston has been dealing with allocating some of the monies that are available to the Regional Tourism Partnerships and one would expect them to make good use of what they have got before asking for more.

Q405 Mr Fraser: If you mention, as you just have, about their requirement or their asking for more money and you could possibly make a recommendation in that respect, would more money going into Regional Tourism Partnerships correct the imbalance that you described in your opening statement about the current volume problem that we have?

Maria Eagle: I think getting the visitor experience and the localised product right is an essential corollary of bringing more visitors in if we want to see an upward move in the number of visitors coming to Northern Ireland, enjoying Northern Ireland and going away and suggesting to other people that they should come, and preferably coming back themselves. I do not believe that it is enough just to get people here because if they have a bad experience it is not going to help in the future. The role that the Regional Tourism Partnerships can best provide is really about focusing at a local area level on that experience for the visitor. That does require some money, yes, but it also requires some strategic thought about what each localised area needs to maximise its capacity to give a good visitor experience and that is equally important.

Q406 Mr Fraser: Finally, given the Review of Public Administration, what role, therefore, will district councils have, and if they have a role how does that interfere with the RTPs?

Maria Eagle: First of all, I think that the reduction in the number of district councils is entirely sensible, it makes the new district councils, of which there will be seven, much more robust organisations that hopefully have more capacity to have an input into their local areas that are very positive in areas such as the local tourism experience. Obviously it has an implication for the Regional Tourism Partnerships which will be wanting to include the local district councils in that partnership. There are discussions going on between the Northern Ireland Tourist Board and ourselves at departmental level and the district councils about precisely what impact the RPA will have on the Regional Tourism Partnerships. It is not ideal that having just been set up we are now having to focus on how they might have to change or if they have to change because of the RPA, but I think with sense on all sides we can get that dealt with quickly and leave the Regional Tourism Partnerships to focus on the job that they need to do, which is improving the visitor experience and looking at the local tourism product. I hope that the impact of RPA can therefore be minimal in terms of their effectiveness. I hope that will be the case but obviously it is not an ideal first year for the Regional Tourism Partnerships to be having to look at further changes in structures.

Chairman: Certainly not. Can I move on to Mr Murphy.

Q407 Mr Murphy: Minister, in discussions we have had with tourism industry representatives in the Republic of Ireland it was decided that the success of the Republic has been partly down to the fact that over the last ten years they have been able to double the amount of tourist beds available, to increase the range and quality, and that was done through a series of tax incentives that were introduced in 1997. In discussions with representatives from the North of Ireland it was decided that one of the reasons for the problems in increasing tourism in the North was a shortage of beds and quality hotel accommodation. Can you see therefore a need to introduce similar tax incentives to encourage the development of quality hotels in the North of Ireland?

Maria Eagle: Invest Northern Ireland does have a role in encouraging accommodation capacity as inward investment and it does use some of its regional selective assistance to do that, so I do not want the Committee to think that we do not support getting a good hotel product increasing numbers of beds that people would enjoy staying in into Northern Ireland as part of its role; we do. In fact, since 2002 Invest NI have spent some £13.9 million on incentivising new hotels through regional selective assistance. My information indicates that whilst the number of hotels has stayed pretty steady, the number of beds in Northern Ireland since 2000 has gone up by 21.7%. That is from a much lower base than the Republic. The Republic has seen an increase over a similar period of about 20%. Obviously we are playing catch-up in that sense and we have fewer good hotels to start with.

Q408 Chairman: It was Mr Houston who told me that there are more beds in Donegal than the whole of Northern Ireland.

Maria Eagle: That may well be the case. We have in 2006 just under 6,000 beds in our hotel capacity, Chairman, and clearly it would be desirable to see that increased. Whether or not that requires public sector involvement or tax incentives, they are not for me to bandy around, I am not in a position to do that, but certainly there has been support from Invest Northern Ireland into hotel development. I think that as things return much more to normal in Northern Ireland, you will see a natural capacity in the private sector to see the advantage of building
hotels as tourism increases and as the business attractions are there to see. That will happen in any event and we would not want to displace private investment by using public sector investment, that would not be good value for money, but certainly we will continue through Invest Northern Ireland to make sure that we do not lose good hotel investments for want of some support from the public sector. That is how we have played it over the last few years and I think that we have seen some very good, high-class hotels coming into Northern Ireland.

**Q409 Mr Murphy:** Just to continue on with that if I could, Minister, the example cited was the number of American tourists coming into the South of Ireland who would visit the North was a tiny percentage of what was potentially available, and one of the reasons was if they wanted to visit the Giant’s Causeway, the only accommodation available was in the South, so they had to be bussed in and bussed out again, and in many ways what was required was good-quality, large hotel accommodation. To move on again, in discussions with Tourism Ireland, they viewed Northern Ireland in many ways as complementary to what was available in the South. However in discussions with the NITB the opposite was true. They saw the South of Ireland as very much being in competition and that was partly covered by they felt by the way it was being marketed. However, do you see any other form of economic incentive to enable Northern Ireland rather than just play catch-up to compete equally with the Republic of Ireland?

**Maria Eagle:** At present there are just under 6,000 hotel rooms in 128 hotels in Northern Ireland; the Republic has 45,900 in 812 hotels. We are not going to catch up with that and you certainly would not expect the public sector to pay for that. I do think there is good hotel accommodation increasingly in Northern Ireland. I do not accept that you have to stay in the South in order to enjoy a good tourist experience in the north. However, I think that tourism would benefit from having more good hotels and the public sector will play its part in that but we have to be very careful not to substitute for private sector investment that is coming in anyway, and I think that the way in which Invest Northern Ireland assesses its regional selective assistance and supports accommodation is quite a good way of making sure that we are not doing that.

**Q410 Chairman:** “Incentives” was the word that kept being used when we were in the Republic and those who were from the private sector were saying that it was the real incentives, not the handouts, that challenged but also assisted them, and I would just put it to you that you or whoever has this continuing responsibility, and overall the UK Government, does have to have some regard to incentives if we are going to realise the full potential.

**Maria Eagle:** Yes, I do not deny that and, without going into detail about precisely what the incentives might be, I think regional selective assistance counts as an incentive. That is money that would otherwise have to be found by the investor and I think that we have been doing our bit in that regard. I am not saying that there would not be a different way of doing it if somebody were to look at doing so.

**Q411 Lady Hermon:** Minister, you very kindly came to visit Bangor as part of the North Down Council’s bid for the Olympic 50-metre swimming pool, but could I take you in terms of tourism to the legacy from the 2012 Olympics; what do you actually envisage as the legacy in terms of tourism in Northern Ireland following on from the Olympics in 2012?

**Maria Eagle:** The money that we are putting into developing sporting infrastructure is going to leave Northern Ireland with facilities that it does not currently have, so for example we will have an Olympic-sized swimming pool; we will have the multi-sports stadium at the Maze, and I know there is controversy about where it ought to be and all of that but we will have a superb stadium at which various sports attracting very many thousands of visitors can be played. We will have other facilities as well. Given that there will be a lot of visitors, and we are looking at having training camps and the Schools Games hopefully in Northern Ireland, and we will be trying to arrange these kinds of things so that people will come over and visit from GB and from elsewhere and will get a taste of Northern Ireland, so one hopes obviously that their experience will be good enough to bring them back for some of their holidays and to visit the new friends that they will have made and to take advantage of the beauty of the place. I think that the main benefit and the main focus of the investment that is going in relating to the Olympics is about building a sporting infrastructure that is not currently there. I think that will play its part in making Northern Ireland also an attractive place perhaps as a venue for future events.

**Q412 Lady Hermon:** Minister, you lead very nicely into the next subsidiary question and that is in terms of airports and flights. Do we have enough flights into Northern Ireland, particularly from London, to host and to facilitate all of these visitors coming we hope for the Schools Games and we certainly hope for the holding camps and for the qualifying rounds of the Olympic Games themselves? Do we have enough flights, particularly into Aldergrove?

**Maria Eagle:** We have more than we used to.

**Q413 Chairman:** Well yes!

**Maria Eagle:** I think there has been a welcome development in flights and in part because of the Air Route Development Programme that the Government has undertaken to encourage carriers to come into Northern Ireland’s airports, whether it is Belfast City or whether it is International. One of the big growths in flights worldwide has been of course low-cost, point-to-point and that presents us with an opportunity. We do have easyJet for example coming into various of our airports, but the Air Route Development Programme I think has brought in a lot of flights that have not been subsidised by it as well so it has stimulated the
market and I do think that we are in a better place than we used to be. I think with Ryanair who fly into Dublin you will see the comparisons will be that there have been far more new flights going into the South, and I do think there is an issue about that.

Q414 Lady Hermon: Precisely, a lot of flights flying to the South and flying in with Ryanair into Dublin and then they do not actually come across the border to spend money in Northern Ireland. The precise question is: are there enough flights into Northern Ireland from London in particular as a fallout from the Olympic Games? If we are intending to—as I very much hope we will—have holding camps, training camps, qualifying rounds for swimming and all sorts of other sports, and that is the legacy that I have been told that Northern Ireland will benefit from the Olympic Games, I would just like a straight yes or no, do we have enough flights? Have we planned for increased flights into Aldergrove from London in order to facilitate an increase in visitors and tourism?

Maria Eagle: I do not think that that will be a constraint. I think that there are enough scheduled flights certainly around the Olympics. With more visitor numbers it may be that carriers will put more flights on. I cannot see that as a major constraint.

Q415 Chairman: Bearing in mind that going by sea is infinitely more civilised and nicer, are you going to do your bit to encourage the ferries?

Maria Eagle: I agree that going by sea can be more civilised if the weather is good; it can be a bit bumpy otherwise. As far as I am aware, we do not have a programme similar to the Air Route Development Programme that we have to incentivise ferries and sea crossings. Some people do prefer them, but I have not heard that there is a problem with there not being enough ferries.

Chairman: I have in mind global warming now. Could I bring in Stephen Hepburn.

Q416 Mr Hepburn: Minister, you referred to the Strategic Framework for Action in your opening statement and we have had a number of witnesses in front of us who have expressed concern about the framework, saying basically it has not provided the stimulus that they thought it would have. Why do you think it has not had the impact that possibly it should have had?

Maria Eagle: It is a strategic framework; it is not a list of promises that the Government would fund. It is a strategic framework for the entire industry to enable us all to be pulling in the same direction. I think that there has been significant progress made against the aspirations in it, particularly in respect to some of the signature projects for example, and I think it has enabled the industry as a whole (fractured as it is) to have a view of where we are all going and to do their bit towards getting us there in respect of the action programmes as well for example, which is often work going on by small organisations towards a larger goal. I do think it means we are all pulling in the same direction so I do not accept that it is not succeeding. I think that we will be evaluating its current progress later in the year and NITB do an annual evaluation of it.

Q417 Chairman: So might we.

Maria Eagle: Indeed, it would be interesting to see what the Committee would think if it were to do such an evaluation. We certainly would be interested to see what NITB themselves think of it. I have tried to take an interest in the Tourism Forum which I have tried to chair. I have not always managed to be available to chair the forum, which brings the industry in as well as public sector partners, but I have noticed since I have been in the job a joint vision and commitment to moving forward in the direction that is set out in the framework, so I do not accept that it has not had a positive influence.

Q418 Mr Hepburn: The specific criticism that we received from witnesses was basically two-fold: one was lack of resources and the other one was that nobody really took ownership of it and it was spread over a number of agencies, which is a recurring theme in this inquiry. Again, do you think there is a need to review the whole issue of funding and organisation, and going back to the issue of a minister, does this not strengthen the point again that there should be a specific minister responsible for specific issues such as funding structures for tourism in Northern Ireland?

Maria Eagle: I think, as I have said in respect of whether there should be a minister, that is certainly something that the incoming Executive may want to take a view on. I would not say there should not be. I consider myself to be it at present. Certainly there is no reason why a minister who was solely in charge of tourism would not be looking at the strategic framework more regularly than I look at it. I think it is there as a tool for the entire industry. It is not just a government strategy that is being implement by me with the money that I can produce out of government funds to implement it. It is there to shine a light on the forward path for everybody and we are all advancing together down that path, and so I think in that sense it has been successful in making us all pull in the same direction with a shared vision of the future. In terms of money, our spend on tourism has been increasing. One will always find people to say it has not been enough and it could have been more, that is life in government, but there is certainly no doubt about the fact that we have been putting Government money into our part of the framework. Just look at the signature projects, none of those has not been going forward because of a lack of money.

Chairman: Stephen?

Q419 Stephen Pound: Good afternoon, Minister. In your introduction you actually referred to Northern Ireland and you used the comparators of other regions and you referred to a lack of tourist income in Northern Ireland. When you say other regions, could you explain what you mean?

Maria Eagle: I was talking about other regions of the UK.
Q420 Stephen Pound: What is a region?

Maria Eagle: The North West, North East, Wales, Scotland, some are countries, and I do not want to upset anybody—

Chairman: Be very careful. We will expunge from the record the fact that Scotland is a region, shall we?

Q421 Stephen Pound: I was trying to establish whether you meant for example the Lakes, the Chilterns, the West Country, but you mean almost local government regions?

Maria Eagle: Yes.

Q422 Stephen Pound: RDA-type distinctions.

Maria Eagle: Yes, bigger than the Lake District.

Mr Fraser: Monoliths.

Q423 Stephen Pound: Monoliths is not a word that I would be using! Could I ask perhaps a question to either of your colleagues. It has always been my experience that agencies always seek more autonomy from the parent body and a closer linkage to the finance. We heard fairly frequently strong representations from the NITB that they were perhaps over-scrutinised over rigorously by DETI. Looking for a person who did not have an axe to grind, we spoke to Philip Furlong in Dublin who is not necessarily a person for either side, who said he had never, ever seen a committee so rigorously over-scrutinised in his life. Do you think there should be more autonomy for NITB from DETI?

Maria Eagle: I think the NITB have a lot of autonomy.

Q424 Stephen Pound: If I may say so, they do not.

Maria Eagle: I have come across the phenomenon before, Chairman, that when one hands over public money to an organisation, it then seeks to have less scrutiny than before one handed the money over and get on with spending it. It is a frustration but we do have obligations to spend public money correctly.

Q425 Chairman: You do but could I just suggest, and I do not want to put you on the spot this afternoon particularly, you look at the evidence that Mr Hastings gave to this Committee just a couple of weeks ago based on the experience that he had had on both sides of the border, and Mr Hastings, who of course is a very, very well-known business man in Northern Ireland with interests now in the South in hotels, told the Committee that it was infinitely easier—and I paraphrase, I am not quoting exactly—and much less bureaucratically tied up in the South than it was in the North, and that was the point that Mr Furlong was also making when we talked to him, so if you could look at that I would be grateful and if you have any immediate thoughts and can feed them straight back that would be helpful.

Maria Eagle: Indeed, I am happy to do that.

Chairman: Sorry, Mr Pound.

Q426 Stephen Pound: No, please. I would almost have asked that same question myself but possibly not so eloquently. Minister, you touched earlier on when you were talking about departmental silos, which was the expression you used for departmental fiefdoms and bailiwicks, you referred to training and education. The tourism industry in Northern Ireland, as we see it, is an emerging industry, it is moving from a small number of staff in small areas to a much bigger European-style player, and we have had a lot of evidence there was some shortfall in the provision of skills and training. I have two questions. Do you think that the Northern Ireland Tourist Board should be given responsibility regardless of who it may upset in the FE and higher education sector, do you think that they should be given an overview? What are your views on the slightly contentious matter of the Skills Academy which keeps coming up?

Maria Eagle: I certainly think the Northern Ireland Tourist Board should have an input into what is required, if they have a view in terms of skills and curriculum availability, but we do have the sector skills councils now and People 1st, which is the one which relates to hospitality and tourism, is quite active in Northern Ireland, and in that sense there is an employers’ view very much being focused upon the needs for training and skills in the industry. We are also, as I seem to have been saying very often, going through a transformation in terms of how we organise FE and higher education, but particularly FE where an awful lot of the skills training would be in respect of this industry. We are reducing the number of colleges down to six. We are consolidating the offer that they are able to make. We are trying to draw in the employers so that their demand for skills is driving the curriculum and the courses that are offered, in line with what is happening with the sector skills councils in the rest of the UK, and so I think that we are putting in place a capacity for employers and those who are in the industry to influence very positively the skills that are being taught in FE such that we ought to be producing people with the relevant skills to work in the industry and do so well. That is certainly the aim of our reform of the college system and I think that the People 1st sector skills council is actually getting on very well with the work that needs to be done to assess the need that is in Northern Ireland, and I hear positive things about it from other players in the industry, from employers in particular, and I have heard in the past when I first arrived in Northern Ireland some grouses from businesses about the lack of availability of appropriate skills and so I think that this is a positive thing. Whether it should go to NITB, I am not convinced. It is not about whether or not that would upset DEL, which is one of my other departments, or whether it would upset the colleges. I do think the sector skills council with the employers’ voice fed into that is a very positive way of making sure that we get this right and I think that would work.
Q428 Stephen Pound: A number of people we have spoken have said that the skills provision in areas such as health and safety, food preparation and hygiene was very, very good, impressively so, and had demonstrably improved over the years. It was the next step and courses such as that which are run by Thames Valley University, a centre of excellence which, oddly enough, is immediately adjacent to my constituency, where they actually go beyond the statutory provision into the developmental. Do you feel that there is a restraint on expansion of a tourist industry in Northern Ireland because of that lack of further skills?

Maria Eagle: I do think there are issues about whether there are enough skills. This does not relate specifically to hospitality and tourism. It is a complaint I hear frequently across other industries that there are skills shortages in respect of other industries also. It is one of the reasons why we are changing the way in which we provide further education as we are to try and meet those concerns and make sure that the relevant skills are going to be available as the Northern Ireland economy expands because otherwise there is going to be difficulty. I do not see it as a particular constraint at present. I do know that the qualifications in FE from NVQs at levels one to three up to higher qualifications—HNDS, and foundation courses and degrees in HE—are available. I know that they are in line with national occupational standards. They are endorsed by the sector skills councils and People 1st, the relevant sector skills council, is working hard to identify on the basis of statistics and employer input precisely what is needed in Northern Ireland, and I have every confidence that the colleges will be able to provide it.

Q429 Stephen Pound: Do you see the role of the sector skills council vis-à-vis purchaser and provider changing in the years to come? Is it desirable that that role changes?

Maria Eagle: We have not yet assessed in a Northern Ireland context the consequences of the Leitch Review.

Q430 Stephen Pound: You anticipate me, Minister. Maria Eagle: We have not yet assessed it but we do have inter-departmental working groups established to assess what the consequences and the implications of the Leitch Review are in respect of the Northern Ireland context because our arrangements are slightly different.

Q431 Stephen Pound: What is the timescale for that?

Maria Eagle: I am hoping, from memory, to have something by the summer or my successor may have something by the summer about precisely how we should take forward Leitch in the Northern Ireland context.

Q432 Stephen Pound: For the record, on the idea of a Skills Academy, your answer was no? Sorry, I am not trying to be Paxman about this.

Maria Eagle: It is not something that I would rule out. It is not something that we have accepted as necessary at present but it is not something that I would want to rule out at this stage.

Stephen Pound: I am not going to ask you 12 times.

Q433 Sammy Wilson: Could I just ask on the skills one, the information that we received from the industry itself was that there was little or no engagement with industry when it came to spending the vast amounts of money which were available for training and also from another source (less critical but nevertheless they same theme) that there needed to be more closely tailored to the needs of industry the courses which were offered by FE. How do you believe that those two issues can be addressed, that first of all the industry can have a greater input and FE colleges themselves rather than tailor their courses around what skills lecturers have, tailor them around what the industry needs?

Maria Eagle: That is very much the aim of the reforms which are going on in FE Means Business and the reform of FE which is currently going on. It is not fully complete, it is part way through, so I hope that we would see a big improvement in that engagement once the new colleges are established, and certainly they will have a commitment to making sure that they are providing what employers want. I think where People 1st and the sector skills councils can come in—and as I say my understanding is that the relevant one here is engaging well—is to make it very clear to both the department in a policy sense and to the FE colleges themselves what the skills are that are required, to make sure the courses are put on for the benefit of employers and the skills shortages that there are rather than for the benefit of lecturers. I quite agree that that is necessary. I do think that the implementation of FE Means Business with the input of the sector skills councils will enable us to do just that and we should see an improving picture.

Q434 Lady Hermon: Minister, two different aspects very quickly, one of them is to do with transport infrastructure and the other one is to do with planning. In evidence from, as I recollect, the Northern Ireland Tourist Board in particular, it had been identified in various visitor surveys to Northern Ireland that inadequate transport services was a major concern of those who were visiting Northern Ireland perhaps for the first or second time. What strategies does the Department have in place—particularly in the absence of an abrupt resignation by the Chief Executive of Translink—to improve transport infrastructure in Northern Ireland to assist tourism?

Maria Eagle: There are, as you may well know, some specific services that are based for tourists like the Rambler bus services for example, which are specifically about conveying tourists. In terms of the roads and public transport infrastructure there are major strategic investments going on now, for example I think £1.4 billion worth of investment in the roads between now and 2015 which ought to upgrade and improve many of the road links which
will give people the capacity to drive themselves around rather more easily than might currently be the case. There is similarly a big capital investment programme in public transport of some £200 million up to March of 2008 which will be providing new buses and providing new train sets for the train lines that are there. I think we are going to see a gradual improvement but there has been a lack of investment in transport infrastructure in the past, so there is undoubtedly an issue about that, but I think that we will be seeing improvements with the massive spend that is going into transport infrastructure over the next ten or 12 years.

Q435 Lady Hermon: Minister, if I might just suggest as well as the vast improvement in investment that someone needs to pay a little bit of attention to the signage, because the Committee did visit Northern Ireland and visited all six counties in three days, I think it was, and for a particular reason, I had a funeral to attend, I travelled around separately in my own car after the bus, and signage was a major problem. From first-hand experience it was extremely hard to find some of the major tourist attractions in Northern Ireland and I happen to live there. Minister, again in evidence from the Northern Ireland Tourist Board—and this is the planning issue I just wanted you to address please—it was the Chief Executive of the NITB who complained that Planning Policy Statement 16 on tourism and development was already 18 months away from publication. Could we just have a progress update and some encouraging news perhaps for the Committee?

Maria Eagle: I am not convinced that I can be as encouraging as the Committee might wish me to be in respect of PPS 16.

Q436 Chairman: Have a go.

Maria Eagle: My understanding is that the work that stopped on PPS16 in October 2004 is not programmed yet to be recommenced.

Q437 Lady Hermon: Why is that?

Maria Eagle: My understanding, and I am not the relevant Minister unusually, I am not the minister for planning, is that the Committee may well be aware that planning services have had a big increase in planning applications, and back in 2004 my understanding is that they took the view that they needed to divert the resources that were being used on working on their policy statements into dealing with planning applications. My understanding also is that at present PPS16 and a number of other planned policy statements that were being developed are not yet in their work programme for being recommenced. That is my understanding of the current position in respect of PPS16, and that is unfortunate. It is not however the case that there is no policy on tourism planning; it is just it is rather old.

Q438 Chairman: That does sound a very good answer really, does it. I appreciate that you are not directly responsible. Who should we follow up with on that?

Maria Eagle: The relevant Minister would be David Cairns. I would be very happy to alert him to the fact because he has an interest there.

Lady Hermon: It will have an enormously detrimental effect in the long term. There is no excuse for such a delay.

Q439 Chairman: If you would, I would be grateful.

Maria Eagle: If I can say on a positive point, Chairman, because that was a disappointing answer from me, that the planning service has developed away of trying to deal with strategic planning applications rather more swiftly than the run-of-the-mill ones, and there is evidence that that is in fact working, and that is very positive when one considers planning applications for major strategic tourism projects for example so it is not entirely a bleak picture.

Chairman: Just quite bleak. Thank you very much for that and if you could talk to David Cairns and alert him to the fact that we will almost certainly want to touch on that.

Q440 Mr Grogan: You mentioned the multi-sports stadium and the controversy around the location and there is a helpful phrase in the written evidence that you provided about “maximising opportunities around high profile events”. The weight of the evidence from the tourism sector, the business community and the city council seems to be that there is a view that those opportunities would be maximised if the site was in the city centre rather than at the Maze and they quote evidence from around the world that tends to support that. I wondered whether you had a view on that and also precisely where in the decision-making process the multi-sports stadium is at the moment.

Maria Eagle: On the latter point, the site has now been decided to be the Maze. There were sites in Belfast city centre that were considered and did not come out top of the appraisal, and that is relatively recent history, and so it is not a decision that is going to be revisited. The decision has been taken that Long Kesh and the Maze is the site where the multi-sports stadium is going to be built. There is currently a lot of work on-going to design the stadium. The designers have been appointed. There is a naming rights competition about to be dealt with and so—

Chairman: The Paisley Astrodome or something.

Q441 Sammy Wilson: It is more likely to be Bobby Sands.

Maria Eagle: It depends who comes up with the maximum amount of money to name the stadium.

Q442 Stephen Pound: Casino it is then!

Maria Eagle: One suspects that that may have some bearing on who gets to name the stadium but really the decision about the site is now passed and the Government is taking forward I think it is a £43 million development and it is a very exciting
development. Anybody who has a look at the rugby in Croke Park will see what the potential is for having a lot of people come to Northern Ireland to visit a multi-sports stadium such as that, notwithstanding the controversy about precisely where it ought to be.

Q443 Mr Grogan: A quick follow-up question. This will be a devolved matter and presumably it is something that the Executive, depending on the legal status of all that has been agreed, will have under their jurisdiction and they could look at?

Maria Eagle: It is a devolved matter and I am sure they will look at whatever they wish to look at.

Q444 Chairman: What he is really saying is could they change the location?

Maria Eagle: Chairman, I am not the minister, although I am the DCAL minister, who is handling the detailed negotiations about this, that would be David Hanson, and so I hesitate unbriefed to be very precise about what the capacity to do that might be. I do think that getting on building the thing, some time before the Olympics preferably, would be a very good idea.

Mr Grogan: Could we ask the minister responsible, since it has come up a few times, just to have a note on that.

Q445 Chairman: Could you mention that to him?

Maria Eagle: I will indeed.

Chairman: That is very kind of you. I know Sammy Wilson wants to come in now.

Q446 Sammy Wilson: Chairman, could I just go back to the reporting requirements. I do not think anyone here wants to see any body receiving public money and it not being scrutinised, but could I just, Minister, compare the scrutiny that there is of the money which is given to the NITB with the response that Mr Hamilton gave us about the £15.6 million that goes to Tourism Ireland. There are very rigorous reporting standards required of NITB and indeed it was noted by officials from Bord Fáilte that this was more rigorous than they would expect, and yet Mr Hamilton said that that as far as Tourism Ireland is concerned, first of all, the Department will look at its corporate plans, which seems fairly passive to me, will have bimonthly official meetings, and then you assess performance targets. In fact, I think you said yourself or he said some of which may not be met. Why the difference in the degree of scrutiny between in NITB and Tourism Ireland?

Maria Eagle: I do not really accept that there is a difference in the level of scrutiny. My officials are equally assiduous when dealing with Tourism Ireland as they are when dealing with the Northern Ireland Tourist Board, and certainly I would expect them to be equally assiduous in dealing with the spending of public money whether it is by NITB or by Tourism Ireland.

Q447 Sammy Wilson: That was not reflected within the answer, that is all I would say. The answer on record said that it looked at corporate plans—

Maria Eagle: Well, it is not just looks at plans, it is helps to develop and okay and approve or not the corporate plans. It is a bit more active than we have given you the impression of it being, Mr Wilson.

Chairman: You have been able to correct it, which is very good. Look, thank you very much indeed. We appreciate that even though you have a lot of varying responsibilities there are some of our questions that have been outside those. Thank you for saying you will communicate with Mr Cairns and Mr Hanson and if that could be done fairly speedily that would help our programme. Just so that you are aware, we are hoping to agree a report next week and we are hoping to publish not the week of the elections but the week after, probably towards the end of that week but we are hoping to do it and it is our present intention to try and do a press conference in Northern Ireland itself because we think that would be very appropriate. Thank you very much for coming. Could I also thank you officials. I know they have both been extremely helpful behind the scenes and Mr Houston in particular came to see me just on the eve of our tour of Northern Ireland, and it was a very well-planned tour, and I know that he had a significant hand it that so we are very grateful to him. I will come to say goodbye informally but could I thank you formally and close this session, and we will let you have the report as soon as we can.
1. Written evidence from Tidy Northern Ireland

RE: TOURISM IN NORTHERN IRELAND AND ITS ECONOMIC IMPACT AND BENEFITS

Thank you for asking TIDY Northern Ireland to respond to this important issue and I hope that the points mentioned below will assist the committee in making a judgement.

TIDY Northern Ireland is involved in the promotion of Northern Ireland as a tourist destination through the programmes we run and via our mission to make Northern Ireland a litter free sustainable environment.

WHY DO PEOPLE VISIT NORTHERN IRELAND?

When visitors talk about Northern Ireland they firstly talk about its magnificent coastline, secondly its countryside and thirdly its towns and cities. In all instances Northern Ireland needs to be seen to be a pleasant and welcoming place to visit. It has to dispel the impression of the problems it has experienced over the past years and be a welcoming and friendly place to visit. In recent years and with statistics showing an increase in visitor numbers it is clear that the old image is being suppressed and people are able to see past the stereotype of conflict. Northern Ireland needs to use all mechanisms available to promote the natural resources they have available to them in order to further boost visitor numbers. This is essential with the ever expanding international market particularly the 25 EU countries, the US and Canada and other potential international markets.

HOW CAN WE BE JUGED TO BE A PLACE WORTHY TO VISIT?

Northern Ireland has to be seen to be as good if not better than other places within the UK and indeed Europe to visit. How can this be achieved?

Northern Ireland has the opportunity of showing that its towns, cities and villages are clean and pleasant to visit. To do this more emphasis needs to be placed on the importance of the cleanliness of its streets and places open to the public. TIDY Northern Ireland has a programme of surveys open to all councils and organisations managing public places, it is entitled the Borough Cleanliness Survey. In England a similar survey is funded by Defra and in Scotland the Executive funds theirs. It has been proved that people rate cleanliness as a high priority when visiting any place, these surveys show how clean a place is and can be used as a tool to welcome visitors. The cleanliness of an area is an important selling point to encourage visitors to come and visit and also to tell their friends about when they return home.

COASTLINE

Northern Ireland’s coast is one of its most important features. These too must achieve national and international awards to maintain the level of visitor awareness needed to ensure their economic growth. A significant selling point of Northern Ireland’s coastline, The Seaside Award, is about to be lost due to lack of foresight and funding. This is likely to have a huge detrimental effect on the number of visitors visiting Northern Ireland beaches as well as the loss of promotional opportunities. Recent surveys have shown that people going to a beach must be sure that it is clean and safe to visit, with the loss of the Seaside Awards that level of security will be removed. Replacement awards are available and can be installed by TIDY Northern Ireland but without the funding that cannot happen. Towns such as Newcastle, Portrush and Ballycastle will in future years feel the loss of such awards and could experience a drop in visitor numbers purely down to the lack of recognition provided by award schemes.

In addition to the loss of the award itself, landowners of tourist beaches are suffering due to the lack of funding available as the expertise needed to ensure high quality resources and amenities has also been lost. While there are still the Blue Flag Awards for tourist beaches these are also in threat and are now administered solely from England rather than Northern Ireland. Beach owners are suffering from the lack of expert advice available to them and this will potentially result in fewer Blue Flag beaches in Northern Ireland, thus effecting the tourism economy.

TOWNS AND CITIES

It has been clear for a number of years that European cities and those in other parts of the UK pride themselves on the way they present themselves to the visitor. Schemes such as Britain in Bloom and its European equivalent have helped to raise their profiles and bring much needed revenue into them. Northern Ireland has to a lesser extent achieved this but must if it wants to achieve greater economic growth recognise how such awards can help. Cleanliness is of paramount importance to the visitor whether they are from other parts of the UK, Ireland or Europe, people judge any place by their first impression and it is this that
Northern Ireland at present fails on. The streets here are dirty, there is graffiti and flyposting present, dogs do foul the streets and the general pride factor is sadly missing. We at TIDY Northern Ireland are helping to solve this and bring pride back into Northern Ireland by the various programmes and campaigns we run, therefore bringing much needed income to the hotel keepers, small shop owners and the economy in general. Programmes such as TIDY Businesses and TIDY Communities are helping to reduce the problems.

THE COUNTRYSIDE

Northern Ireland is blest with beautiful countryside ranging from the Mountains of Mourne in the south to the Antrim Coast in the east, The Giants Causeway in the north to the lakes of Fermanagh in the west. All these are places the visitor has a right to see and indeed it is clear from the present increase in visitors figures produced by organisations such as the Mourne Heritage Trust and the Giants Causeway that this is happening. However to maintain and increase that much needed income is not easy and has to be worked at. Experience has told us that countries such as Spain, Italy, France and Holland all rely heavily on their visitor economy, because of the experience they are able to offer, Northern Ireland must make the same effort.

HERITAGE

Northern Ireland’s heritage is an important factor when any visitor considers coming to Ireland and Northern Ireland in particular. It is perhaps worth mentioning at this stage that the Island of Ireland has considerable merit in being marketed as a whole. We need to ensure that tourists visiting Ireland on a “heritage” tour need to also be enticed to include Northern Ireland on their journey. The most appropriate mechanism to do this is marketing heritage on an Ireland wide base. This is even more relevant to the international markets such as the US and Australasia.

Ireland has huge heritage and it is of paramount importance that we are seen to be preserving it. The recent trend of de-classification of certain listed buildings here in Northern Ireland can only cause problems in the future. Buildings of merit should be listed, but in addition to this it is vital that monies are made available to ensure they can be adequately maintained rather than left to deteriorate until they are no longer of heritage value.

Tourists visit Northern Ireland to see our history and heritage whether that is an historic building or the relaxed way of life and every opportunity of preserving them must be taken. Tourists visiting other countries go there for a number of reasons as mentioned above, but the country’s heritage is a major factor in the decision making process. Northern Ireland has much to offer and it has to capitalise on that if it wishes to increase its visitor numbers and therefore the increase in revenue into the economy.

SUMMARY

It is TIDY Northern Ireland’s belief that tourism is a vital part of the economy here in Northern Ireland. It is imperative that we all make an effort to show what we have to offer and that we protect and adequately fund the mechanisms available for us to do so. To ensure tourism does not suffer we need to promote our beaches, coastline, towns/cities, heritage and our people. We need to preserve existing mechanisms and promote new ones. We have considerable assets available but all need to be promoted, maintained and improved if we are to improve on the present trend of an increase in the number of people visiting Northern Ireland.

Ian Cole
Chief Executive
25 April 2006

2. Written evidence from Belfast City Airport

The Northern Ireland Affairs Committee are conducting an inquiry into Tourism in Northern Ireland and its economic impacts and benefits. The committee will look in particular at the nature of tourism in Northern Ireland, its impact and importance for the overall economy, and the effectiveness of the measures taken by Government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destinations.

All parties and organisations involved in tourism have been invited to submit evidence or information that may assist the committee in their deliberations. As a key component of the tourism industry in Northern Ireland, Belfast City Airport asks that its submission receive the committees’ consideration.
INTRODUCTION

Tourism like many other industries in Northern Ireland suffered throughout the years of the troubles and consequently it is only in the time since the ceasefires of the mid 1990s that there has been a significant increase in visitors. Despite having been a late starter, compared to the other UK regions and the ROI, the recent growth in tourism has been quite strong. It is however essential that a greater focus is placed on tourism as this market is still underdeveloped and has great potential for growth. The internationally accepted definition of a tourist is “any visitor staying at least 24 hours in the country visited” and it is that definition that is used in this report.

Like the rest of the UK, Northern Ireland’s economy has been damaged by the loss of what is perceived as “traditional industries” namely heavy engineering and manufacturing, and as a result is now even more reliant on the public sector which accounts for almost 63% of employment in the Province. Under the direct rule ministers, and even when the devolved assembly is restored it is likely that the public sector will diminish further as government seeks to create a more streamlined value for money administration. If a proper strategy and the correct facilities are put in place in it is possible that Tourism could replace the traditional industries and generate considerable revenue for the region.

There are a number of issues with the current Tourism structures that need urgent addressing, if Northern Ireland is to increase the percentage of GDP attributable to tourism to a level similar to other comparable regions and countries.

From a narrow perspective Belfast City Airport can contribute to tourism and benefit from tourism in a number of ways.

(a) Contribution—Currently Belfast City Airport through its’ based airlines provide daily, high frequency scheduled services to destinations throughout the rest of the UK and Ireland. The flights serve the tourism and business markets at the destination airports and in many cases create a large number of interline possibilities facilitating inbound tourism from much further afield. As the Airport develops it is our intention to increase the network of destinations which if properly marketed will further increase the potential for inbound tourism.

(b) Benefit—Recent years have seen a decrease in the number of military personnel based in Northern Ireland, and while this normalisation is welcomed by all, one of the results has been a decrease in the amount of “duty travel” in and out of the province. It is vitally important that this reduction in business is offset with a growth in tourism.

We have experienced through the efforts of organisations such as the Belfast Visitor and Convention Bureau, the benefits of the growth of the Conference and Events market in Belfast and Northern Ireland. It is not now unusual when a major event or conference is held in Belfast that accommodation in Greater Belfast is at maximum capacity. This conference and events sector has been particularly successful and we believe that significant benefit to the economy can be realised if this sector were to be further developed. The growth in the number of Cruise ships including Belfast in their itinerary, while not benefiting the airport directly is a good example of results on the ground.

The current structures overseeing and co-ordinating tourism in Northern Ireland are not always effective or efficient. They are complex, overly bureaucratic and their actual roles are often unclear and involve much unnecessary duplication. The number of public sector organisations such as (NITB, DETI, TIL, INI, Councils, RTOs) involved in tourism adds to confusion within the industry as to what the role of each is and what value they add.

Northern Ireland is in competition with every other region for tourists and if we are to optimise the opportunity then an efficient focused structure is required with clear accountability for each aspect of the Tourism product including—strategy, marketing and delivery.

What is needed as an absolute priority is delivery on the ground. We do not have several years to improve our product for the increasingly discerning tourist. Many tourists will arrive during the summer of 2006 to Northern Ireland for the first time. They will base their experience on what they see this year and on that basis decide what to tell others and whether a return visit would be of interest. While any strategy can be improved upon it could be argued that the regions that will succeed will be those who can execute a strategy and those that fail to optimise their potential will be those who talk about it.

Brian Carlin

16 May 2006

3. Written evidence from the Tourism Training Trust

1. The Tourism Training Trust (generally referred to as TTT) has since 2000 been the Sector Training Council for Northern Ireland’s tourism and hospitality industry. Its remit has been to be the voice of the industry in identifying and articulating the industry’s skills and training needs; to promote the industry as a career of choice; and to broker innovative solutions to meet skills needs not being met by mainstream
provision. The TTT Board comprises representatives from the main sectors within the tourism, travel and hospitality industry in Northern Ireland. Since its inception the work of the Trust has been supported by a running costs grant from the former Training & Employment Agency, now the Department for Employment and Learning. With the advent of People 1st, the UK sector skills council for hospitality, leisure, tourism and travel, TTT has acted as People 1st’s principal Northern Ireland partner.

2. In making this submission, TTT is aware that the Committee’s terms of reference are in particular to examine the effectiveness of measures by Government and others to promote Northern Ireland as a destination and market its tourism product. However TTT believes that the quality and competitiveness of that product is directly related to the ability of the industry to attract, retain and develop the people it needs to provide visitors with the type and quality of experience that exceeds their expectations, encourages them to return and, vitally, to give word of mouth endorsement to their friends.

3. Tourism and the closely related hospitality and leisure industries are major employers in Northern Ireland. Recent research puts the total number of employees as just under 43,000. The key characteristics of the work force, including comparators with the UK as a whole, are detailed in the Annex attached.

4. For a decade or more, the industry has been one of the very few in Northern Ireland to experience significant sustained employment growth, and all indications are that trend will continue. While some two-thirds of employment is in the Greater Belfast area, the industry offers jobs throughout Northern Ireland; and in areas of decline of textiles or other traditional employment can offer viable and sustainable job alternatives.

**Employment and Skills Issues**

5. The industry can be summarised as having a persistent negative image as an employer—low pay, long or unsocial hours, and poor prospects. In recent years many of these perceptions are less valid; the impact of the National Minimum Wage, competition for labour from other sectors, the extension of 24/7 operations in other sectors are all relevant. For young people with ability and ambition, the industry offers an unrivalled prospect of real responsibility, and reward, at a relatively early age; and opportunity for starting their own businesses. TTT has been working closely with the industry to address the negative perceptions, and to build strong and lasting relationships between employers and the education sector at school, college and university level. One recent example is the launch of a new “Adopt-a-School” initiative where in less than a year some 30 businesses across Northern Ireland are forming active links with their local schools.

6. The industry is however faced with a number of challenges if it is to respond to the ever changing expectations of visitors and local people alike, and to maximise its contribution to the economy as visitor traffic grows. It has responded to growing visitor numbers by increased capital investment, but it needs to be encouraged and supported to invest more significantly in its human resources. Key issues in particular are:

- a too low overall level of work relevant qualifications, see the Annex for details;
- while some 75% of businesses provide or pay for employee training, much of that is simply to meet minimum statutory requirements such as health and safety, food hygiene, etc;
- low uptake and success rates of Modern Apprenticeships, especially in the key occupation of chef;
- very high labour wastage; labour turnover is at twice the Northern Ireland all-industry average; some in the industry assert that if anything the statistics understate the scale;
- persistent hard-to-fill vacancies, experienced by around 17% of businesses;
- significant skill shortages, especially in key occupations such as chefs; and
- as in most other regions, a growing dependence over the last two years in particular on international recruits.

7. A report for the NI Skills Task Force (2002) concluded that these issues require a significant step up in the industry’s Human Resource Management capacity. However, as in many other sectors of the Northern Ireland economy, the great majority of tourism and hospitality businesses are small, owner-managed concerns with no dedicated HR management capability. The advent in recent years of several national and international companies with their more sophisticated HR practices is welcome but unlikely to have much impact, other than as exemplars, on the indigenous industry as a whole.

**Government etc Response**

8. The Department for Employment and Learning has stated that it commits around £18.6 million a year to education and training for the sector, some £15 million of which supports the provision for the industry by the universities and Further Education Colleges. Of the rest, £2.6 million has been through the Jobskills Programme, and £0.8 million under the Wider Horizons Programme which has been supported by the International Fund for Ireland. The balance includes the grant to TTT of £200k a year. Other Departments, eg DARD or DCAL will also support training for staff in those parts of their operations directly related to tourism. Capacity building programmes by Invest NI are open to tourism businesses as to other sectors. There may also be significant support from other sources eg EU funding through the numerous Local Strategy Partnership Boards, but this is difficult to identify and quantify. These are often one-off projects,
and on completion the experience gained is rarely shared with others. The evolving Regional Tourism Partnerships have training as part of their local product development remit, but to date have been given no guidance or resources to pursue that objective effectively.

9. The main response therefore has been through the institutions of higher and further education. While these bodies have well developed relationships with the industry in their areas, the industry perception of their role is primarily one of providing full-time pre-entry qualifications-driven education for young people. In terms of training for existing staff, employers say there are looking for short, work-relevant “learn today, use tomorrow” provision, preferably on-the-job and not necessarily accredited. The Further Education colleges generally can offer such provision, but that message has not been communicated effectively to many businesses who may turn to often more expensive, but perceived to be more responsive, private providers.

10. Many in the industry see the response by Government and its agencies as confusing, with a plethora of bodies and organisations involved. Some have compared that with the position in the South where Failte Ireland, created some three years ago as the single Irish Tourism Development Authority, has education and training for the industry as a principal integrated function.

11. TTT recommends the following actions:

— Greater Ministerial focus on skills development as an integral component of improving Northern Ireland’s tourism product through a dedicated sub-group of the Inter-Departmental Forum on Tourism.

— Recognition by the reformed NI Skills Task Force of tourism and hospitality as a continuing priority economic sector.

— An in-depth analysis of the scale and effectiveness of the range of public spending from all sources in support of education and training for the industry, leading to a greater integration of resources on identified priorities.

— The new quality standards for accommodation and other tourist operations, currently under development, to include explicit requirements for service quality and customer care appropriate to the classification of the business.

— Greater support from the NI Tourist Board to further developing and promoting the Welcome to Excellence suite of customer care programmes.

— Packaged and adequately resourced training programmes based on the Regional Tourism partnerships tailored to supporting the development of the Signature Projects and Key Themes.

— A new industry/education partnership to overhaul and significantly expand the uptake of Chef Apprenticeships.

— Establishment of a world class tourism school through the restructured Further Education college sector, in partnership with the University of Ulster and the industry.

— Introduction to Northern Ireland of a scheme that has applied in England to support in-work vocational training to at least Level 2 for unqualified adult workers.

— Extension of the successful Lecturers into Industry scheme to both the schools and university sectors.

— A programme aimed at the more effective management of an increasingly diverse workforce.

— A special initiative to support the development of more effective Human Resources management in small businesses in the industry; a similar 3-year initiative in the South proved effective in expanding training and reducing labour wastage.

12. Finally, the Committee’s attention is drawn to the decision by the Department for Employment and Learning to cease its grant for the running costs of TTT with effect from 31 July 2006. While this grant has enabled TTT to lever project funding from the International Fund for Ireland and EU for innovative programmes, without it TTT cannot continue operating. The Board of TTT understands and accepts the Department’s policy is now to work primarily with the Skills for Business Network and in particular with People 1st in relation to this industry. However the Board views the Department’s decision as unnecessarily premature and ill-advised. Contrary to the recommendations of a review commissioned by the Department that it should reach an agreement with People 1st on its future activities for Northern Ireland before deciding on TTT’s position, it has yet to do so. The outcome will inevitably be a hiatus in the short term, and in the longer term the loss of proven activities in careers development and also programmes, such as the highly regarded Chef Programmes, pioneered by TTT.

Billy Nelson
Chairman

18 May 2006
Employment in the Tourism and Hospitality Industry in Northern Ireland

There are just under 43,000 people employed in hospitality, leisure, travel and tourism in Northern Ireland, pro rata close to the overall UK level.

Two-thirds work in hotels, restaurants and pubs.

52% are employed full-time, similar to the UK as a whole.

65% are female, again similar to the UK average.

The workforce is predominantly young with 58% aged below 40.

13% are self-employed, relatively higher than the UK average of 11%.

46% work in “elementary” occupations (low skilled jobs in food and beverage preparation and service); 10% in skilled jobs such as chefs; and 22% are in supervisory and managerial positions.

The relatively low skills levels are indicated by 29% having no vocationally relevant qualifications (compared to 15% across the UK generally) and 43% at NVQ Levels 1 and 2.

On the other hand the proportion in Northern Ireland employees educated and trained to Level 4 or above (10%) is similar to the UK average.

13% of the workforce are categorised as self employed, relatively higher than the UK as a whole.

11% describe their employment as temporary or casual.

Source:—People 1st: The Hospitality, Leisure, Travel and Tourism Sector in Northern Ireland—A geographic profile (March 2006).

4. Written evidence from the Department of Enterprise, Trade and Investment

1. Introduction

1.1 This memorandum submitted by the Department of Enterprise, Trade and Investment (DETI) addresses the terms of reference of the Northern Ireland Affairs Committee enquiry into tourism, namely:

“The nature of tourism in Northern Ireland, its impact and importance for the overall economy, and the effectiveness of measures taken by Government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination.”

2. Roles and Responsibilities

2.1 In Northern Ireland responsibility for tourism policy and legislation rests with DETI. DETI also has budgetary responsibility in terms of funding the Northern Ireland Tourist Board (NITB) and (partially) Tourism Ireland Ltd (TIL), the two lead organisations responsible for the implementation of policy in the tourism area.

2.2 In addition to it’s role in developing tourism policy for Northern Ireland, DETI also contributes to the development of wider tourism policy via it’s representation on the British Irish Council Tourism Sub-Group.

2.3 The NITB has a pivotal role as the strategic leader for tourism in Northern Ireland. It’s main statutory functions, duties and powers are:

— to encourage tourism;
— to encourage the provision and improvement of tourist accommodation and tourist amenities; and
— to advise DETI generally on the formulation and implementation of it’s policy in relation to the development of tourism

2.4 The NITB’s current priorities for tourism are set out in its Strategic Framework for Action (SFA) 2004–07, a summary of which is contained in Annex 1.

2.5 NITB also has statutory responsibility for certifying and classifying tourist accommodation in Northern Ireland.

2.6 TIL was established under the umbrella of the 1998 Good Friday Agreement and is responsible for the promotion and marketing of the island of Ireland in GB and overseas. It has two key goals—first, to increase tourism to the island of Ireland, and second, to assist Northern Ireland to realise it’s tourism potential. In practice TIL works closely with the Northern Ireland Tourist Board to develop strategies to address the challenges facing tourism in Northern Ireland; and to ensure that new and exciting opportunities are created and maximised. TIL is jointly funded by the UK Government and the Government of Ireland.
2.7 Invest NI have responsibility for the administration of tourism accommodation grants and, in addition, seeks to promote the development of business in this area.

2.8 Tourism touches on the work of a number of other departments and agencies and an Inter-Departmental Co-ordination Group (IDCG) seeks to ensure a co-ordinated approach to the development of tourism across NI departments. Details of the activities of other departments and agencies in the area of tourism are included in Annex 2 to this document.

2.9 In addition, the Tourism Strategy Forum (TSF), chaired by the DETI Minister, meets twice annually to facilitate a joined-up government and industry approach to deliver on the agreed vision for tourism. Membership comprises representation from all major public and private sector tourism interests. The Forum is concerned to:

— ensure that the fundamental principles associated with the vision are adhered to when agreeing strategic priorities and actions within the SFA;
— encourage a shared approach in the implementation of policies evolving under the SFA by establishing stronger public and private sector relationships;
— review progress and performance of the tourism industry; and
— provide a platform for the exchange of information and views between Government and the industry.

2.10 District Councils also have an important role to perform in relation to tourism, mainly in the spheres of local product development and marketing; and the promotion and servicing the customer/visitor. This role may develop in light of the advent of Regional Tourism Partnerships; and later when the recommendations of the Review of Public Administration (RPA) are implemented.

3. Policy Context

3.1 The overall context within which tourism policy in Northern Ireland resides is the Government’s Economic Vision for Northern Ireland. The Vision for Northern Ireland, which was published in February 2005, envisages Northern Ireland:

“...as a high value-added, highly skilled, innovative and enterprising economy which enables us to compete globally leading to greater wealth-creation and better employment opportunities for all.”.

3.2 Central to the Vision are four key economic drivers. These are:

— innovation as an engine for growth;
— fostering of enterprise and a culture that supports and celebrates enterprise and entrepreneurship;
— ensuring that the Northern Ireland workforce is equipped with the appropriate skills and motivation; and
— the provision and maintenance of quality infrastructure and related public services if we are to enhance the social and economic well being of Northern Ireland.

3.3 The main legislation governing tourism in Northern Ireland is the Tourism (Northern Ireland) Order 1992.

3.4 Tourism policy finds expression through the Strategic Framework for Action 2004–07 which stemmed from an earlier fundamental policy review. The outcome of that review highlighted the need for a joint commitment and an integrated approach across the public and private sectors.

3.5 The review identified a number of principles and strategic priorities. The principles included the need for Northern Ireland tourism to be internationally competitive and in so doing to target specific customers, provide distinctiveness, quality, and value for money and sustainability. The principles address issues such as targeting social need and equality.

3.6 The Tourism Strategic Framework which was developed following this policy review, followed an extensive consultation process during which NITB and DETI took on board the views of the industry. The final document sought to strike a balance between economic growth, impact on the environment and community support—a sustainable approach. The approach adopted is, therefore, customer focused and market driven. In addition, it recognises that success depends on working together.

3.7 The SFA has three themes:

— Attracting Visitors.
— Business Enhancement.
— Communicating Effectively.

3.8 These three themes are sub-divided into ten Action Programmes which detail an industry wide drive to maximise the impact of tourism growth for the economy. The Action Programmes are designed to foster a more joined-up/better partnership arrangement between the various groups and bodies responsible for delivering tourism.
3.9 This Framework was subsequently refined and developed through an extensive consultation process which resulted in the publication of the NITB’s Strategic Framework for Action 2004–07 (SFA). The SFA took on board the views of the industry and its objectives were endorsed by the Northern Ireland Ministerial Team who pledged the support of their respective departments.

4. THE NATURE AND IMPORTANCE OF TOURISM

4.1 The tourism industry in Northern Ireland has been constrained—perhaps more than any other sector—by the years of violence. It is therefore still in the early stages of its development and is characterised by— with a few notable exceptions—generally small local businesses. There is a need for continuing support to help drive market and product development (including skills, visitor servicing and things to do in the evening and on Sundays). There is also a perception of limited career opportunities within the industry and inexperience in thinking and competing in a global context.

4.2 Nonetheless, in research commissioned in 2003, visitor satisfaction levels with all types of accommodation and visitor attractions was generally very high. For example, the courtesy and friendliness of the local people was rated as highly satisfactory, underlining the valuable role played by the host population in welcoming visitors. Only 1% of visitors claimed that NI had failed to meet their expectations and 75% were very likely to recommend the destination for a holiday to family and friends. The scenery, the friendliness of the people and the cultural diversity have all been identified as major selling points. However, in an increasingly competitive market which is driven by on-line bookings, the availability of cheap flights and the opening up of new tourist destinations in Eastern Europe, it is essential that Northern Ireland develops its own unique standout in the context of the island of Ireland tourism brand.

4.3 DETI recognises that tourism is an important contributor to the Northern Ireland economy in terms of the revenue it generates, the employment opportunities it provides, and the potential for economic growth. It also recognises that tourism is especially important to the development of the rural economy, especially in New Targeting Social Need areas. In 2005, for example, tourism contributed £500 million to the Northern Ireland economy with out-of-state (non-NI resident) visitors spending £354 million. In that same year domestic tourism (ie NI residents holidaying at home) generated a further £146 million. DETI continues to monitor the sector’s performance and the most recent Quarterly Employment Survey estimates that there were 51,390 jobs in the Tourism and Leisure Sector in December 2005.

4.4 During the past 10 years Northern Ireland has experienced record growth levels for out-of-state visitors, largely due to the establishment of the “ceasefires” and the favourable exchange rate against the Irish Punt at the time. Since 1998, visitor growth levels as elsewhere in the UK and the Republic of Ireland (ROI) have been affected by national and international situations such as Foot and Mouth and the September 11 tragedy in the USA. Recovery in 2003 was largely driven by the “closer to home” markets; however, there was also a slight upturn in the longer haul markets. Visitor numbers continued to grow in 2004 and, despite a marginal decline in the number of visitors in 2005 which was due to a decrease in the GB market, nights and spend grew significantly.

4.5 A number of significant milestones illustrate how the sector is becoming an increasingly important contributor to the Northern Ireland economy. For example, in the period 1994 to 2005 out-of-state visitor numbers increased by over 50%, from 1.3 million to almost 2 million. During that same period holiday visitors (ie those coming for non-business reasons) grew by almost a quarter. DETI monitors visitor spend which has risen from £183 million in 1994 to £354 million in 2005. Statistics gathered by NITB also indicate a significant growth in the number of nights spent by out-of-state visitors in Northern Ireland; that figure has grown by almost two million (+23%) over the last 11 years.

4.6 DETI recognises that tourism development is market driven. However, DETI also recognises that if growth is to be sustained there must be investment in the tourism product and it is this which is behind the Signature Project concept (see Section 6.8). The evidence available to the Department would suggest that the private sector is taking advantage of the up-turn in visitor numbers by investing in new hotel developments. For example, between December 1998 and December 2005 hotel room stock in Northern Ireland increased by 21%. In terms of regions, the greatest increase in room stock was seen in Belfast and the North West where there were rises of 35% and 76% respectively. In terms of hotel classification over the same period, the greatest room stock increase was seen in the Five/Four Star hotel category which rose by over 229% while the One Star hotel category decreased by 59%. During this time annual room and bed-space occupancy also increased by 9 and 10 percentage points respectively.

5. GLOBAL TRENDS IN TOURISM

5.1 On the basis of the recent increase in visitor numbers and revenue DETI holds the view that tourism in Northern Ireland has further growth potential. However it is necessary in considering the future prospects of tourism to take cognisance of global trends. For example:

— new technologies have meant a huge change in the way consumers research and book their holidays. Research shows that 69% of overseas holidaymakers to Northern Ireland use the internet when planning their trip, with 65% booking their flights/ferry, 27% buying their accommodation and 15% their car hire through the web;
— competition has never been as keen with new low cost air services helping to open up new destinations such as Eastern Europe;
— the length of stay on holidays is shortening worldwide as consumers take advantage of new, cheaper access to “try out” more new destinations on shorter breaks. In Northern Ireland the average length of stay has decreased from 5.9 to 4.5 nights since 1999; and
— events such as the London bombings last year have impacted on consumers’ willingness to travel to different destinations in recent years.

5.2 Nevertheless, DETI remains optimistic in terms of the industry’s ability to build on its recent success and considers that the SFA provides a sound and effective strategy for the immediate future.

6. THE EFFECTIVENESS OF MEASURES TAKEN BY GOVERNMENT TO DEVELOP, PROMOTE AND MARKET NORTHERN IRELAND AS A TOURIST DESTINATION

6.1 Government and those agencies directly involved in tourism have taken a series of measures to develop, promote and support the marketing of Northern Ireland as a tourist destination.

6.2 Financial Support

6.2.1 In recognition of the importance of tourism to the local economy and its future potential, Government has markedly increased its funding of NITB and TIL over the past five years. Annex 3 contains a table of the amounts involved. Government has actively encouraged the development of tourism in Northern Ireland through a sustained programme of investment in the industry.

6.3 Promotion and Marketing

6.3.1 Tourism Ireland Ltd (TIL) is active in promoting and marketing Northern Ireland in the main markets around the world. TIL’s Marketing Plan and Strategic Priorities for 2006, which are approved by DETI and the Department of Arts, Sport and Tourism in the ROI, set out an action plan for growing overseas tourism to the island of Ireland on a market-by-market basis. These plans pinpoint activities which are designed to achieve ambitious targets of £2.9 billion overseas revenue driven by a projected 8.5 million overseas visitors in 2006 for the island as a whole. TIL also has specific targets for increasing Northern Ireland’s share of tourists to the island of Ireland. This year it plans to increase visitor numbers by 7% over last year and increase visitor spend by 9%. These are regarded as challenging targets which are well in excess of the targets for the Republic (which have been set at 5.2% and 6.7 respectively).

6.3.2 Northern Ireland also features prominently in TIL’s new £38 million three year advertising campaign on the theme of Discover Your Very Own Ireland. This campaign will have an estimated audience of 200 million people. Northern Ireland locations featured in the campaign include Belfast; the Giant’s Causeway, the Carrick-a-Rede Rope Bridge and The Cross Keys Inn, Co Antrim and Mount Stewart House, County Down.

6.3.3 Extensive research has helped TIL identify the best prospects for growing overseas business to Northern Ireland. These are a segment known as “Sightseers and Culture Seekers”. Their main motivation for a holiday is to explore the sights and culture of the destination they visit. It is estimated that there is a pool of 44 million people with a strong interest in Sightseeing and Culture in the top four markets for travel to Northern Ireland.

6.3.4 While it is too early to assess the effectiveness of the current marketing campaign in GB and overseas, there is evidence to suggest that the additional exposure which Northern Ireland has enjoyed since TIL was established in late 2000 is paying off. In 2000, for example, only 2% of visitors to the Republic included Northern Ireland in their itineraries; by 2005 that figure had increased to 5%.

6.3.5 NITB’s promotion and marketing activities are focused on the significant market available on Northern Ireland’s doorstep, both the ROI and at home. With a population of approximately 3.9 million the ROI market has been relatively untapped and in recent years NITB has undertaken a series of marketing campaigns aimed at highlighting weekend breaks and activity holidays in Northern Ireland.

6.3.6 As a result of this activity, on the basis of statistics produced by the Central Statistics Office in the ROI, the number of overnight trips taken by ROI residents to Northern Ireland has increased from 188,000 in 2000, to 266,000 in 2005, an increase of 70%.

6.4 Business Tourism

6.4.1 The burgeoning business conference market is a key market which NITB is keen to develop. Northern Ireland is now viewed as a premier conference location and NITB seeks to build on this reputation. Successful international conferences to date include The Inner Wheel held in March 2006 and the Rotarians which was held in April 2006. Between them these two events brought over 4,000 delegates to Northern Ireland.
6.4.2 The Northern Ireland Conference Support Programme administered by the NITB has assisted 16 conferences since 2004 producing over 40,000 bed nights and generating an economic benefit of over £6 million. In addition to the direct revenue flows which these events create they also have the added value of exposing, often for the first time, large numbers of people from the business and wider public sectors to Northern Ireland. This programme, which has been supported by the International Fund for Ireland, has proved to be an effective way of accelerating the growth of the business conference market by bringing Belfast and Northern Ireland to the attention of conference organisers worldwide.

6.5 Improving Standards and Quality

6.5.1 A significant amount of work has also been undertaken by NITB in the area of improving the visitor experience through benchmarking the Northern Ireland product against other locations. Earlier this year NITB introduced a series of master classes aimed at exposing local business leaders to internationally renowned speakers who lectured on subjects as diverse as Customer Care, Brand Recognition and Unique Holiday Experiences. In tandem with this initiative NITB has organised a series of best practice visits to highly rated establishments in GB and the ROI. Both these initiatives are largely self-financing through the subscriptions of the attendees. The events continue to be oversubscribed and NITB plan to expand these activities in 2007.

6.6 Investment in Accommodation Stock

6.6.1 We are also keen to see an improvement in the quality of tourist accommodation in Northern Ireland. Much of the current stock is below international standard and a number of measures have been taken to address this.

6.6.2 Invest NI administers a number of International Fund for Ireland (IFI) schemes aimed at supporting the tourism accommodation sector. Since its inception in 2002 Invest NI has negotiated 41 projects on behalf of IFI leading to offers of assistance totalling £2.5 million. Invest NI has also made 27 offers of assistance under selective financial assistance totalling £6.1 million (leveraging private sector investment of just under £24 million). Whilst offers have been made by Invest NI to a broad spectrum of accommodation types the bulk of assistance totalling £4.5 million provided from Government funds over the past four years, has been invested in hotel projects such as the Killyhevlin Hotel in Enniskillen, raising it from three to four star rating.

6.7 Business Development

6.7.1 Invest NI has supported tourism businesses by the development of capability through support for training under its Company Development Programme and through support for e-commerce and ICT through its Management Information Systems scheme. Advisory support is also offered by way of EFQM based Business Health Checks and in the environmental/energy areas. A pilot marketing focused development programme has also been launched.

6.8 Product Development

6.8.1 The Strategic Framework for Action places considerable emphasis on product development as a pre-requisite for developing tourism in Northern Ireland. Five Signature Projects were identified in the SFA. These are:

- Titanic (Maritime Belfast)—a hugely significant new concept based on this iconic brand.
- Giant’s Causeway and Antrim and Causeway Coast area—including the provision of a new visitor centre at the Causeway itself.
- Walled City of Derry—given it’s unique history.
- The Mournes—in the context of the award of National Park status.
- St Patrick’s and Christian Heritage—based on that theme and embracing much of Counties Armagh and Down.

6.8.2 Good progress has been made in advancing these Signature Projects and in most cases funding is already in place to enable implementation to proceed. For example, DETI conducted two international competitions last year for the design and interpretation of the proposed new visitor centre at the Giant’s Causeway. Work is currently in hand to refine the planned development with the aim of lodging a formal planning application later this year with work starting on site in 2007. In addition, we are also considering support for a small number of high quality golf resort products similar to those which have enjoyed much success across GB and the ROI.

6.8.3 Additionally the development and promotion of “Winning Themes” products centred on short breaks, business tourism and events, culture, heritage and activities is on-going to attract targeted visitor segments from key markets. In relation to “Winning Themes” the focus is on:
— maximising effective communication channels such as the Internet to build relationships with the most lucrative customers;
— maximising opportunities around high profile events;
— increasing visitors from countries with direct access to Northern Ireland;
— increasing Northern Ireland’s share of visitors to the island of Ireland; and
— increasing visitor numbers from the ROI through raising awareness of what Northern Ireland has to offer as well as promoting a more positive image.

6.8.4 Once again considerable progress has been made by NITB in the above areas.

6.9 Development of Air Services

6.9.1 The development of direct, convenient and competitive air services to Northern Ireland has been a noteworthy success in recent years and is critical for achievement of tourism growth and targets. As a result of the introduction by Government of the Air Route Development Fund, air services to Northern Ireland have increased dramatically over the last four years, contributing to the growth in visitor numbers. From 2003 to 2006 there has been a 29% increase in the number of direct seats available from Great Britain and 800% increase in direct seats from Europe. TIL has actively worked with carriers to promote tourism opportunities on the in-bound leg of these services.

6.9.2 The advent of the Fund has also had the effect of stimulating the air transport market with the result that during 2004 and 2005 new air routes were established direct from mainland Europe and North America. This has led to increases in visitors from these markets in 2005 (Europe +32%; North America +20%). The Fund has also been directly responsible for securing the first direct transatlantic daily scheduled service from New York to Belfast. A list of the new routes operating from Belfast since the commencement of the Air Route Development Fund is contained in Annex 4.

6.10 Regional Tourism Partnerships

6.10.1 The establishment of Regional Tourism Partnerships (RTP) during 2006–07 should further enhance tourism development at a sub-regional level. The function of the new RTPs will be to create sustainable efficiencies; to develop and deliver regional strategy aligned to the SFA/regional strategy; to manage the destination by delivering the visitor experience—product development, visitor servicing, marketing and training; to ensure local stakeholder buy-in; to map roles and responsibilities at local level; to build private sector capacity and to strengthen partnerships.

7. Conclusion

7.1 DETI recognises that tourism is an important economic sector both in terms of the revenue it generates and the employment opportunities it provides. The sector has grown rapidly over the past decade and there is evidence to suggest that it has the potential to make an even greater contribution to the local economy and in facilitating the development of disadvantaged areas.

7.2 DETI is committed to supporting the development of the sector by having in place a robust policy framework and programme of financial support which will enable Northern Ireland tourism to compete in an increasingly competitive international market.

7.3 Positioning Northern Ireland as a ‘must see’ destination for out-of-state visitors can be achieved only through focused and professional marketing campaigns aimed at key target groups. Government’s actions therefore are directed towards developing highly visual, quality visitor attractions such as the Titanic Signature Project, the Giant’s Causeway and Causeway Coast and the Walled City of Derry. These projects are at the heart of the Strategic Framework for Action along with NITB’s ‘Winning Themes’ initiative which are aimed at the short breaks, business tourism and cultural and heritage markets.

7.4 The SFA is now entering its third year and while it is too early to gauge its overall success (it will not be complete until 2007) the evidence available suggests that the tourism sector has experienced significant growth since the SFA was introduced in 2004. Visitor numbers reached almost 2 million in 2005 and tourism spend rose 11% to £346 million. TIL’s work in key overseas markets is beginning to make a positive difference to the number of overseas tourists into Northern Ireland from overseas and via the ROI. In addition, the number of overseas visitors that have combined a holiday to both parts of the island has increased from 2% to 5% in a relatively short timescale.

7.5 The growth and improvement of the hotel sector, with support from Invest NI, and the significant increase in direct access air services has also served to lay the foundation for the continued development of the industry in Northern Ireland.

Maria Eagle
Parliamentary Under Secretary of State
Northern Ireland Office

17 May 2006
## THE STRATEGIC FRAMEWORK FOR ACTION 2004–07

<table>
<thead>
<tr>
<th>Attracting Visitors</th>
<th>Business Enhancement</th>
<th>Communicating Effectively</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing the best to promote the rest</td>
<td>Working together to deliver our promises</td>
<td>One voice tourism</td>
</tr>
</tbody>
</table>

### 1. Know the Visitor market intelligence
- Adapt to the changing visitor
- Make intelligence based investments and decisions
- Inform our industry and encourage customer focus

### 2. Developing a Compelling Proposition build and maintain a strong brand identity
- Position and differentiate Northern Ireland—“stand out”
- Northern Ireland brand study
- Tourism as the leader in influencing the perception of NI
- Winning themes and signature projects as brand drivers

### 3. Reach the Consumer our best prospects
- Three tiered approach
- Segmentation
- Maximise market/product fit
- Personalised approach using leading edge technology

### 4. Take Care of our Visitors—every step of the way first and lasting impressions
- Gain a competitive advantage
- Make it easy to get here and get around

### 5. Develop Signature Projects deliver international “stand out” for Northern Ireland
- Giant’s Causeway/Antrim and Causeway Coast area
- Titanic (Maritime) Bellast
- Walled City of Derry
- Christian Heritage/Saint Patrick
- Mourne National Park area

### 6. Focus on Winning Themes Themes deliver a competitive advantage for Northern Ireland
- Short breaks
- Excellent events
- Business tourism
- Activity tourism
- Culture and heritage tourism

### 7. Develop Internationally Competitive Businesses focus on quality
- Business audit and development programmes
- A selective approach to development
- Use NITB and Invest NI business development support

### 8. Deliver Memorable Experiences the less tangible side of tourism
- Fulfil visitor expectations
- Develop people and skills
- Business leadership programmes
- Go that extra mile
- An integrated approach

### 9. Share Information tell others about our successes
- Proactive PR activity
- Celebrate and showcase success
- Set up opportunities and channels for information delivery

### 10. Strengthen Effective Relationships for Delivery work together
- NITB as strategic leader for tourism in Northern Ireland
- Define and clarify roles and responsibilities for delivery
- Build confidence and trust

## ROLE OF OTHER DEPARTMENTS

### DEPARTMENT OF AGRICULTURE AND RURAL DEVELOPMENT

The Department of Agriculture and Rural Development (DARD) plays an important role in helping to develop, promote and support Northern Ireland as a tourist destination. A principal instrument of support is the Natural Resource Rural Tourism Initiative (NRRTI), a special initiative within the PEACE II Programme. The objective of NRRTI is to help Northern Ireland’s disadvantaged areas take advantage of the particular opportunities that are presented by their natural resources to develop their tourism potential in the context of greater political stability. The aim is:

- to create a quality tourism product in rural areas with tourism potential because of their natural resources; and
- to increase the contribution which tourism makes to the economy of those areas.

The overall budget for NRRTI is approximately £13.3 million (for the period 2003–04 to 2006–07) divided over five NRRTI areas—the Antrim Glens and Coast; the Mourne; the Sperrins; South Armagh and Fermanagh. To date 228 projects in receipt of NRRTI funding have been completed. The projects funded include accommodation providers; water activity businesses; public amenities; festivals and the upgrade of facilities at Northern Ireland’s Areas of Outstanding Natural Beauty.
DEPARTMENT OF CULTURE, ARTS AND LEISURE

Many of the Department of Culture, Arts and Leisure’s (DCAL) activities are related to tourism. Key tourism related activities undertaken by DCAL include:

— funding museums via Museums and Galleries of Northern Ireland eg Ulster Museum; Armagh County Museum; Ulster American Folk Park and the Ulster Folk and Transport Museum;
— delivering the EU Water Recreation Development Programme and the EU Angling Development Programme, in conjunction with NITB and the Environment and Heritage Service; and
— sponsorship of Waterways Ireland.

DCAL’s has also supported tourism via initiatives such as promotion of the public angling estate (in conjunction with the Loughs Agency, NITB and Tourism Ireland). The Department leads on the Smithsonian Folklife Festival which will take place in Washington DC in 2007 and is also the lead Department in Northern Ireland for the 2012 Olympics.

DCAL also makes an important contribution to tourism via its sponsorship of the Northern Ireland Events Company (NIEC). NIEC is responsible for the promotion of major events in Northern Ireland that impact positively on the image of Northern Ireland and which bring direct benefits or indirect economic benefits. A prime example is the North West 200 which attracts over 100,000 spectators to the North Coast, which leads to benefits to the accommodation sector benefits through 100% occupancy for at least 4 nights during the festival week. Bars, restaurants and other eateries report high levels of business during the festival week bringing significant benefits to the local economy. Responsibility for NIEC will pass to NITB as part of the Review of Public Administration.

DEPARTMENT OF EMPLOYMENT AND LEARNING

The Department of Employment and Learning (DEL) has worked closely with the tourism sector in Northern Ireland over a number of years to address its skills needs. There is considerable investment in tourism training by DEL through Modern Apprenticeships, Jobskills, and the Further Education and Higher Education sectors; as well through funding programmes delivered by Invest NI and from the European Union.

DEL works in partnership with People 1st (the Sector Skills Council for Tourism and Hospitality) which has established its presence in Northern Ireland by appointing a local manager who is both familiar with and well known in the local industry. People 1st is undertaking the “Deliver Memorable Experiences” programme area of the NITB’s Strategic Framework for Action.

DEPARTMENT OF THE ENVIRONMENT

The Built Heritage makes a significant contribution to tourism and, by extension, to the economy of Northern Ireland. Among the over 250 properties managed by the Department of the Environment’s (DOE) Environment and Heritage Service (EHS) are a number of key visitor attractions including:

— historic monuments (eg Carrickfergus Castle, Dunluce Castle and Devenish Island Monastic site);
— country parks and countryside centres (eg Crawfordsburn Country Park, Quoile Countryside Centre and Castle Archdale Country Park) and

EHS works very closely with the Northern Ireland tourism industry, to help attract visitors to EHS sites and properties, as well as to Northern Ireland in general. EHS provides information, images, displays at major State Care sites throughout Northern Ireland. Information is also provided at less well known but nonetheless important State Care sites. EHS has worked closely with NITB to develop sites which will prove attractive to tourists. For example, in Londonderry, EHS is one of the partners involved in the development of the City Walls Signature Project.

EHS also supports listed buildings in Northern Ireland through grant-aid, plus advice and guidance from it’s Conservation Architects, all of which contributes to the tourist “draw” particularly in historic towns such as Hillsborough, Ballycastle, Downpatrick and Armagh. The statutory list of buildings (circa 8,500 in total) is currently being quality assured by a second survey across Northern Ireland.

EHS co-ordinates the annual European Heritage Open Days initiative in Northern Ireland (a coordinated event across Europe, over a weekend each September). 46,000 people took the opportunity during the Open Day in 2005 to visit a wide range of site across Northern Ireland, many of which are normally closed to the public.
DEPARTMENT FOR SOCIAL DEVELOPMENT

The Department for Social Development (DSD) is responsible for the development and implementation of several programmes which address the social, economic and physical regeneration of cities, towns and villages in Northern Ireland and which have a beneficial impact on the development of Northern Ireland as a tourist area (e.g., the Community Regeneration and Improvement Special Programme).

A common aim of many of these programmes is the stimulation of regeneration in smaller towns in Northern Ireland which has a beneficial impact on the tourism potential of an area. In addition, some of the activity within smaller towns has been related to the provision of accommodation, restaurants and visitor attractions. Examples of such projects can be found across Northern Ireland in towns such as Ballycastle, Banbridge, Bushmills, Castledawson, Dundrum, Hilltown and Portrush.

DSD also has lead responsibility for promoting and facilitating the social, economic and physical regeneration of Belfast and Londonderry. Major initiatives include the development of Victoria Square in Belfast which will help strengthen the position of Belfast City Centre as a premier regional shopping and tourist destination. Since 1992, almost £100m has been delivered to regeneration projects in Londonderry some of which, such as hotel, restaurant and public realm projects, have directly impacted on the city’s tourism product. DSD is also working in partnership with NITB and others to deliver the Walled City Signature Project.

DSD has lead responsibility for the introduction of proposals for the reform of liquor licensing in Northern Ireland. The hospitality and leisure industry is a major part of the Northern Ireland economy. The proposals will contribute towards a significant boost for this industry and for tourism and represent a modernisation of licensing law in Northern Ireland.

Until summer of 2005 DSD also provided financial support to festivals in cities, towns and villages where urban regeneration has been a feature of festival activity. For example, Government support for Feile an Phobail in Belfast has enabled what was originally a local community festival to become an international event attracting many visitors each year. Funding of festivals is now the responsibility of the Northern Ireland Events Company.

DEPARTMENT FOR REGIONAL DEVELOPMENT

The Department for Regional Development’s (DRD) role in tourism stems from the Regional Development Strategy (RDS) for Northern Ireland to 2025. This provides the overarching strategic framework to help achieve a strong spatially balanced economy, a healthy environment and an inclusive society. All Departments are required to have regard to the RDS in relation to development. One of the objectives of the RDS is to strengthen the position of Northern Ireland on the world tourist map.

The principal Strategic Planning Guidelines in the RDS that relate to tourism include the need to:

— take a sustainable approach to tourism development;
— enhance and develop the distinctiveness of the region as a key element of its tourist product;
— enhance first impression points and environmental image;
— facilitate the development of infrastructure to meet the needs of visitors;
— encourage business tourism as a means of generating additional and repeat visits with the potential to spread more visits across the whole year;
— protect and enhance land-based amenities;
— protect and enhance water-based visitor amenities;
— promote cultural and historic attractions;
— sustain and enhance the traditional seaside resorts;
— enhance key touring opportunities;
— explore the potential for the establishment of one or more National Parks; and
— build up the network of opportunities for tourism development based on the two main cities of Belfast and Londonderry.

As part of the process of monitoring the RDS, DRD publishes annual reports to indicate progress made.
FINANCIAL SUPPORT FOR TOURISM

TABLE—BUDGET PROVISION FOR NITB AND TIL

<table>
<thead>
<tr>
<th>Year</th>
<th>NITB £'000</th>
<th>TIL £'000</th>
<th>Total TIL Budget £'000</th>
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</thead>
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<td>2002–03</td>
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<td>2003–04</td>
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<tr>
<td>2006–07</td>
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</tbody>
</table>

NB Funding for TIL is provided on a 2:1 (South/North) ratio for marketing and a 3.4:1 (South/North) ratio for administration.

LIST OF AIR ROUTES OPERATING FROM BELFAST SINCE THE COMMENCEMENT OF THE AIR ROUTE DEVELOPMENT FUND

<table>
<thead>
<tr>
<th>Air Route Development Funded Routes</th>
<th>Additional Non-Funded Routes</th>
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<tbody>
<tr>
<td>Nice</td>
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</table>

Glossary of Terms

ARDF  Air Route Development Fund.
B&B   Bed and Breakfast
DETI  Department of Enterprise, Trade and Investment.
EFQM  European Foundation for Quality Management.
IDCG  Inter-Departmental Co-ordination Group.
ICT   Information and Communications Technology.
IFI   International Fund for Ireland.
NDPB  Non-Departmental Public Body.
NIEC  Northern Ireland Events Company.
NITB  Northern Ireland Tourist Board.
RDS   Regional Development Strategy.
ROI   Republic of Ireland.
RTP   Regional Tourism Partnership.
TIL   Tourism Ireland Ltd.
TSF   Tourism Strategy Forum.
TSF   Tourism Strategic Framework.
5. Written evidence from Causeway Coast & Glens Heritage Trust

“The nature of tourism in Northern Ireland its impact and importance for the overall economy and the effectiveness of measures taken by government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination.”

1. The importance of the contribution tourism makes to the Northern Ireland economy is not adequately recognised by government.

2. There is a lack of robust information and data to measure economic performance and identify opportunities. Causeway Coast and Glens Heritage Trust notes that Northern Ireland Tourist Board has recently closed its library leaving the tourism industry with no central information point.

3. There are too many bodies involved in the delivery of both tourism marketing and development. (For example, DETI, NITB, TIL, Local Authorities, Regional Tourism Partnerships, DARD, Leader, NI Events Company, INI, NITIC and other local and cross border partnerships.

4. Lack of co-ordination between development activities north and south of the border. Failte Ireland and Northern Ireland Tourist Board have different remits.

5. Insufficient commitment to long term funding for tourism.

6. There is a need for Northern Ireland Tourist Board to provide strategic leadership for the industry.

7. All stakeholders and other Government departments need to support NITB’s ‘Strategic Framework for Action’ and successor document. NITB also needs to place more emphasis on delivery mechanisms.

8. There needs to be improved communication between NITB and the industry. NITB needs to increase its profile.

9. Whilst NITB has undertaken good work in identifying key markets it should also be open to new market opportunities.

10. The Tourism Strategy Forum should encourage greater co-ordination between Government departments.

11. NITB needs to fully embrace the concept of sustainable tourism and to recognise the close links between tourism and the environment.

12. Tourism agencies should support these agencies involved in promoting environmental management such as Mourne Heritage Trust, Strangford Lough Management Advisory Group, Causeway Coast and Glens Heritage Trust and the World Heritage Site Management Group.

13. Northern Ireland Tourist Board should set an industry standard for good environmental practice.

14. Need to encourage improved language skills generally within the visitor servicing industry particularly in relation to new market opportunities.

Peter Harper
Trust Director
18 May 2006

6. Written evidence from the Belfast Visitor and Convention Bureau

Belfast Visitor and Convention Bureau (“BVCB”) is the marketing and visitor servicing body for the Belfast City region, promoting the region as a destination and as the main gateway to Northern Ireland. BVCB is a not for profit private/public sector partnership, between central government (NITB), local government (Belfast City Council, Lisburn City Council, Antrim Borough Council, Newtownabbey Borough Council and Carrickfergus Borough Council and a growing membership of circa 400 private sector businesses.

BVCB is the mechanism for delivering coordinated destination marketing communications and visitor servicing for the Belfast City Region. BVCB is recognised as a results-focused organisation, delivering its plans and achieving its targets in a commercial and practical manner, and with excellent return on investment ratios and a well proven track record.

Tourism is a Growing Industry—two million visitors; £354 million spend.

In 2005, Northern Ireland attracted approximately two million out-of-state tourists, spending a total of £354 million in the local economy. Clearly, tourism is a major contributor to the Northern Ireland economy, and has the potential to be a key driver in its future transformation and regeneration.

Over recent years, the industry has seen considerable growth in out-of-state visitor numbers and tourism revenue, with increases of 60% and 80% respectively between 1994 and 2004. Indeed, over the period 2002–04, Northern Ireland tourism was one of the fastest growing areas in Europe, with tourism revenue in Northern Ireland increasing by 9% in 2004 in comparison with an overall 3% growth in Europe. Through BVCB, Belfast has been driving and sustaining the growth in Northern Ireland tourism:
— the main growth areas for tourism are in urban tourism/city breaks, short breaks and conference tourism—all areas in which the Greater Belfast area has the main product offering;

— over the period 1999-2005, the total number of out-of-state overnight visitors to Northern Ireland increased by 19%; by comparison, the number of out-of-state overnight visitors to Belfast increased by 95%;

— in fact, over this period the number of out-of-state overnight visitors to Belfast increased by 448,000 visitors, whereas, the total increase to Northern Ireland as a whole was only 312,000;

— therefore, Belfast has been the primary force behind Northern Ireland’s tourism growth, often compensating for decreases in other regions;

— as a result, in 2005, Belfast accounted for 47% of all of Northern Ireland’s out-of-state overnight visitors.

However, in spite of the growth in Belfast, the industry still has far to go to achieve its full potential and, in an increasingly competitive market, we cannot afford to become complacent. In 2005, whilst tourism revenue continued to increase, the out-of-state overnight visitors to Northern Ireland dipped by 1%; on the other hand, out-of-state visitor numbers to Belfast increased by 9%—a healthy reminder of the need to remain focused and committed to the marketing of the core City product. If Belfast is not competitive in the city breaks and conference market, Northern Ireland tourism will not survive.

REALISING OUR POTENTIAL

The tourism industry in Northern Ireland still has significant room for growth

Northern Ireland accounts for only a 17% share of all visitors to the island of Ireland, and is still playing catch up with its neighbouring competitors in the UK and the Republic of Ireland. In addition, tourism is estimated to contribute only 2% of GVA in Northern Ireland, whereas statistics released by Visit Scotland and the First Steps Satellite Account estimate that direct tourism expenditure accounts for 4% of GVA in the Republic of Ireland and 6% in Scotland.

On the other hand, the global tourism industry is becoming increasingly competitive, as a wider range of destinations become more easily accessible to consumers, consumers’ expectations in terms of quality and value for money become more demanding, and the internet opens distribution channels to a wider market.

Whilst investment in the tourism infrastructure, product and direct access routes is taking the potential of the Northern Ireland industry from strength to strength, growth is restricted by limited financial resources in comparison with other countries, and a fragmented marketing structure.

With increased competition for both domestic and out-of-state tourism, Northern Ireland must become all the more focused and aggressive in its tourism marketing. Adequate funding and appropriate marketing structures are essential if the industry is to maintain and build on the momentum achieved to date.

Tourism as an important Economic Driver—7th largest employer with 42,330 jobs.

Tourism is a substantial industry and one which is often underestimated in terms of its economic importance:

— it supports a wide range of businesses, both directly and indirectly, and its impact is far reaching;

— its growth has been key to the regeneration of Belfast and many regions throughout Northern Ireland;

— it has strong expansionary effects on employment, incomes, spending and taxes;

— tourism revenue has a considerable multiplier effect, and wide reaching benefits for other sectors including transport and travel, food and drink, and retail;

— it is a main-stay to the local economy, but with substantial potential for future growth;

— as it is an industry largely made up of urban and rural indigenous businesses, tourism generates wealth throughout the Province;

— given the nature of tourism, it will remain within the local economy and will not be susceptible to relocation, as has been the case with other industries; and

— as other industries are in decline, tourism continues to grow and create jobs required by some of the most deprived areas of Northern Ireland.

Employment within the tourism industry is an area which is extremely difficult to measure, and so it is often under-estimated. In addition to clear tourism-related jobs, a wide range of other jobs are also partially supported by tourism, such as taxi drivers, the arts and retail staff. In the Republic of Ireland, the First Steps Tourism Satellite Account report estimates that 702,900 people are employed in tourist related industries.
By comparison, DETI’s December 2005 quarterly employment survey stated that the ‘Hotels and Restaurant’ sector in Northern Ireland accounts for 42,330 employees, where this sector includes hotels, restaurants, bars, other accommodation and other catering. As such, it is the seventh largest employer in Northern Ireland, including the public sector. If the public sector industries are excluded, it is the fourth largest employer.

Based upon an average multiplier effect of 1.5, in 2005 revenue from overnight tourists actually contributed £531 million to the local economy. By just taking the VAT on tourism spend as an indication of the tax monies generated by tourism, we can already see that it is a substantial tax generator—the tax take from VAT on tourism spend in 2005 equates to £93 million; and this does not include the additional revenue from the substantial day tripper market, or the tax take from National Insurance contributions or income tax.

Belfast is Driving Tourism Growth—47% of Northern Ireland Tourism

Belfast has been the main driver of growth in NI tourism, and the key contributor to the economy

Within the Northern Ireland context, the Belfast City Region has been leading the way in terms of tourism growth and revenue. Growth rates have been well above the Northern Ireland average, which is a reflection of the importance of a well-developed and marketed city-break and business product.

In terms of scale, growth and potential, the Belfast City Region dominates the Northern Ireland tourism market, not only as a destination in its own right but also as the physical and psychological gateway to Northern Ireland

— Tourism in the City has more than quadrupled over the last six years. In 2005, a total of 6.4m visitors (this includes Day Trips) came to Belfast (an increase of 500,000 on the previous year). These visitors generated £285 million to the local economy (an increase of £23 million on the previous year).

— Of these visitors, 1.16 million stayed overnight (an increase of 15% on the previous year), and 916,000 of these overnights were from out-of-state (an increase of 9% on the previous year). These out-of-state overnight visitors spent £123.2 million into the local economy.

— The Belfast City Region out-of-state visitor content is higher than the Northern Ireland average, at 80% of all arrivals, as Belfast’s brand image and awareness becomes stronger in out-of-state markets.

— The very lucrative “business tourist” accounted for 41% of the out-of-state visitors staying overnight (ie 380,000). Over the last five years, Belfast has almost doubled the number of out-of-state business tourists staying in the City.

— In 2005, Belfast hosted 67 conferences, equating to over 41,000 bed nights and £8 million spend—a 40% increase in the number of conferences and 14% increase in spend on 2004.

— Belfast has a proven track record in competing with other major international centres to win high profile conferences, such as the XVII World Congress of the International Association of Youth and Family Judges (500 delegates), International Harm Reduction Conference (600), European Society for Cystic Fibrosis Congress (1,420), Rotary Conference (+ 2,000), Association of Inner Wheel Clubs GB and Ireland (2,300) and British Council of Shopping Centres (2,000).

— However, the “pure holiday” visitor now accounts for 33% of out-of-state overnights in Belfast (ie 305,000 visitors), having more than quadrupled over the last five years. This tremendous level of growth is a tribute to the promotion and marketing of the City as an attractive city destination.

— The visitor numbers are reflected in the high hotel room occupancy rates achieved in Belfast (73% in 2005; up five percentage points on 2004), in comparison with an overall average of 62% in the rest of Northern Ireland (up 1 percentage point on 2004). Indeed, Belfast is sustaining the overall average for Northern Ireland.

— In 2006, Belfast city has secured 23 cruise ships, equating to 32,600 visitors and £9 million spend—a substantial increase from just two cruise ships in 1999.

— The Belfast City Region generates 47% of all out-of-state overnight trips to Northern Ireland and c50% of out-of-state overnight spend, which equates to substantial economic return for the wider area.

— In Belfast, tourism and hospitality employment has grown rapidly over the last 10 years from 4,000 employed in 1995 to 15,600 employed in 2005.

— In 2005, Belfast was voted as the 2nd most favourite UK city/short break destination in the Guardian/Observer Travel Awards (after being voted 5th in 2004), the UK City of the Future in the FDI magazine, was cited as being one of the best cities in Ireland to visit (Rough Planet), and Best UK Conference Destination in the Business Britain Magazine.
Given its scale and excellent performance, the Belfast City Region is the economic driver for tourism in Northern Ireland. Assuming an average multiplier effect of 1.5, revenue from overnight tourists to Belfast actually contributed £207million to the local economy, 40% of the total for Northern Ireland. Again, just taking the VAT on tourism spend as an indication of the tax monies generated by tourism in Belfast, the tax take from the VAT on tourism spend in Belfast equates to £36million.

Belfast has been responsible for the growth in Northern Ireland, with out-of-state overnight visitors to Belfast increasing by 95% between 1999 and 2005, in comparison with only a 19% increase for Northern Ireland as a whole. With up to 64% of all visitors to Northern Ireland visiting Belfast as the only or part of their visit to Northern Ireland, Belfast is clearly a draw and magnet for tourism to Northern Ireland.

Given the overall growth in the city breaks and conference sectors of the tourism market, and the new direct access routes with Europe and North America, the importance of Belfast to the regional economy and Northern Ireland tourism can only get stronger.

Consequently, Belfast has a major role to play if Northern Ireland is to achieve its annual tourism targets of 7%—9% growth.

Belfast is the major gateway for spreading the benefits of tourism throughout the province. By fulfilling its gateway role, converting enquiries or intent into business, encouraging longer stays and higher spend, delivering on the Belfast Welcome and influencing repeat visits, BVCB ensures that all sectors of the community and province benefit. With increased air access and the airport TICs, the Greater Belfast visitor servicing strategy is critical to Northern Ireland tourism.

Belfast is, therefore, the hub for city breaks and conference tourists (the fastest growing sectors of the tourism industry). However, competition amongst cities for market share is fierce. Belfast/ Northern Ireland has limited resources in comparison with the competition who have average budgets of £3-4million per annum. As Belfast becomes more established as a tourism destination, and new players join the market (such as cities in Central and Eastern Europe), the challenge will be to sustain its growth trends. Innovative packaging, product development and a sustained marketing effort will be critical if Belfast is to protect its position in the short break and conference markets.

Belfast has a highly effective and successful structure for marketing the region—as evidenced in the growth in tourism numbers

Tourism has been one of the Belfast City region’s major success stories over the last 10 years, with the success of the city marketing reflected in the steady growth in tourism numbers and spend.

Through BVCB, the marketing of the City region is strategic, practical, commercial and results focused, generating excellent return on investment ratios and with the full support of the private sector. BVCB has successfully developed and implemented image-led destination marketing campaigns which have changed perceptions of the region at home and abroad, and results-driven packages which have increased the visitor numbers to the current levels.

In 2005, BVCB won the CIM Tourism and Hospitality Award, the Northern Ireland Travel News Tourism Award for Best TIC, the Northern Ireland Travel and Leisure News Award for Special Achievement, an Award for E-Marketing from Business Eye, NITB’s Area Tourism Initiative of the Year for Cruise Marketing and the HCIMA Award for Outstanding Contribution to Tourism.

Return on investment is central to BVCB’s plans; for every £1 spent by BVCB in marketing the city in 2005–06, £90 was generated into the local economy.

Tourism Marketing in Northern Ireland—Belfast is Northern Ireland’s Lead Product

Cruise Marketing

Northern Ireland tourism has a unique window of opportunity. To realise its potential and deliver competitive advantage, it needs to go with its best prospects and clearly focused, persistent and adequately funded marketing campaigns.

Belfast is the region capable of driving and sustaining growth in Northern Ireland tourism—attracting first-time visitors to the province, repeat visits and acting as a powerful gateway for directing visitors to other regions. Indeed, without Belfast’s success, Northern Ireland tourism would be in decline.

Worldwide trends dictate that short city breaks, conferences and cruises are all major areas of growth—and all sectors for which Belfast has a formidable product. There is widespread recognition that city regions are the engines of national economies, and a major focus for tourism growth. City breaks are often the initial “hook” that attracts first time visitors to a country. Therefore, the Belfast City region’s critical role for Northern Ireland tourism can only increase, and the marketing and development of the City destination will be key to the future success of Northern Ireland tourism.

Consequently, it is essential that adequate funding and effective structures are in place for the marketing of the City, as a generator for the benefit of tourism across Northern Ireland.
Funding—Lack of Government Funding for Belfast City Marketing

Funding of Belfast City marketing through BVCB has generated a substantial return on investment for the local economy. Over the period 1999–2005, a cumulative total of 25.8 million visitors (day and overnight) came to Belfast, spending a total of £1.4 billion in the local economy. Over this period, Peace II funds administered by NITB have contributed a total of £4.7 million to the marketing of Belfast by BVCB. This has leveraged an additional £9.7 million from local authorities and the private sector, thus giving government a leverage ratio of 1:2 and a return on investment of £1 : £2.98.

In spite of these clear results, BVCB’s marketing budget has been reduced, due to a lack of government funding; and this at a time when tourism clearly needs Belfast to be as successful and competitive as it has proven it can be.

For the sake of tourism across Northern Ireland, it is essential that there is a clear, robust and consistent marketing budget within government for the marketing of the Belfast City region.

Marketing Structures—Separate Strategy and Delivery

The current structure for tourism marketing in Northern Ireland can be confused and complex, due to a lack of clarity in the respective roles and responsibilities between central government and regional marketing bodies. This confusion can lead to duplication of effort, additional bureaucracy and inefficiencies.

BVCB’s results, the growth of tourism in Belfast and the consistent support of the private sector is evidence that the BVCB model of partnership between central government, local government and the private sector working together and implementing activity through a dedicated delivery mechanism is both effective, efficient and value for money for tax payers and rate payers.

However, this model needs to be reinforced and sustained in Belfast through significant, committed and consistent government funding, and then replicated throughout Northern Ireland.

Destination marketing is central to the regeneration, inward investment and tourism development of the economy, and the funding of destination marketing should be the responsibility of all the agencies that have a role, remit or responsibility for investment, regeneration and development in Northern Ireland. However, the delivery of destination marketing is best directed and implemented at the local regional level, where this is sufficient scale to have an impact. This will ensure maximum buy-in from the private sector, local government and local communities, which will not happen if there is centralised delivery.

NITB and DETI are best placed to be the strategic leaders and policy creators for tourism development and marketing across the province. They should concentrate on the development of national strategies and policies to set the framework within which the Destination Marketing and Management Organisations, such as BVCB, operate. If NITB & DETI undertake the delivery of some operational activities and campaigns, this could create confusion and duplication at the local regional level amongst the tourism industry and in the marketplace, which is counterproductive for the activities of the Destination Marketing and Management Organisations in attempting to get private sector, local government and local community buy-in.

This model creates clarity for Tourism Ireland’s role, in that Tourism Ireland should market the island of Ireland and create marketing and promotional platforms to be exploited by the local regional destination management and marketing organisations for the benefit of Northern Ireland.

It is, therefore, suggested that NITB/DETI should outsource the delivery and implementation of the national marketing strategies to the local regional Destination Marketing and Management Organisations, to ensure buy-in from local government, local communities and the private sector. This would eradicate the fragmentation and duplication that exists and ensure joined up thinking at the local regional and national level. In this way, the national policies are delivered throughout Northern Ireland, but in a manner appropriate and relevant to the regions using the most cost effective, value-for-money business model.

If Northern Ireland is to get the best return on its tourism marketing, and compete with the growing range of destinations accessible to tourists, it must have a marketing delivery structure that is efficient, responsive, close to the market and supported by the industry. Clarity in the respective roles and responsibilities of central government and the regional bodies within the proposed framework is essential if Northern Ireland is to protect and grow its tourism market.

In summary

In order for Northern Ireland tourism to succeed and realise its full potential:

1. Tourism must now be seen as a key contributor to the Northern Ireland economy and Government strategy, policies and funding should reflect this.

2. Belfast must now be recognised as the engine and driver of the Northern Ireland tourism economy and Government tourism policies, strategy and funding must take account of this fact.
3. Belfast City needs to be competitive in the City Break and Conference markets and this requires a clear, significant and consistent marketing budget from Central Government delivered through a focused and dedicated delivery mechanism such as BVCB. This will ensure buy-in from the private sector, local government and local communities and thus deliver significant returns on investment in the most effective and efficient manner ensuing value-for-money for rate payers and tax payers.

Gerry Lennon
Chief executive
18 May 2006

7. Written evidence from The Chartered Institute of Marketing

INTRODUCTION
The Board of CIM Ireland, the Regional Board of The Chartered Institute of Marketing (CIM) responsible for the interests of the Institute and its members in Northern Ireland and the Republic of Ireland, thanks the Northern Ireland Committee of the House of Commons for this opportunity to submit evidence in relation to the current review of the delivery of tourism in Northern Ireland.

Founded originally in London after WW1, the CIM is the world’s largest professional marketing body with some 60,000 members in over 120 countries and the Institute has set the standards for marketing professionalism in the UK and elsewhere over many years. The Institute is also the world’s biggest provider of marketing education and training and CIM graduates may be found in the boardrooms and among senior management teams in many of the world’s leading businesses.

We have had an organised presence in Northern Ireland since the 1950s and the Regional Office for Ireland was established in Belfast in 1993 and CIM is recognised in Northern Ireland for the leadership it has exercised to improve the international marketing competitiveness of industry and commerce in the province.

The CIM Ireland Board is comprised of professionally qualified members resident in Ireland and elected by the regional membership. The CIM Ireland Tourism and Hospitality Marketing Group that reports to the CIM Ireland Board and whose members have extensive professional experience across the broader tourism, travel and hospitality industry have penned this submission.

BACKGROUND AND KEY ISSUES
While we recognise that the current tourism review and that of the bodies charged with responsibility for tourism development within government will necessarily seek to examine the quality and effectiveness of the regional tourism product and its delivery, CIM will confine the scope of our submission to commentary on the role and application of marketing in that process and its impact on economic and social enhancement.

DEFINING THE SCOPE OF TOURISM
While tourism has been around as an essential contributor to economic prosperity since Roman times, the first official recognition of the terms tourist and tourism were coined by the League of Nations in 1937 when it defined tourism as “people travelling abroad for over 24 hours”. Progress of tourism as a global economic driver has been phenomenal in the last 20 years and recent estimates suggest that it is the world’s biggest industry accounting for up to 250 million jobs and around £5 trillion in revenue, and marketing rests at the heart of this growth.

However such has been the complexity of the industry in modern times that a clear definition of what drivers are embraced by what we often refer to as the tourism industry is sometimes obscure. If modern tourism relates to the broadest possible model of service provision associated with meeting the needs of visitors, then virtually all economic, social and cultural aspects of modern life are intertwined with the interests of tourism.

At the very least the industry must be said to comprise such service provisions as accommodation (hotels, guest houses and bed and breakfast providers), restaurants, public houses, entertainment centres, visitor amenity providers (including museums, galleries, stately homes, theatres, sporting, cultural and entertainment centres), centres of international renown and outstanding natural beauty. Indeed there is an argument to suggest that retailing is also a core contributor to tourism revenues.

However in assessing the role and contribution of tourism the problem of defining its scope prompts three important issues. Firstly, what are the priority factors that need to be addressed to stimulate economic success; in essence how do we define and develop our tourism products? Secondly, what promotional aspects require to be tackled to secure a greater share of the international tourism business and by whom? Thirdly, how do we measure that success and stimulate continual change to meet the evolving needs and demands of modern tourists?
In our judgment these are issues that the Northern Ireland administration and core stakeholders in the economy have struggled to address in recent times and while notional outputs are showing some positive signs, tourism development is failing to secure the economic return that was popularly speculated at the time of the Good Friday Agreement in April 1998 and continues to lag behind other parts of the UK, Republic of Ireland and comparable European centres. It is our intention in this paper to discuss the progress of tourism development and tourism marketing and to highlight measures that require to be taken to address current shortcomings.

TOURISM HISTORY

Tourism has been an economic priority within Northern Ireland since the establishment of the original Stormont government in 1922. Indeed even between the war years the Ulster Tourist Authority was actively engaged in promoting the province as a visitor location. In the post war years the Authority and the government operated Northern Ireland Tourist Board (NITB) that succeeded it, assumed a progressively assertive role in promoting the province as an international holiday destination while fostering standards in accommodation provision and encouraging visitor product diversity. However the outbreak of “the troubles” in 1969 and the related bombings of hotels, restaurants and places of entertainment heralded a dramatic containment of visitor numbers and the province’s tourism industry wound down at a time when European tourism was undergoing a renaissance.

In the last eight years various initiatives have been put in place to restructure the delivery of tourism promotion including ongoing research into the evolving attitudes and needs of international tourists, the extension of regional promotion through Regional Tourism Organisations (RTOs) as local partnerships and ultimately the establishment of Tourism Ireland as the formal “all Ireland” joint venture body responsible for marketing Ireland overseas. The role of NITB has also been modified in the light of Tourism Ireland’s overarching role in Irish tourism promotion.

MARKET DEVELOPMENT

There is a widely held perception by commercial service providers such as hotel operators, amenity providers and the travel trade that the process of change has failed to deliver adequate tangible visitor numbers that justifies recent investments. Furthermore there is a belief that the “outbreak of peace” alone and the economic recovery that has resulted since 1998 has facilitated much of the increase in visitor numbers. UK business travellers and short stay visitors from the Republic of Ireland swell such visitors. However growth in international tourism has fallen short of expectations and the high revenue yields that tourism might be expected to deliver simply hasn’t happened. Indeed in our judgment there are serious limitations in our current tourism offerings, and in travel access and transport that serve to constrain volume throughput. Further we recognise that while Tourism Ireland is set up to promote Irish tourism per se, the historic commitment of the Republic of Ireland government to the development of its tourism economy and the cohesion that has been facilitated has resulted in broad based tax and profit advantage to sections of the tourism industry that our regional competitors cannot match. The result is that hotels in Northern Ireland are losing substantial revenue as international tour operators seek to place tourists in the Republic of Ireland for reasons of cost/profitability while offering cross border day trips to selected attractions in Northern Ireland to broaden the offering.

MARKETING CAPACITY

We have sought to provide broader insight to these issues as follows:

Tourism Provision and Dynamics

Recent statistics issued by the Department of Enterprise, Trade and Investment (DETI) that is responsible for NITB suggest that employment in the hotel and catering segment in Northern Ireland is around 42,000 people (5.5% of the working population of 758,000) and that wider tourism employment swells the numbers to around 51,000 people (6.7%). This represents an increase in sectoral employment of some 19% in eight years. This is in line with statistics that show that the hotel and catering segment accounts for 5.6% of VAT registrations in the province. However attempting to place employment numbers in the context of wider economic advantage is torturously difficult as detailed statistics on recent and current performance are not readily available. However estimates suggest that 2005 visitor numbers fell by around 1% last year but that holiday/recreation visitors fell by some 9%. Overall, revenues amounted to £350 million, up 13% but representing less than 4% of GDP. This compares to the Republic of Ireland at close to 7% of GDP and rising.

The tourism product on offer focuses on Northern Ireland as an area of natural beauty that is suited to family holidays and offers diverse recreation activity with cultural and historic interests to discerning visitors. However the tourism dynamic of Ireland is driven by major tour operators offering diverse visitor
and accommodation packages that significantly favour RoI access points, and the capacity of Northern Ireland to capitalise on tourism revenues is limited as travel plans are largely committed when visitors arrive on the island of Ireland.

The Republic of Ireland has been very successful in targeting market segments ranging from activity tourism (such as equestrian tourism, fishing, golf etc) through to cultural, arts, history and genealogical based pursuits over many years and the process is managed as a seamless economic undertaking that is led by government and partnered by the travel, tourism and retail industries. Northern Ireland has sought to deliver similar products but in our judgment there is insufficient differential advantage to make a significant and sustainable dent in that market without significant differentiation, repackaging and rebranding to draw in larger visitor numbers. While we are respectful of the plausible benefits in marketing Ireland as an inclusive single region, Northern Ireland is currently an unequal partner in this process.

Tourism Development and the Enterprise Culture

There is a core need to review the product mix and while we recognise that NITB has undertaken study initiatives to identify opportunities that embrace diverse offerings such as cultural tourism centering on the provinces two core traditions, the worldwide fascination with everything “Titanic”, the unique nature of The Giants Causeway as a World Heritage Site, learning English as a foreign language and the conference and convention market to name but a few, we have yet to secure a single market segment that can be regarded as uniquely “Norn Iron”, and to capitalise on that uniqueness to draw in visitor numbers. It is only now eight years after the Good Friday Agreement that a discernable policy and strategy for cultural tourism that recognises the need to develop and promote local cultural diversity is evolving.

In the 1990s Europe experienced a massive surge in cultural tourism and discerning international visitors abandoned the pursuit of surf and sun holiday packages in favour of city based tourism initiatives. European capitals and major cities geared their infrastructures accordingly. Centres like London, Glasgow, Dublin, Brussels and Munich became transformed through tourism. Planning regimes were relaxed and/or geared to facilitate external visitors and the economies benefited accordingly. Indeed fiscal regimes were often established to provide fast track investment in tourism features. In the Republic of Ireland for example capital tax relief schemes were introduced that fuelled a boom in private sector investment in accommodation. Corporation Tax thresholds were relaxed for tourism development, VAT on accommodation and food service was cut and local government taxes were relaxed. In contrast Northern Ireland, like the rest of the UK, has no such benefits. Indeed hotels in Northern Ireland have always had to pay full business rates (unlike the manufacturing sector which is only now to lose its historic zero rated status) and local government rates are rising very fast in Northern Ireland. In the light of the glaring differences between Northern Ireland and the Republic of Ireland, such a regime is perceived as a tax on tourism investment.

Giants Causeway—A Case Study in Planning Confusion and Missed Opportunity

In an era where investment has been actively encouraged to support urban and rural tourism in the Republic of Ireland there is a broadly held view that planning in Northern Ireland can act to frustrate such capital development. The ongoing debate about the infrastructural development proposals on the Antrim coast to capitalise on opportunities in and around the Giants Causeway is a case in point. Almost three years ago in the wake of the destruction of the Giants Causeway visitor reception centre by fire, proposals emerged to provide private sector investment in tourism facilities in the Causeway area. The Causeway is experiencing increasing visitor traffic year on year from coach tours of visitors from the Republic of Ireland and elsewhere, and from private cars. Coach’s of foreign visitors descend on the site while spending very little in the area and are ultimately bused to accommodation arranged across the border in the Republic of Ireland. Objections to potential development were raised by The National Trust in whose care the Causeway has been placed as the Trust wished, despite an independent study that defined a growth opportunity within the environmental carrying capacity of area, to constrain overall visitor numbers. The Trust was one of two bidders to develop the new visitor centre.

DETI then took a lead in initiating a range of studies that culminated in an invitation to tender for the development of a replacement of visitor centre to the exclusion of wider development. However in our view current developments do not adequately address the problem of fostering tourism growth and merely serves to defer a growing problem of managing an increasing throughput of visitors who are coming anyway.

The most crucial element in this debate appears to have been largely overlooked that the Causeway site itself is entirely unprotected and open to foot traffic and vandalism, and The National Trust do not appear to have the resources to manage and protect the site much less spearhead a local tourism economy. It was the intention at the outset that limited development in the hinterland could be used to provide targeted investment in tourism management facilities that would assist the visitor experience without their tramping on the site. In other World Heritage Sites such as Ayres Rock in Australia and America’s Grand Canyon,
adjacent tourism development has been encouraged, providing local employment and wealth and helps to deliver the necessary funds for site conservation. This is an important component of sustainable development.

In our judgment Northern Ireland is failing to capitalise on its biggest potential tourism asset and without adequately protecting the vulnerable site to uncontrolled footfall traffic.

Tourism Access and Transport

The marketing capacity of Northern Ireland as a prominent regional tourism destination is influenced not only by our marketing effectiveness and the strength and attractiveness of our offering but fundamentally by gateway access facilities for visitors and vital transport provision to meet tourism needs.

Despite recent efforts to promote overseas gateway facilities, Belfast’s two airports are significantly geared to domestic UK traffic and the outward movement of tourists via hubcentres at London, Manchester and Birmingham. The issue is complicated by the thirst of local residents to use low cost carriers to travel out and back from Northern Ireland. At the heart of the problem is the limited take off and landing slots at Belfast City Airport and its limited opening hours and the local landing charges and turnaround costs at both Belfast airports. On top of this the UK Passenger Tax system has created negative differentials between Belfast and Dublin with increasing passengers choosing to use Dublin as the preferred gateway and as a cost effective exit point for outward-bound Northern Ireland residents. The third commercial airport at Derry, while providing a much-needed facility for the North West simply lacks critical mass in passenger numbers and destinations to make a major contribution to the Northern Ireland economy at this time.

The province is well served with sea routes from Scotland and the north of England but the increasing costs of fuel and competition from RoI based ports is having a toll on tourism.

Indeed in the last three years we have seen a reduction of competition on the North Channel with the disappearance of Seacat.

Rail services are also a significant problem and the only flagship service that comes close to acceptable international standards is the Enterprise service between Belfast and Dublin.

However we would urge that Translink, the government owned rail and bus service provider should seek to establish Great Victoria Street as the preferred terminus for Dublin services rather than Central Station. At the same time passenger management systems at Dublin’s Connolly Station are inadequate and deter many potential visitors to Northern Ireland.

While urban lines radiating from Belfast are improving with the introduction of new rolling stock, the lines north of Ballymena still face an uncertain future. It is also an unfortunate fact that local public transport is insufficiently integrated. For example the Belfast to Antrim rail line runs comparatively close to Belfast International Airport but no plans have ever been advanced to develop a passenger rail link between Belfast International and the city centre.

There is an hourly bus service but most users are forced to use expensive taxis or travel by private car. The issue of Belfast City Airport is even more pointed. Despite the adjacency of the main Belfast to Bangor rail line with its upgraded train services there is no rail station at the airport. Reliance on an orbiting mini bus to take occasional passengers from the airport terminal to Sydenham railway halt is inadequate.

The bus network in Belfast and rural centres may be all right for regular domestic purposes but long distance coach services offered by Translink do not meet accepted international standards. Internal transport provision has also been significantly under invested in recent years and key access routes around Belfast are experiencing growing congestion and rural cities and towns suffer from poor road links. Such facilities are below standards perceived in other UK regions.

Need for a New Tourism Vision

With external tourism marketing now placed under the auspices of Tourism Ireland, consideration needs to be given to the role of NITB and other public based service providers such as RTOs in the tourism development and enrichment process. Indeed the perception by the travel, tourism and hospitality sectors is that NITB’s value to contemporary tourism development is questionable at this time. Relationships with stakeholder interests in the industry need to be improved.

At the heart of regional tourism is a need for a new shared vision of tourism development and its potential impact on the regional economy and we would urge the formation of a new public, private and social Tourism Partnership for Northern Ireland that replaces historic provision. Such a unit should be inspired and directed by government under the auspice of a Minister specifically and exclusively responsible for tourism resources. The unit should bring together the diverse governmental and regional interests behind a single common agenda and a unified partnership structure with clear operational roles for RTOs and the private sector that are wholly representative of the industry and focused around geographic areas soon to be under the administrative jurisdiction of the enlarged NI local authorities.
The development and the new shared vision and the strategy, measures and initiatives that follow from this must be market driven and marketing led. Northern Ireland must evolve a unique tourism offering if the industry is to provide core investment and wealth in the community over the coming decade; a feature that is vital as we address the need for economic change and self-sustainability.

The initiative must be bold and uncompromising and seek to elevate the level of GDP from tourism services in excess of 10% within a decade. This will involve commitment and dedication from all aspects of the public sector with interests that impact tourism growth to smooth the path to success and remove unnecessary barriers to development—a kind of public sector One Stop Shop. Commitment is needed from the private sector too to develop new products and amenities and fuel much of the investment that will be needed. Society too will have a key role in bringing about positive change as hospitality to strangers can and will improve wealth and promote community harmony.

CIM Comment and Commitment

In our judgment such a scenario is wholly achievable and will dramatically improve the tourism appeal of Northern Ireland as a premier holiday destination.

To that end we are prepared to pledge our support as professional marketers behind such an initiative.

Michael Maguire
Director
18 May 2006

8. Written evidence from the Northern Ireland Tourist Industry Confederation

Background

The Northern Ireland Tourist Industry Confederation (NITIC) is a membership organisation which was established to represent the views of the industry. The broad range of views represented by NITIC include ports, airports, accommodation, pubs, carriers, tourism training, tour operators etc.

NITIC welcomes the Northern Ireland Affairs Committee inquiry into Tourism in Northern Ireland and its economic impact and benefits.

We understand the Committee will examine:

“The nature of tourism in Northern Ireland, its impact and importance for the overall economy, and the effectiveness of measures taken by Government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination”.

Contribution to Economy

Tourism is a growing part of the NI economy. In 2004, tourism revenue in NI increased by 9% in comparison with an overall growth of 3% in Europe. In the 10 years since 1994 total visitor numbers have grown by 60% with revenue increasing by 80%.

In 2005, out-of-state visitors contributed £354 million to the NI economy, which is expected to increase to over £400 million in 2006.

Exact numbers of those employed within tourism are difficult to access, however tourism-related employment within accommodation, bars, restaurants and catering accounts for over 40,000 employees in NI, making the sector one of the largest employers outside of the public sector.

Effectiveness of Measures Taken by Government and Other Agencies

There are a number of weaknesses in the tourism infrastructure which inhibit further growth:

Strategic Framework

NITIC supported the development of a strategic framework for tourism however we have been disappointed at the lack of action under the current framework. We believe that it would be more important to focus on outputs rather than processes. The strategic framework needs to set clear targets and show a distinct change in the tourism offering. The industry becomes frustrated when issues are identified time and again eg through Visitor Attitude Surveys, and the 2004 Industry Stakeholder Survey and yet no change is seen to be made.
Simplification of Structures

The industry feel the current structures are unnecessarily complex and over bureaucratic causing confusion and duplication. There are a large number of public sector organisations involved and the distinct role of individual organisations is not clear. Currently seven Departments’ activities have an impact on tourism along with NITB, Tourism Ireland, Invest NI, District Councils, Regional Tourism Organisations and the NI Events Company. This is extremely confusing for the industry. There needs to be more joined up thinking as many issues cross departmental boundaries.

Lack of Transparency

The current lack of transparency of financial information within Government Departments and relevant agencies has led to the perception within industry that funding is not being adequately directed.

The industry have a vital role to play based on their expertise and NITIC have recently established a working group on the Draft Priorities and Budget to ensure its contribution is both well informed and meaningful. In order for this approach to be successful, a greater degree of transparency of relevant information will be required.

Marketing NI

The industry is unclear about the different roles of NITB and TIL in relation to marketing Northern Ireland and how to input to the decisions before they are made. NITIC feel that it is essential to focus the majority of marketing activity on the best prospect markets ie GB, NI and RoI. (NI accounts for only a 17% share of all visitors to the island of Ireland).

There is also a perception across the industry that there is a lot of duplication and too much emphasis on glossy brochures.

NITIC have recently formed a working group on Marketing which will input industry views to NITB and Tourism Ireland.

Lack of Relevant Statistical Data

There is a need for improved quality of information to allow the industry to respond to the needs of tourists. Much of the current data is not received quickly enough and does not adequately recognise the overall contribution of tourism.

Failure to recognise Belfast as the gateway for NI Tourism

The city of Belfast is the gateway for NI tourism, generating almost 50% of the tourism contribution to the economy. During the years from 1999 onwards, a cumulative total of almost 26 million visitors came to Belfast spending a total of £1.4 billion, yet the destination management organisation responsible for the marketing and visitor servicing of Belfast has had a significant reduction to their marketing budget.

Signature Projects

Five signature projects have been identified to improve the tourism offering and the industry believe that financial investment in these is essential.

Quality of Tourism

Despite the recent positive increases the global environment for tourism is highly competitive with Eastern European destinations posing competitive pressure and trends towards the Far East and Middle East. Low cost carriers are also promoting outbound destinations from Northern Ireland and domestic trips actually fell by 12% in 2004.

In this environment it is essential to develop and promote a quality product. NITIC has recently completed a pilot research project in relation to quality in tourism. The industry are committed to improving quality under the following headings:

— Improved Facilities for customers.
— Improved Services to customers.
— Improved marketing/communications for customers.
— Improved training to deal with customers.

The project however has identified a number of barriers to improving the quality of tourism. These include:

1. Industry concerns are often ignored in policy development.
2. Failure to recognise tourism’s contribution to the economy by inadequate funding.
3. Tourism is fragmented—lack of joined up thinking across agencies.
4. Industry concerns about NITB’s ability to deliver as the strategic leader for tourism.
5. Inadequate marketing of NI to target markets.
6. Availability of accurate timely statistics.
7. Careers in tourism not promoted or valued and what impact the proposed abolition of the Tourism Training Trust will have on this.
8. Absence of quality standards (accommodation, attractions etc).
9. Availability of services/opening hours.
10. Lack of resources to invest in signature projects.
11. Lack of financial support for training at source (on-the-job).

These issues must be addressed with a high degree of urgency if NI is continue to grow as a tourism destination.

19 May 2006

9. Written evidence from the Port of Belfast

1. Background

1.1 The Port of Belfast is a Trust Port sponsored by Northern Ireland’s Department for Regional Development.

As a Trust Port, the organisation is managed independently of Government by its Board and management team in the best interests of the Port and the wider Northern Ireland economy.

1.2 The Port of Belfast is Northern Ireland’s primary maritime gateway, handling two thirds of the region’s seaborne trade and 20% of the entire Island’s.

Last year the Port handled 17m tonnes of cargo and 1.2m passengers, making it the largest ferry port on the Island. It is also Northern Ireland’s leading logistics and distribution centre.

1.3 In addition to being a key gateway to Northern Ireland for ferry-based tourists, the Port of Belfast, in conjunction with Belfast Visitor & Convention Bureau has been very successful in establishing Belfast as a popular destination port on for the northern European cruise market.

Last year the Port welcomed its 100,000th Cruise Visitor and a further 30,000 are expected during the 2006 season.

1.4 The Port of Belfast is also co-promoting Titanic Quarter with Titanic Quarter Ltd. The 185-acre site on former shipbuilding land on Queen’s Island includes the area where RMS Titanic was built and is one of Europe’s largest mixed-use waterfront developments.

The scheme includes a proposal for an iconic Tourism project to celebrate Belfast’s internationally acclaimed maritime heritage with particular emphasis on RMS Titanic—one of the world’s most recognised and evocative brands.

2. Ferry Passengers

2.1 With 1.2 million passengers and over 300,000 passenger cars handled last year, the Port of Belfast is a key gateway for tourists entering Northern Ireland.

At present fast ferry and conventional passenger services operate between Belfast and Stranraer, Birkenhead and the Isle of Man, operated respectively by Stena Line, Norfolk Line (formerly Norse Merchant) and the Isle of Man Steam Packet Company.

Sailing times to Stranraer, the busiest passenger route, are less than 2 hours.

2.2 Ferry passengers are a valuable source of income for the Northern Ireland tourist industry. By way of comparison, industry sources in the Republic of Ireland estimate that passengers who bring their cars spend c.50% more than those who travel by air.

Ferry passengers with cars also ensure that tourist spend is not confined to the Greater Belfast area as these visitors have the mobility to visit and stay in locations throughout the Province.

2.3 Despite the value of this sector of the tourist trade, there has been notable decline in the numbers of ferry passengers on all Irish Sea routes, driven primarily by competition from low cost airlines which have significantly increased the number of routes serving Northern Ireland in recent years.
3. **Cruise Ship Visitors**

3.1 In 1996 the Port of Belfast secured its first modern cruise ship visit.

3.2 In 1999 the Port established a joint initiative with the Belfast Visitor and Convention Bureau (BVCB) known as Cruise Belfast with the objective of marketing Belfast as a key destination in the northern European cruise market.

3.3 The initiative has been a tremendous success, helping secure a thirty-fold increase in cruise visits to Belfast. In 2005 Belfast welcomed its 100,000th cruise ship visitor and during 2006 a further 30,000 visitors from 23 vessels are expected.

3.4 Cruise ship visitors make a significant contribution to the Northern Ireland economy. By the end of the 2006 cruise season it is anticipated that, since 1995, cruise ship visitors will have injected *circa* £39 million into the local economy.

3.5 Belfast attracts some of the world’s best known cruise operators, e.g., Princess Cruises, Crystal Cruises, Fred Olsen Cruise Lines and Celebrity Cruises. Princess Cruises visitors have rated Belfast as one of their top destinations and Belfast attracts more people on shore excursions than any other Princess Cruises destination in Europe.

3.6 Popular shore excursions include Belfast City tours, the Giants Causeway and Mount Stewart, County Down.

3.7 The Port of Belfast believes that there is further scope to build upon Belfast’s recent success as a cruise destination (Dublin receives c. 70 cruise visits per season) but is concerned that recently announced reductions in Government funding for BVCB will undermine the Cruise Belfast initiative.

4. **Titanic Quarter**

4.1 The Northern Ireland Tourist Board’s Strategic Framework for Action includes five signature programmes, including the Titanic Signature Project (Maritime Belfast) to be based within the Titanic Quarter area (a brown field site centred on lands formerly used by Harland & Wolff).

4.2 Titanic Quarter is a 185-acre, £1.5 billion, 15—20 year mixed-use project to regenerate one of Europe’s largest urban waterfront sites. The site is being co-promoted by the Port of Belfast and Titanic Quarter Ltd.

4.3 Given the universal brand awareness of the Titanic, the Titanic Signature Project has enormous potential to act as a catalyst for wider economic and social regeneration, change international perceptions about Northern Ireland and encourage visitors to the region.

   The Titanic Signature project also benefits from cross-community support and will help rejuvenate inner East Belfast which contains four of Northern Ireland’s most deprived wards.

4.4 At present Belfast lacks a “unique selling point”. The Titanic Signature project, however, would clearly differentiate Belfast in an increasingly crowded tourist market and tap into the City’s impressive maritime heritage.

4.5 Ideally the project will be completed in time for 2012, the centenary of the loss of the Titanic and also the year of the London Olympics. The Port of Belfast encourages Government and its agencies to continue their support of this landmark project.

5. **Conclusion**

5.1 The Port of Belfast is a major gateway for tourists visiting Northern Ireland, primarily for ferry passengers, but increasingly cruise visitors as well. The Titanic Signature Project also has the potential to be one of Northern Ireland’s primary visitor attractions and a catalyst for economic and social regeneration.

5.2 Over the next five years the Port of Belfast is implementing a £140 million Capital Investment programme in Port facilities and infrastructure.

5.3 This investment (none of which will be sourced from public funds) will ensure that the Port of Belfast remains Northern Ireland’s primary maritime gateway and a key entry point for tourists.

5.4 The Port of Belfast encourages the Inquiry to take cognisance of the major contribution which the Port of Belfast, Cruise Belfast and the Irish Sea ferry operators make to the Northern Ireland tourist industry.

*Jonathan King*
Communications Manager

*18 May 2006*
10. Written evidence from Tourism Ireland

1. INTRODUCTION

Tourism Ireland is responsible for marketing the island of Ireland overseas as a tourist destination of choice and was established as one of “six areas of co-operation” under the framework of the Belfast Agreement in 1998. The company was incorporated in December 2000 and the overseas marketing functions of the Northern Ireland Tourist Board (NITB) and the Irish Tourist Board (Bord Fáilte—now the National Tourism Development Authority, Fáilte Ireland) were transferred on 1 January 2002.

The Company reports to the North South Ministerial Council and has a Board of 12 Directors. The Company has 152 staff covering 24 main markets and a budget in 2006 of £43 million.

Tourism Ireland plays a leading role in growing overseas tourism business to the island by:

— Undertaking strategic destination-marketing programmes on a worldwide basis to stimulate demand in visiting the island of Ireland,

— facilitating and supporting business linkages between tourism industry suppliers on the island of Ireland and tour operators, carriers etc. in overseas markets to improve distribution of the tourism product to potential consumers, and

— acting as an advocate for overseas consumers and trade to influence the quality of the tourism experience on the island of Ireland.

In addition, Tourism Ireland undertakes regional/product marketing and promotional activities on behalf of the Northern Ireland Tourist Board and Fáilte Ireland through its overseas markets offices. The organisation has the twin goals of:

— promoting increased tourism to the island of Ireland and,

— supporting the tourism industry in Northern Ireland to reach its potential. In its work Tourism Ireland works closely with DETI and the NITB as well as with their counterparts in the South.

2. WORLD TRENDS AND TOURISM TO NORTHERN IRELAND

The World Tourism Organisation is forecasting growth in European tourism of 2% to 3% this year. To achieve the overall growth target of 5.2% for the island of Ireland and 7% for Northern Ireland which has been set for Tourism Ireland this year, significant market share must be won from competitors in Western Europe and beyond.

Global trends in tourism are affecting tourism to Northern Ireland and will continue to do so in the future; eg

— Events such as the London bombings have impacted on consumers’ willingness to travel to different destinations in recent years.

— New technologies have heralded a significant change in the way consumers research and book their holidays.

— Competition has never been as keen with new low cost air services helping to open up new destinations, for example, Eastern Europe.

— Length of stay on holidays is shortening worldwide. In Northern Ireland length of stay has decreased from 5.9 to 4.5 nights since 1999.

3. 2005 ISLAND OF IRELAND TOURISM PERFORMANCE(*)

In 2005, 8.1 million visitors came to the island of Ireland, an increase of 394,000 or +5%. Overseas tourism revenue was £2.7 billion, an increase of 7.2%.

Mainland Europe returned the strongest performance with 1.92 million visitors (+16.6%). Great Britain, the largest single market by far to the island of Ireland, showed a return to modest but encouraging growth of +3% (4.9 million visitors). North America showed a decline of 3% following strong growth in 2004 and continuing recovery from the events of September 2001. This market, together with the long-haul markets, are the subject of reviews in 2006.

* Please note the above figures for 2005 performance are estimates as final figures are not yet available.
4. Northern Ireland Tourism Performance 2005

Tourism is a vital part of the Northern Ireland economy. In 2005, tourism revenue rose by 13% to £354 million, generated almost 9.6 million bednights (+13%) and supported over 30,000 jobs. £327 million of this revenue came from overseas markets.

In 2005, tourism to Northern Ireland showed strong growth in bednights and revenue showing that visitors are staying longer and spending more than in previous years. Tourism from Mainland Europe grew by 32% and from North America by 20%. Visitor numbers from Great Britain to Northern Ireland experienced a decline of 7% which can be attributed to a number of factors including the loss of the SeaCat service and increasing competition from destinations like Eastern Europe with the growth in low cost air services outbound from Great Britain.

Table 1

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Table 2

<table>
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<td>2004</td>
<td>289</td>
</tr>
<tr>
<td>2005</td>
<td>327</td>
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5. Access by Air and Sea to Northern Ireland

Tourism Ireland has always recognised that development of direct, convenient and competitive access services to the island of Ireland is critical for achievement of tourism growth and targets.

Access to Northern Ireland has increased dramatically over the last four years which has contributed to the growth in visitor numbers. Tourism Ireland has worked closely with Air Route Development Northern
Ireland and the Northern Ireland Tourist Board to exploit the marketing opportunities arising from the creation of new routes. As part of this process, Tourism Ireland engages in cooperative marketing campaigns with air and sea carriers.

In 2005, for example, Tourism Ireland invested over £500,000 in cooperative marketing with airlines providing services into Belfast International and City of Derry Airports.

Between 2003 and 2006 there has been a 29% increase in the number of direct seats available from Great Britain and 800% increase in direct seats from Europe. 2005 also saw the opening of the first direct Trans Atlantic scheduled service from the USA.

6. TARGET AUDIENCES FOR NORTHERN IRELAND

Extensive research has helped Tourism Ireland identify the best prospects for growing overseas business to Northern Ireland. These are a segment known as “Sightseers and Culture Seekers”. Their main motivation for a holiday is to explore the sights and culture of the destination they visit. It is estimated that there is a pool of 44 million people with a strong interest in Sightseeing and Culture in the top four markets for travel to Northern Ireland (GB, North America, France, Germany).

7. 2006 MARKETING PLAN AND STRATEGIC PRIORITIES

Tourism Ireland’s Marketing Plan and Strategic Priorities for 2006 sets out an action plan for growing overseas tourism to the island of Ireland on a market-by-market basis this year. It pinpoints activities to achieve ambitious targets of £2.9 billion overseas revenue driven by a projected 8.5 million overseas visitors to the island of Ireland in 2006.

The Plan will focus on five strategically important areas to receive particular attention in 2006. These are:

— Launching and rolling out a new Marketing Communications Strategy.
— Launching and rolling out a new consumer website www.discoverireland.com
— Continuing to deliver tourism growth for Northern Ireland.
— Growing tourism to all Regions in the Republic of Ireland.
— Working to ensure the sustainability of current access while supporting new opportunities of strategic importance.

8. MARKETING NORTHERN IRELAND OVERSEAS

Tourism Ireland markets Northern Ireland overseas in a number of key ways:

(i) Northern Ireland is presented prominently as part of an all-island offering in 24 markets across the world.
(ii) Tourism Ireland also undertakes additional, targeted marketing activity specifically for Northern Ireland to key markets and segments overseas eg Ulster/Scots (Scots-Irish) in the US.

Northern Ireland features prominently in Tourism Ireland’s new £38 million three-year advertising campaign on the theme of Your Very Own Ireland. This campaign will have an estimated audience of 200 million people in key markets around the globe. Northern Ireland locations featuring in the campaign include the Giant’s Causeway, the Carrick-a-Rede rope bridge and The Cross Keys Inn, in Co Antrim, Belfast, and also Mount Stewart House and Gardens in Co. Down.

Additional Northern Ireland content will be added to the campaign for phase two in 2007.

Specific activity undertaken by Tourism Ireland for Northern Ireland includes:

— Direct marketing campaigns on and off-line in Scotland and the North of England, the United States and Canada.
— Billboard promotions in France and Italy.
— Northern Ireland promotions in Germany.
— TV advertising in Great Britain in January, March, May, June, July and August.
— Advertising in 600 cinemas in the UK (including 57 Scottish cinemas) showing Northern Ireland advertisements during the run of “The Lion, the Witch and the Wardrobe” film which a guaranteed audience delivery of over 6 million admissions.
— National (Great Britain) print advertisements in key editions of newspapers—reaching the target audience of two million of Sightseers and Culture Seekers plus additional five insertions in Scotland on Sunday.
9. Visitor Satisfaction

Northern Ireland continues to score highly among overseas visitors.

In 2005, the NITB’s Visitors Satisfaction Survey confirmed that over 90% of holidaymakers were satisfied or very satisfied with their visit to Northern Ireland and 84% were very likely to recommend Northern Ireland as holiday destination to friends.

The inhibitions visitors had in travelling to Northern Ireland because of safety and security concerns continue to dissolve. Holidaymakers from all of Tourism Ireland’s key markets are scoring Northern Ireland more positively on safety and security than they did two years ago.

10. Local Challenges and Opportunities

Tourism Ireland works closely with its colleagues in the Northern Ireland Tourist Board to develop strategies to address the challenges facing tourism to Northern Ireland and to ensure that new and exciting opportunities are created and maximized. These include:

Regional distribution

The trend towards short breaks means that tourists tend to stay in or around the main points of entry as they have little time to travel more widely. The challenge is to develop infrastructure and motivations to push/pull tourists into other areas of Northern Ireland.

Product development

The five Signature Projects developed by the NITB which aim to deliver world-class excellence and stand-out for Northern Ireland are welcome and continue to make significant progress. Tourism Ireland communicates feedback from the international marketplace to inform product development.

11. Conclusion

Overseas tourism to Northern Ireland in the period 2002 to 2005 has grown at a faster rate than tourism to the island of Ireland or, indeed, than tourism to Western Europe. While many local and global challenges remain to be addressed, Tourism Ireland is confident that upcoming tourism developments in Northern Ireland such as the Signature Projects, will further stimulate consumer interest and, given innovative global marketing, will continue to assist Northern Ireland in realizing its tourism potential.

Peter O’Toole
Chief Executive
19 May 2006

10a. Supplementary Written evidence from Tourism Ireland

This Memorandum is intended to supplement the information contained in the document submitted by Tourism Ireland to the NIAC on 19 May 2006.

Positive Impact of Tourism on Northern Ireland

Tourism Ireland firmly believes that tourism has made a significant contribution to the Northern Ireland economy, particularly over the past five years. Many benefits are evident in terms of sustainable employment, improved facilities and increased access. It has also supported the type of benefits, to locals and visitors alike, afforded by new hotels, restaurants and other facilities coming on-stream.

Since 2001, the tourism industry in Northern Ireland has earned an estimated £1.46 billion in overseas revenue. Given that Northern Ireland has invested £60.3 million in Tourism Ireland’s overseas tourism marketing and its operations in the same period, this represents an excellent return on investment.

The strong revenue was driven by the increase in the numbers of overseas visitors to Northern Ireland. In fact, based on current forecasts, 2006 will have represented a record year with 1.73 million visitors. Northern
Ireland, with its compound average growth rate of 4.7% in visitor numbers since 2001 has punched above its weight and outperformed the European average of 3% over the same period. Particularly pleasing is the average growth in holidaymakers at 7.5% per annum since 2001.

The industry can also be pleased with the strong growth in business from Mainland Europe and North America in 2006. Based on 8 month figures, the Great Britain market may appear to have softened last year. Reports from Northern Ireland industry itself suggest a better performance. Given the scale of the market the more modest growth from GB is understandable. Going forward, Tourism Ireland believes that the Northern Ireland industry should certainly continue to view this vital market as one which can deliver growth. But it is also a market on which it must reduce its dependency. GB currently represents approximately 72% of overseas visitors.

The relative success of Northern Ireland tourism to date can be attributed to a variety of factors including the emergence of a more confident and entrepreneurial industry, the benefits of the peace process, new air route development and increased private sector investment as well as the development and delivery of coherent, well-focused marketing campaigns. However the overall positive performance must be put into context and the low base from which the industry seeks to grow must be acknowledged.

Northern Ireland has been successful in terms of where the industry, the administration and the agencies are coming from but it is nowhere near where it might be. All the players now need to consider prospects for Northern Ireland tourism for the future. As we move forward, competitive pressures will be brought to bear which will make the going tougher and the goal of securing premium growth more challenging.

**Significant Potential for Growth**

Bearing this in mind, Tourism Ireland’s view is that tourism, if effectively managed and nurtured, has significant potential to deliver more to the people and economy of Northern Ireland in the years to come. Tourism Ireland’s ambition is to help Northern Ireland tourism continually grow faster than World and European averages.

Based on international tourism forecasts and future market trends, we believe that Northern Ireland has the potential to achieve revenue growth of 7.5% per annum and a 4.5% growth per annum in visitor numbers for the period 2007–13—above both World and European growth rates.

If, however, there were to be limits on the development of the tourism product, access capacity, investment in promotion, or infrastructure development, then the revenue growth achievable by Northern Ireland is more likely to mirror the predicted revenue growth of other European destinations at a more modest 4.8% per annum.

The pressing need for private and public investment in Northern Ireland tourism aside, there is also the question of competition. With new destinations on offer to the consumer, the industry needs to deliver new and innovative products, ensure that Northern Ireland is competitively priced and that a warm welcome is maintained in order to achieve standout in what is an extremely crowded marketplace.

**Role of Tourism Ireland**

For its part, Tourism Ireland, in the context of the island of Ireland and in partnership with the Northern Ireland Tourist Board, regional tourism partnerships and all the industry sectors in Northern Ireland will continue to ensure that the visitor potential of Northern Ireland is promoted vigorously in all of the core overseas markets.

In terms of support for Northern Ireland industry to realise its potential, Tourism Ireland creates and manages hundreds of trade platforms, in over thirty countries, ranging from co-operative advertising, trade and consumer promotions, workshops, trade missions, trade training in-market and familiarisation trips to Northern Ireland. These platforms have been designed to help Northern Ireland tourism businesses develop and grow. Tourism Ireland would welcome greater participation from tourism enterprises in Northern Ireland in the future.

**Conclusion**

It is the view of Tourism Ireland, that a concerted programme of private/public investment together with the support and commitment of Government and its agencies, represents the best way forward for the tourism industry. The prize is the opportunity to grow overseas earnings from £340 million in 2006 to almost £600 million by 2013. Tourism Ireland is convinced, that if the right things are done now by all the players in the tourism industry, there will undoubtedly be a solid foundation on which to build a most successful future. In conclusion, Tourism Ireland is fully committed to playing its part in achieving the best possible future for Northern Ireland tourism.

7 February 2007
10b Supplementary Written evidence from Tourism Ireland

POSITION PAPER ON ISSUES RELATING TO INTRA REGIONAL/CROSS BORDER CAR HIRE

Background

The car hire market is integral to the development of the islands tourism industry and is critical to ensuring the regional spread of overseas visitors. The purpose of this paper is to assess any issues/problems to be considered when hiring a car from one location and dropping it off in another location. In order to make this determination a mystery shopping study was conducted amongst Ireland’s largest car rental companies. Details of the methodology are provided at the end of this paper.

Key Findings

There is a premium surcharge applied to collecting a car in Dublin and dropping it off in Belfast then to any other regional drop-off point. This premium is a result of the revenue regulations relating to the vehicle registration system which dictate that a car hired in the South can not be re-hired in the North or vice-versa, consequently the company has to absorb the cost of transporting the vehicle back to its registered location before it can be re-hired.

Intra Regional

There is little or no surcharge (average €9) applied in collecting a car in Dublin and returning to another international airport (Cork or Shannon). There is a slightly higher surcharge (average €26: range €0-80) between Dublin and one of the smaller regional airports (Kerry or Galway).

Budget and Alamo do not charge any surcharge to any intra regional pick-up or drop-off points.

There is an even higher surcharge (average €52: range €0-120) between Dublin and Knock. Avis only add a surcharge on to Knock pick-ups/drop-offs and Hertz only onto Knock and Kerry. Dan Dooley and Europcar however have varied prices on different locations with the smaller regions accounting for a higher surcharge. A number of companies have locations that are not at the airport and in general the surcharge that applied to the nearest airport applies to that location (ie Killarney town centre is the same cost as Kerry Airport). Full details of all surcharges are highlighted overleaf.

Cross border

A cross border drop-off (Dublin to Belfast) is levied with a much higher surcharge (average €110: range €0-200) than a drop-off to another region. There is an even higher surcharge (€138 average) to hire in Belfast and to drop-off in Dublin.

Cross border travel is also disadvantaged as only certain websites offered the opportunity to hire a car and drop-off/pick-up in Dublin and Belfast on the same website as some websites are country specific ie drop-off/pick-up only within the Republic of Ireland or only within the United Kingdom. While the companies do provide this option it is necessary to book by telephone which is a more expensive option than web booking.

Other issues

In general any other issues with car hire such as age restrictions and insurance costs are individual company specific issues and not cross border or intra regional issues. Most companies have age limits ranging from 21/25 through to 70/74. Some companies have a young driver charge.

Methodology

Online searches and telephone searches (in some cases) were used to determine the relative costs of hiring a car in one location and dropping it off in another. The companies surveyed were selected from the Car Rental Council of Ireland’s registered list and the selection was based on fleet size and number of locations.

The six largest companies which were surveyed included:

- Avis, Hertz, Europcar/Murrays, Budget, Dan Dooley, Alamo/National car rental.

The searches were web based searches (except when it was necessary to call for different reasons) based on one weeks car rental from 10–17 of November in a mid range car for an over 25 year old.
11. Written evidence from the Federation of Small Business

The Federation of Small Business (FSB) is the largest group representing the interests of the self-employed and those who direct business in N.Ireland. The FSB has 195,000 members nationally of which 5,600 are based in Northern Ireland. The FSB is run by business people for business people and is funded by member subscriptions.

INTRODUCTION

The FSB welcomes the opportunity to contribute to the Northern Ireland Select Committee, Tourism Inquiry. The FSB believe that Tourism has the potential to contribute to the economic regeneration of Northern Ireland. If the Northern Ireland economy is to lesson its dependency on the public sector we believe the Tourism sector has the potential for creating the opportunity for more people to move into private sector employment in line with UK levels.

Tourism is the world’s largest and fastest growing industry. However, in Northern Ireland the visitor numbers and trends are disappointing in comparison to GB and the RoI. The FSB believes it is the time to build a cohesive strategy to ensure the potential for growth in this sector is realised.

We recommend the following three key areas as a focus.

1. Consider the marketing of Northern Ireland as a tourist destination in the improved political climate and assess the potential for tourism partnerships.
   - The Island of Ireland needs to be marketed as a whole. However the NITB should be ensuring that the Northern Ireland brand is being recognised within an all Ireland strategy by working in partnership with Failte Ireland.
   - Developing a holistic, marketing-led strategy for tourism cannot be the responsibility of a single agency or department. The FSB believe that the tourism industry has the capability to be the single most effective short-term, contributor to employment growth, especially in the rural areas.
   - Any marketing strategy has to recognise the majority of businesses in the industry are micro and small businesses with differing approaches and requirements from those applicable to large-scale business. The NITB tends to represent the view of large tourist operators. It is vital that the voice of the micro and small business is appropriately represented.
   - Government manages an element of tourism in nearly every Ministerial department, resulting in a fragmented approach. The FSB suggest that due to the importance of tourism to the Northern Ireland economy that a future Assembly appoint a Junior Minister solely responsible for Tourism. Part of their responsibility is to ensure a realistic partnership and the local tourism industry.

Tourism has the potential to be the second largest industry in N.Ireland according to “Strategy 2010”.

2. Identify the potential for product development and product integration appropriate to Northern Ireland’s tourist market segments.
   - The FSB believe that N.Ireland has a wide range of activities and cultural resources, however many of its assets are taken for granted—such as family and historical activity. Leisure visitors increasingly demand packaged products for ease of choice and booking. The research and development of assets and the combination of services to form marketable packages must be an industry priority.
   - Co-operate working with the range of businesses, which provide for differing market sectors must be encouraged.
   - The FSB believes that the industry lacks an appropriate level of statistically valid base material with which to analyse the nature and trends within the trade. This will also be important in identifying niche markets. We urge the government to implement the collection and interpretation of useful data.
   - Another big issue for tourism is pricing, insurance and rising labour costs have made it difficult for businesses in Northern Ireland to compete with the rest of GB and the RoI.

3. Consider the economic potential for the Tourism Industry in Northern Ireland as a region coming out of a state of conflict.
   - The FSB are confident of growth and investment, assuming political and security stability continues. This confidence is witnessed by increased investment into the hospitality sector, particularly accommodation, which would have been unthinkable a decade ago.
   - After political stability one of the most important issues which has disadvantaged Northern Ireland as a tourist destination is the poor road and public transport infrastructure.
   - Escalating fuel costs, lack of public transport make it expensive for the tourist. Rural and remote areas are especially vulnerable and fuel costs must be addressed urgently so that we can compete with the RoI. The Federation would like to see that specific consideration is given to the impact of tourism when transport measures are being assessed.
— The FSB suggests that it is now time to put in place programmes to assist the rural community into diversifying particularly into the tourist sectors. Projects must be sustainable and greater energy should be injected into the natural resources ie. Fishing, golfing.
— The public sector should lead the way in supporting the private sector in approved specialist training programmes. Employer Tax incentives for training would improve uptake and commitment.
— Small businesses have different requirements to those of large companies and an understanding of appropriate training must be a priority.
— The FSB is of the opinion that the perception of tourism related industries as lacking career structures and attractiveness impedes the development of a well-trained and committed staff.
— Finally, businesses need support to adopt dual currency approach—to compete with the larger stores. Also, small gestures such as menus in different languages would accommodate tourist needs.

Glyn Roberts
19 May 2005

12. Written evidence from Northern Ireland Hotels Federation

OVERVIEW OF WORLD TOURISM

According the world tourism organisation (UNWTO) “At the start of the new millennium, tourism is firmly established as the number one industry in many countries and the fastest-growing economic sector in terms of foreign exchange earnings and job creation.

Trade figures have shown that international tourism is the world’s largest export earner and an important factor in the balance of payments of most nations. Northern Ireland Tourist Board has shown that tourism spend brings £354 million to the local economy and employment surveys show between 42,000 and 50,000 full time equivalent positions in the sector.

Tourism has become one of the world’s most important sources of employment. In Northern Ireland we find ourselves in a similar situation to many high cost western European countries with an unrealistically high manufacturing structure. Our traditional industries have been eroded, some to the point to total extinction. Tourism activity has increased in the last 10 years. Taking the example of hotels we have double the number of hotels rooms we had in 1995 (3000) versus the 2005 figures of just under 6,000.

Tourism stimulates enormous investment in infrastructure, most of which also helps to improve the living conditions of local people. It provides governments with substantial tax revenues. Many new tourism jobs and business are created in non-urban areas, helping to equalize economic opportunities and keep rural residents from moving to overcrowded cities.

Intercultural awareness and personal friendships fostered through tourism are a powerful force for improving international understanding and contributing to peace among all the nations of the world.

The UNWTO recognizes that tourism can have a negative cultural, environmental and social impact if it is not responsibly planned, managed and monitored. The UNWTO thus encourages governments to play a vital role in tourism, in partnership with the private sector, local authorities and non-governmental organizations.

NATURE OF TOURISM IN NORTHERN IRELAND

The nature of tourism in the province is a relatively immature product on the cusp of great things. Northern Ireland has bucked the trend of Western Europe over the last three years with double digit visitor growth. The hotel sector has responded by investing in new properties and improving existing premises.

The NIHF feels that tourism is the unsung hero in terms of its economic benefit to the province. In addition to tourism spending of some £354 million in 2005, there are ancillary benefits which are not currently measured for their economic impact. This include retail uplift, transport and the word of mouth marketing that visitors engage in after their visits.

The province has seen a good increase in tourism figures over the last number of years and with careful planning we can consolidate this growth. There has been a significant increase in hotel stock particular in the urban conurbation of Belfast where hotel rooms have doubled form a figure of 1,500 in 1995 to 3,000 in 2005. However it must be noted that there are fractionally fewer hotels in the province using this 10 year comparison. Smaller properties have been replaced by more substantial developments and we have seen a number of international chains move into the province.
Tourism has helped the normalisation process giving rise to a new curiosity about the region. Northern Ireland features less and less in world news due to the troubles and this has made it virgin territory for those who previously saw it as an unsafe war zone.

**TOURISM—its IMPACT and IMPORTANCE FOR the OVERALL ECONOMY**

The NIHF feels that tourism has already had a major impact on the economy bringing in over £670 million in the last two years. Hotels that remained steadfast and sure throughout the troubles have gone on to occupy a vital place in the local economy. Aside from generating employment through tourism, hotel properties in rural areas have long been the centre of the local community. This role should not be underestimated and plays a vital role in underpinning the continuation of rural life.

The revenue generated from tourism has the capacity to continue to grow. Approximately 2% of our GDP comes from tourism whilst our nearest neighbour the Republic of Ireland generates 7% of its national income from the same source.

**EFFECTIVENESS OF GOVERNMENT and TOURISM AGENCIES**

Probably the most important initiative undertaken by government was the air access fund which gave the province increased air infrastructure and better access to Europe. The fund also resulted in the first direct air access from the United States of America. Other forms of transport and a more cohesive approach to public transport should be a government priority.

One of the greatest challenges facing the tourism industry is people. Appropriate training to international standards is imperative if we are to continue to grow. Hotels recognise the benefit of out of state workers and their huge contribution to the industry. However as a sector we need to attract indigenous staff and improve the image of the industry. There needs to be support for a world class standardised training programme offering entrants portable qualifications and a worthwhile place in society. In order to achieved this careful thought needs to be put into the structure of apprentice programmes in further education and the national curriculum at secondary level needs to recognise the value of craft training as well as academic excellence.

Government also needs to recognise and support events & attractions. Events can generate a huge interest in an area attracting a totally new customer base. Business tourism with conferences, seminars and incentive travel needs to be fully deployed. The spend of business delegates is significantly higher that the average leisure tourist at £142 per day for domestic delegates and £201 plus 15% for international participants. Suitable venues, excellent access and subvention are all necessary tools in the growth of this sector.

Tourism Ireland has an all-Ireland remit promoting the island internationally. Part of their responsibility is to promote the catch up of Northern Ireland in the tourism sector. This catch process needs to continue in order to ensure we reach our full tourism potential. Northern Ireland Tourist Board promotes the province domestically and in the ROI supported by a range of regional bodies. Support for these regional structures has been subject to great financial pressure due to the phasing out of European monies. Hoteliers do not want the province to become a tale of two cities, Belfast and Londonderry, but are keen to see the equitable spread of tourism throughout the province. This requires regional input and promotion of the variety of tourism experiences we have.

The introduction of tax breaks for redevelopment and an equitable VAT structure would greatly help with this process of increasing the level of tourism activity. We have one of the highest VAT rates in the EU—5% higher that the ROI who have a special rate for the hospitality sector. This matter has been explored in some depth but it would be advantageous if it could be addressed in a positive manner in the near future.

**CONCLUSION**

Government needs to look at its overall support for the sector. Our nearest neighbour the Republic of Ireland has just had an additional investment in regional marketing of €40 million. The industry would like to see a minister with direct responsibility for tourism and allied portfolios.

Initiatives in education and finance would greatly assist the sector along with a genuine commitment to infrastructure and promotion. The Northern Ireland Hotels Federation and its members are committed to the industry and would like to see a more cohesive partnership between government, tourism agencies and the private sector.

*John Stuart*

*19 May 2006*
13. Written evidence from the Arts Council of Northern Ireland

TOURISM IN NORTHERN IRELAND AND ITS ECONOMIC IMPACT AND BENEFITS

The Arts Council is pleased to respond to the invitation to provide evidence to the Northern Ireland Affairs Committee. This paper is structured under the following key headings which we believe are relevant to the particular areas the Committee wishes to look at:

— Tourism.
— Regeneration.
— Public Realm.
— Cultural Tourism.
— Economic Growth.
— International Profile.

TOURISM

Exciting things have been happening in Belfast since the ceasefires. Although there is still political uncertainty, the years of stability since 1994 have witnessed unprecedented growth and investment and a burgeoning of tourism. Many areas of the city and region are enjoying a resurgence in popularity and investment.

It is hoped that development projects such as Victoria Square and Royal Exchange in Belfast, as well as long term improvements in the public realm throughout the region are helping foster a greater pride throughout Northern Ireland amongst its citizens and curiosity and interest amongst visitors.

Tourism is now part of Belfast’s lifeblood. It has grown by 400% since 1994—albeit from a low base. And in 2005 the city attracted 6.4m visitors (Source: Belfast Visitor & Convention Bureau). Out-of-state visitors have increased by 10% to over 1.2 million, with overnight visitors rising from around one million in 2004 to over 1.17 million in 2005. The positive trend is excellent news for the tourism and hospitality industry in the city and also brings a significant financial boost as the estimated visitor spend rose by 9% in 2005 to £285 million, supporting an estimated 15,600 jobs. These figures are indicative of Belfast’s new found popularity as both a business and leisure destination.

Major regeneration and redevelopment is fundamental to this and is illustrated by the following examples:

— The ODYSSEY—the Landmark Millennium Project for Northern Ireland.
— The Waterfront Hall (1997) and its surrounding space (Lanyon Place reoriented the city to its river).
— Victoria Square retail centre is one of Europe’s largest urban regeneration projects and a milestone in the revitalisation of Belfast city centre.

The forthcoming Titanic Quarter Scheme—a mixed use development will harness the rich maritime and industrial heritage of the city. It will be the home of the proposed Titanic Signature Project—one of five flagship projects identified by the Northern Ireland Tourist Board to deliver international standout for Northern Ireland as a tourist destination.

REGENERATION

ACNI is contributing to the goal of regeneration of the city and the region through a number of initiatives including but not limited to:

Art of Regeneration Project

The Arts Council in partnership with DCAL has allocated £2.4 million to local authorities to help them target arts projects at areas in need of social and economic regeneration. The programme supports local authorities throughout Northern Ireland in the development and delivery of arts projects that will tackle issues of concern to local communities, such as good relations, the environment and anti-social behaviour.

The Arts Council believes that by putting the arts and artists at the heart of regeneration, solutions, driven by artistic imagination and vision may be found.

Another key project which is contributing towards the development of a “New Northern Ireland” is the Art in Contested Spaces Project.
Art in Contested Spaces

This programme is directing funding towards the development of community based arts projects, with a particular emphasis on the replacement of existing paramilitary murals with new and more positive imagery. The priority areas are housing estates, peace lines and interface areas, and offensive public spaces.

An extension of this programme, a new pilot programme called “Re-imaging Communities” was launched in April 2006 by the Minister. OFM/DFM pledged to match ACNI’s £250k per annum over a three year period, with the possibility of further resources later should the programme prove successful.

PUBLIC REALM

A quality public realm has a key role to play in making any destination more attractive to visitors. The Department for Social Development, in its recent Grimley Report, has confirmed the importance of the public realm in its own comprehensive strategy for the transformation of the city centre. It annunciates three high-level goals:

— Creating a vibrant city as a centre for learning, culture, retail, leisure and living;
— Improving accessibility to the City Centre;
— Enhancing public spaces

ACNI’s Architecture and Built Environment Policy seeks to enhance the visual image of the city. ACNI firmly believes that good buildings and public spaces enhance the quality of life for both citizens and visitors to Northern Ireland. Our Public Art Programme is a good example of this. It funds new artistic commissions in the public realm. Public art benefits the people of Northern Ireland by revitalizing the urban and rural landscapes in which they live, as well as providing significant professional and career opportunities for local artists working in a wide variety of media. How we shape our public spaces affects each and every one of us, and expectations in modern-day Northern Ireland are naturally high. Since additional resources became available to it with the advent of National Lottery funding in 1995, the Arts Council has increasingly supported the impetus for public art in the region, with to date over £2 million awarded to over 50 public art projects, one notable example being the Big Fish, Donegall Quay in Belfast. (The outer skin of the fish is a cladding of ceramic tiles decorated with texts and images relating to the History of Belfast.)

Within the exciting new development of St Anne’s Square ACNI recently pledged £4 million to a new build £9.2 million arts centre in the Cathedral Quarter. The Old Museum Arts Centre (OMAC) is to take up home in the new facility (comprising a 350-seat theatre, a 150-seat studio, as well as purpose-built exhibition and workshop space.)

Similarly, ACNI in 2005–06 allocated £5 million to improving facilities at the Grand Opera House, the Lyric Theatre and the Crescent Arts Centre.

CULTURAL TOURISM

ACNI has long recognised the importance of cultural tourism and in 1998, NITB, ACNI and partners published Northern Ireland’s first “Cultural Tourism Strategy”. This strategy acknowledged Northern Ireland’s international standing in literature, the visual arts and the traditional arts; the role of the heritage sector as the tourist’s primary point of cultural reference and the extent of visitor’s interest in Northern Ireland’s recent history.

ACNI is dedicated to expanding the reach of the arts and creating opportunities for the arts to interact fully with society, thus contributing to the development of a cultural capital. During the year 2003–04 ACNI made awards totaling £9,917,275 to artists and art organisations. This funding has been able to strengthen the infrastructure of the arts, for example through the Annual Support for Organisations Programme (ASOP), securing funding of £7.9 million for 129 major arts organisations delivering arts programmes on a year round basis and facilitating the directing of resources to voluntary, youth and health arts organisations resulting in 24 new organisations being brought onboard.

Since the inception of Lottery funding in 1995, the Arts Council has made more than 1,600 lottery awards, totaling £65 million and benefitting the arts right across Northern Ireland.

ECONOMIC GROWTH

ACNI’s investment in culture is helping to create a vibrant economy that is cohesive, inclusive, sustainable and just.

Investment in Culture:

— Creates a flexible, innovative and inventive workforce that is able to cope with accelerating rate of economic, technical and social change.
— Supports job creation in the creative industry sector.
— Supports culturally focused inward investment which attracts new visitors and other investment.
In 1993–94 the Arts sector in Northern Ireland was estimated to have a gross value of £150 million and to support 5,200 jobs (John Myerscough 1996). A 2002 Queen's University study on the value of the Creative Enterprise sector estimated:

- 2,500 creative enterprises spread across NI providing;
- 9,000 jobs (4% of the workforce) and generating;
- £900 million annual turnover (5% of the local economy).

Government priorities are focused on providing the basis for a strong economy with more enterprising and competitive companies engaged in high value-added innovative activities. Tourism has the capacity to become a key sector in the transformation of Northern Ireland and to contribute significantly to economic growth. ACNI is contributing positively towards this goal through many of its projects.

INTERNATIONAL PROFILE

ACNI is conscious of the growing international significance and impact of the arts and works with other partners to promote abroad the work of artists from Northern Ireland. It has a wealth of experience in dealing with international affairs and importantly, is well placed to create and utilise partnerships and associations with other government and non-government agencies, for example in conjunction with the British Council and Visiting Arts.

ACNI is initiating an International Strategy which recognises the reciprocal elements of international work, through “exportation and importation” of arts and artists. As part of that strategy, and under its Support for the Individual Artist Programme (SIAP), the Council’s International Schemes offer support to artists, and in some cases to arts organisations, in the exportation of their work and in the enhancement of their opportunities for international experiences. This all contributes positively towards the image of Northern Ireland as a place of culture and a destination to live and work and travel and visit.

Nick Livingston
19 May 2006

14. Written evidence from the National Caravan Council Limited

The National Caravan Council (NCC) represents the collective interests of the UK caravan, motorhome and park home industry. The industry has a turnover of £3 billion and employs nearly 100,000 people. It serves over one million caravanners and 250,000 park home residents. We have over 550 companies in membership, including over 90% of UK production of touring caravans, caravan holiday homes and park homes, and the leading parks, dealers, suppliers and service companies. The National Park Homes Council, a division of the NCC, is the representative body of the park home industry in the UK.

SUMMARY

1. The caravan industry is steadily growing, and makes a major contribution to tourism in the UK. In Northern Ireland it is undervalued, and is not assisted in fulfilling its considerable further potential. To help remedy this:

- Government should establish and maintain reliable statistics on the size and value of the caravan holiday sector in Northern Ireland.
- The Northern Ireland Tourist Board should actively market caravan holidays, include them in its inspection scheme for holiday accommodation and in its tourism awards, and operate a grading scheme.
- The Board should nominate a specific contact with responsibility for ensuring that the caravan holiday sector’s interests are considered and for communicating with it.
- The Northern Ireland Tourist Industry Confederation should be reformed so as to act on behalf of all tourism interests.
- Government should reinstate the working group to prepare a new planning policy statement for tourism in Northern Ireland at the earliest opportunity.
CONSIDERATION

2. The National Caravan Council welcomes the opportunity to submit evidence to the committee's inquiry into tourism, its economic impact and benefits, and the effectiveness of measures to market Northern Ireland as a tourist destination.

3. The caravan industry in the UK has been steadily growing in size, and accounts for £3 billion in sales and holiday spend. It makes a major contribution to tourism, and represents 11% of total holiday spending. Key statistics are in Annex A.

4. Although there are over 100 caravan holiday parks in Northern Ireland, the industry’s existing contribution to tourism is greatly undervalued and its potential to contribute even greater economic and other benefits is seriously neglected. Steps need to be taken to address this.

STATISTICS

5. There are no accurate and comprehensive figures on the size of the caravan holiday sector in Northern Ireland and its value to the economy. This deficiency is well illustrated by a recent Parliamentary Answer [22 March 2006, col 473W], which stated that a total of 123 people were employed on not only camping and caravan sites but also camping sites in 2003. Given the number of caravan holiday parks, this must be a serious underestimate. Without proper statistics it is no wonder that the industry’s importance is virtually unrecognised. Government should establish and maintain reliable statistics on the size and value of the caravan holiday sector in Northern Ireland.

NORTHERN IRELAND TOURIST BOARD

6. The Northern Ireland Tourist Board needs to promote and support caravan holidays as energetically as it promotes other forms of tourism. The Board does not market caravan holidays. Caravan parks are excluded from the statutory inspection scheme which covers other holiday accommodation in Northern Ireland. Its counterparts in England, Scotland and Wales run the British Holiday Parks Grading Scheme, which was originally devised by the industry with the support of all four national tourist boards to reflect the quality and consumer expectations of facilities and services on caravan holiday parks. However, in Northern Ireland the industry is left to run the grading scheme. In Great Britain the national tourism awards cover all types of holiday accommodation, but in Northern Ireland they exclude caravan holiday parks. The Northern Ireland Tourist Board should actively market caravan holidays, include them in its statutory inspection scheme for holiday accommodation and in its tourism awards, and operate a grading scheme for holiday parks.

7. Reflecting the lack of recognition of caravan holidays, and helping to perpetuate it, no one in the Board has specific responsibility for considering the sector’s needs and potential. There no defined contact point, and liaison between the Board and the industry is currently not good despite efforts by the National Caravan Council. The Board should nominate a specific contact with responsibility for ensuring that the caravan holiday sector’s interests are considered and for communicating with it.

Northern Ireland Tourist Industry Confederation

8. The National Caravan Council has not been able to develop any connection with the Northern Ireland Tourist Industry confederation because of its structure and fees, and consider that the Confederation does not in practice act as a single voice for all tourism interests. By contrast the National Caravan Council is actively involved with the Scottish Tourism Forum and Tourism Alliance, and with Visit Wales and the Wales Tourism Alliance which does effectively represent tourism across the board in both countries. In addition the National Caravan Council is also a founder member of active sector specific forums in Scotland and Wales.

The Confederation should be reformed so as to act on behalf of all tourism interests.

Planning Policy for Tourism

9. In 2004 the Planning Service in the Department of the Environment, Northern Ireland set up a working group of stakeholders involved with tourism to help prepare a new Planning Policy Statement (PPS 16—Planning and Tourism). As an active member of that group the National Caravan Council is particularly disappointed that since December 2004 all work in this area has been effectively shelved. We fully support the Planning Service’s objective in the draft PPS that planning policies should be “exercised positively in favour of tourism”, address key issues for tourism development, improve tourism provision, ensure new development is sustainable and take account of the importance tourism custom can bring to small businesses in rural communities.

Government should reinstate the working group to prepare a new planning policy statement for tourism in Northern Ireland at the earliest opportunity.
We would welcome the opportunity to address the Northern Ireland Affairs Committee further on the above points and to assist all relevant agencies engaged in the development of tourism in Northern Ireland.

Alicia Dunne
19 May 2006

Annex A

UK CARAVAN INDUSTRY STATISTICS
[Source: National Caravan Council, unless otherwise indicated].

— £3 billion of caravan retail sales and holiday spend.
— 90,000 employees in caravan industry, including part-time and seasonal staff.
— Caravan production has more than doubled over the last decade.
— £1.9 billion annual spend on caravan holidays.
— 11% of all UK holiday spend is on caravan holidays.
— Well over a million people take touring caravan holidays each year [the Caravan Club alone has 850,000 members].
— Nearly one in five (18.8%) of adults whose last holiday was in the UK took a caravan holiday [TGI/ Mintel, 2004].
— The UK has become the largest market in Europe for touring caravans [European Caravan Federation, 2003].
— There are:
  — 500,000 touring caravans;
  — 330,000 caravan holiday homes;
  — 120,000 motorhomes; and
  — Over 3,000 holiday caravan parks, including over 100 in Northern Ireland.

15. Written evidence from Northern Ireland Events Company

EVENTS AS A TOURIST FUNCTION
The Northern Ireland Events Company was established in 1997 with the strategic mission of promoting a positive image of Northern Ireland through the staging of events. Since the Company’s inception Northern Ireland has experienced development of infrastructure and significant economic investment, creating a number of positive outcomes, many of which impact directly on tourism and the promotion of Northern Ireland as a whole.

The Northern Ireland Events Company has reacted to these changes with the Company growing from a small organisation with limited experience to a renowned body managing three event schemes, bidding for, and winning, World Class events and directly promoting Northern Ireland’s tourist function through a dedicated events strategy. The established Events Growth Fund (EGF) is designed to fund and support grass roots events, aiding their development and bringing them to major status within three years. The Major Events Fund (MEF) is open to one-off events or those which surpass the financial threshold of the EGF scheme whilst the newly formed Community Festivals Fund (CFF) has been created to build capacity of festivals within Northern Ireland.

Each of these funds include criteria specific to the strategic mission of the Company and directly impact the promotion of Northern Ireland as a secure, attractive destination for domestic and international tourists. To adequately promote Northern Ireland as a tourist destination a number of provisions must be in place aside the Nation’s geographic attributes, including a perceived safe political climate as well as the traditional perception of Northern Ireland and its people. Events play a crucial role in the promotion of Northern Ireland, domestically as well as internationally and the Northern Ireland Events Company supports events that have the opportunity to deliver significant media coverage, promote social cohesion and develop economic investment in the nation. With these safeguards in place the challenge of developing tourism for Northern Ireland is dramatically improved.
EVENTS AND TOURISM

Through the events strategy put in place by the Events Company, tourism has been developed on a regional as well as national level. Domestic tourism performs an important role in increasing economic investment, improvement of infrastructure as well as supporting cultural diversity and EGF events play an important function in this respect. On an international level Major and World Class events offer massive opportunities to Northern Ireland and the Events Company works to its fullest to ensure the promotion of Northern Ireland on the world stage through events of this nature.

Each of Northern Ireland Events Company supported events plays a role in the promotion of Northern Ireland and provides social and economic benefits, projects positive images to international audiences, encouraging the promotion of Northern Ireland and the encouragement of visitors to Northern Ireland. Major events particularly play a key role in developing regional tourism and generating economic development. A large-scale event has the potential to showcase a destination bringing it alive to spectators and television viewers from around the world. From April 2003 to March 2006 the events that the Northern Ireland Events Company supported delivered £16,773,349 worth of media equivalent value whilst independent studies indicated a total economic benefit of £30,448,894.

NORTH WEST 200

The International North West 200 is recognised as Ireland’s largest outdoor sporting event attracting crowds of over 100,000 people. This world—class road racing event is located in one of Northern Ireland’s most scenic areas and is broadcast throughout the globe. Over 50% of the competitors travel from outside of Northern Ireland whilst 25 of the 160 participants are residents of mainland Europe, South America, New Zealand and Japan.

AMATEUR BOXING CHAMPIONSHIPS

The 2001 World Amateur Boxing Championships, held at the world class Odyssey Arena, delivered £1.4 million to Northern Ireland’s economy and brought competitors and visitors from around the world.

ULSTER GRAND PRIX

The first full-scale study for the Ulster Grand Prix highlighted that the 2004 event had contributed £1.9 million to the economy of Northern Ireland. With these types of events come the visitors from outside of Northern Ireland and this is further supported by the fact that 80% of those interviewed from outside Northern Ireland were there directly because of the Ulster Grand Prix. This has been further strengthened with the introduction of Bike Week from 2004 as it offered visitors the opportunity to see racing, practice and shows throughout the week. This led to visitors staying for over two nights on average and from the study it was clear that this new format was a success as 97% of visitors from outside Northern Ireland said that they would return again.

THE FUTURE

In recent years there has been increasing competition to host international events, however the Northern Ireland Events Company has reacted quickly in this regard, presently bidding for events up to 2013. A proactive approach to bringing major events to Northern Ireland has resulted in the company securing World Championship Motocross, World Cup Water Skiing, European level equestrianism as well as the British Seniors Golf Championship and new to Northern Ireland, the U19 Rugby World Cup in 2007. The Company is dedicated to the promotion of Northern Ireland as a premier destination for events, delivered through a clear events strategy accounting for grass roots level, major and international level as well as local cultural and community festivals. The role of events in tourism should not be underestimated and The Northern Ireland Events Company has recently returned from SportAccord in South Korea, the annual gathering of all the sporting federations and governing bodies from around the world, in a mission to develop Northern Ireland’s international activities and secure world—class events for Northern Ireland.

The Northern Ireland Events Company works closely with Tourism Ireland, the Northern Ireland Tourist Board and all the councils within Northern Ireland in working towards securing major events for Northern Ireland. Through this, Northern Ireland Events Company can offer a one-stop solution to international federations, making the hosting of events more straightforward.

Peter Thompson
Marketing Officer

22 May 2006
16. Written evidence from Belfast International Airport Limited

Belfast International Airport Ltd (BIAL), as the largest and most important civil and military airport and air transport facility in Northern Ireland, welcomes the Committee’s invitation for BIAL to make a submission regarding Tourism in Northern Ireland, its Economic Impact and Benefits and commends the Committee’s initiative on this vital subject for the region.

NORTHERN IRELAND TOURISM

Tourism is a Growing Industry

In 2005, Northern Ireland attracted approximately 2 million out-of-state tourists, spending a total of £354 million in the local economy. Clearly, tourism is a major contributor to the NI economy, and has the potential to be a key driver in its future transformation and regeneration.

Over recent years, the industry has seen considerable growth in out-of-state visitor numbers and tourism revenue, with increases of 60% and 80% respectively between 1994 and 2004. Indeed, over the period 2002–04, Northern Ireland tourism was one of the fastest growing areas in Europe, with tourism revenue in NI increasing by 9% in 2004 in comparison with an overall 3% growth in Europe.

The main growth areas for tourism are in urban tourism/city breaks, short breaks and conference tourism and over the period 1999–2005, the total number of out-of-state overnight visitors to Northern Ireland increased by 19%. Within that number, the number of out-of-state overnight visitors to Belfast increased by 95%.

However, in spite of this growth, the industry still has far to go to achieve its full potential and, in an increasingly competitive market, we cannot afford to become complacent. In 2005, whilst tourism revenue continued to increase, the out-of-state overnight visitors to Northern Ireland dipped by 1%; on the other hand, out-of-state visitor numbers to Belfast increased by 9%—a healthy reminder of the need to remain focused and committed to the marketing of the core city product. If Belfast is not competitive in the city breaks and conference market, NI tourism will not survive.

Realising our potential

The tourism industry in Northern Ireland still has significant room for growth.

NI accounts for only a 17% share of all visitors to the island of Ireland, and is still playing catch up with its neighbouring competitors in the UK and the Republic of Ireland. In addition, tourism is estimated to contribute only 2% of GVA in NI, whereas statistics released by Visit Scotland and the First Steps Satellite Account estimate that direct tourism expenditure accounts for 4% of GVA in the Republic of Ireland and 6% in Scotland.

On the other hand, the global tourism industry is becoming increasingly competitive, as a wider range of destinations become more easily accessible to consumers, consumers’ expectations in terms of quality and value for money become more demanding, and the internet opens distribution channels to a wider market.

Whilst investment in the tourism infrastructure, product and direct access routes is taking the potential of the Northern Ireland industry from strength to strength, future growth may be restricted by the fragmented nature of the aviation industry within this region, where the competition between the principal airports has the potential for sub-optimising the full economic benefits of unlocking significant inbound traffic.

With increased competition for both domestic and out-of-state tourism, Northern Ireland must become more focused and aggressive in its tourism marketing. Adequate funding and appropriate marketing structures are essential if the industry is to maintain and build on the momentum achieved to date.

TOURISM AS AN IMPORTANT ECONOMIC DRIVER

Tourism is a substantial industry and one which is often underestimated in terms of its economic importance:

— it supports a wide range of businesses, both directly and indirectly, and its impact is far reaching;
— its growth has been key to the regeneration of Belfast and many regions throughout Northern Ireland;
— it has strong expansion effects on employment, incomes, spending and taxes;
— tourism revenue has a considerable multiplier effect, and wide reaching benefits for other sectors including transport and travel, food and drink, and retail;
— it is a main-stay to the local economy, but with substantial potential for future growth;
— as it is an industry largely made up of urban and rural indigenous businesses, tourism generates wealth throughout the Province;
— given the nature of tourism, it will remain within the local economy and will not be susceptible to relocation, as has been the case with other industries; and
— as other industries are in decline, tourism continues to grow and create jobs required by some of the most deprived areas of Northern Ireland.

Employment within the tourism industry is an area which is extremely difficult to measure, and so it is often under-estimated. In addition to clear tourism-related jobs, a wide range of other jobs are also partially supported by tourism, such as taxi drivers, public transport providers, car rental agencies and other service providers. In the Republic of Ireland, the First Steps Tourism Satellite Account report estimates that 702,900 people are employed in tourist related industries.

By comparison, DETI’s December 2005 quarterly employment survey stated that the “Hotels and Restaurant” sector in Northern Ireland accounts for 42,330 employees, where this sector includes hotels, restaurants, bars, other accommodation and other catering. As such, it is the 7th largest employer in NI, including the public sector. If the public sector industries are excluded, it is the 4th largest employer.

Based upon an average multiplier effect of 1.5, in 2005 revenue from overnight tourists actually contributed £531 million to the local economy. By just taking the VAT on tourism spend as an indication of the tax monies generated by tourism, we can already see that it is a substantial tax generator—the tax take from VAT on tourism spend in 2005 equates to £93 million; and this does not include the additional revenue from the substantial day tripper market, or the tax take from National Insurance contributions or income tax.

**IMPROVED ACCESS IS DRIVING TOURISM GROWTH**

In 2003 the only direct access air route to and from Northern Ireland into continental Europe was the daily Amsterdam service. Today direct access to Northern Ireland is possible from a range of European cities such as Berlin, Rome, Prague, Paris, Geneva and Nice (overall 15 in total), as well as Transatlantic services from New York (Newark), Toronto and Vancouver.

Much of this improved access has been made possible by the intervention of the Air Route Development Fund to “pump-prime” the latent interest in the establishment of this range of services. However, an equally important factor has been the willingness of air carriers to invest in new routes with confidence in the stability of a robust network of UK domestic service to underpin these fledgling services through their early years.

It should be a major concern to those interested in the continued prosperity of the region if the viability of these new services, so vital to the establishment of our international access, were to be called into question by the lack of a cohesive strategy for access to the region. The Committee should be aware of the highly competitive nature of the aviation industry within the region and of the potential for sub-optimal outcomes in relation to access in the absence of the establishment of a clear role for each of the players within this market.

**CONCLUSIONS**

1. Northern Ireland tourism has significant growth potential and the wider regional economy could experience significant incremental benefit from such growth.
2. The tourism offer in NI offers a fresh, unspoilt range of diverse attractions which have not become fatigued through over-exposure or commercialisation.
3. Some basic attention to the fundamental building blocks in key tourism locations is vital—ie availability of public toilets, picnic facilities and consideration of appropriate seasonal opening times.
4. Sustainable international air access options offered directly into the region are fundamental in order to set out a basis for growth. It is critical that new services are not stifled in their early development stages through duplication of services arising from the lack of cohesive air transport policy in the region and the single-minded commercial objectives of competing airport operators, which such a lack of structure gives rise to.
5. In line with the new air service development it is also critical that appropriate levels of marketing support and exposure are applied in order to sustain existing services and instil airline confidence to invest in additional international air links into NI.

Uel Hoey
Business Development Manager

22 May 2006
17. Written evidence from Belfast City Council

BACKGROUND

The Northern Ireland Affairs Committee announced on 30 March 2006 that they were to conduct an enquiry into tourism in Northern Ireland, and its economic impact and benefits. The committee will examine “The nature of tourism in Northern Ireland, its impact and importance for the overall economy, and the effectiveness of measures taken by government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination.” Written responses on this matter are requested by Friday 19 May 2006.

INTRODUCTION

Belfast City Council is the largest of the 26 councils in Northern Ireland. It has a population base of 300,000 who are represented by 51 Councillors.

The Tourism and promotion of Belfast Sub Committee is responsible for the Strategic Tourism Development and Marketing of Belfast. It is a sub committee of the Development Committee of Belfast City Council and is chaired by Councillor Dianne Dodds. The Tourism and promotion of Belfast Sub Committee welcome this opportunity to submit a response to the Northern Ireland Affairs Committee.

Under the Local Government (NI) order 1972 the City Council has a statutory responsibility for the development and marketing of tourism and currently has a tourism budget of £1.6 million.

Belfast City Council through its Cultural Tourism Strategy and action plan entitled “Developing Belfast's Opportunity” has committed to the development and marketing of cultural tourism products for the City.

KEY ISSUES

A fragmented approach and duplication of effort does exist in terms of responsibility for tourism delivery in Belfast with the City Council, BVCB, DETI, DRD, NITB, TTT, NITIC, NIHF, APB's all performing a tourism role. The review of public administration will also impact on geographical boundaries and roles and responsibilities in terms of strategic tourism delivery. The challenge will be to ensure there is an integrated and co-ordinated approach and encouraging government departments to outsource development and marketing initiatives to appropriate delivery organisations. A critical step for Belfast is the development of the Belfast Brand and the positioning of Belfast on the national and international map There is a requirement for the custodians of Belfast PLC with all the appropriate, government agencies, non department bodies, private sector and community groups to commit to the development of Belfast as a dynamic, vibrant and cosmopolitan European city. Discussions are now required to clarify roles in moving forward.

ROLE OF NITB/TIL/RTP'S/NI EVENTS CO

As part of the fragmented approach, the roles and responsibilities of NITB and other organisations involved in the delivery of tourism needs clarification. This ambiguity has been compounded by the RPA, the RTP’s, the implications of their timing, the consequences of post European funding withdrawal and the plethora of agencies who have tourism within their remit.

ROLE OF BELFAST IN THE DELIVERY OF TOURISM

One of the key developmental areas for tourism will be the continued resourcing of tourism marketing and development activity in the Greater Belfast Metropolitan area. Belfast is the key economic driver for tourism in the region, but tourism also drives the local economy. The economic impact of tourism cannot be underestimated. As traditional manufacturing industries decline it is important to emphasise the role of tourism as an economic development activity and its impact in creating economic benefit can be seen in 6.4 million visitors to Belfast in 2005, which was 500,000 (8.5%) more than in the previous year. They spent £284.9 million during their stays and this money helped to support 15,670 full-time jobs. In addition, 48% of Northern Ireland visitors go to Belfast City; 46% of visitors' spend in Northern Ireland is in Belfast; Belfast has 50% of the Northern Ireland bed-stock; there was a 72% occupancy rate in Belfast in 2005—the Northern Ireland average is 63%. Belfast is the major gateway to the region and it is the key to the delivery of tourism and its economic benefits.
The Role of BVCB

New access development opportunities have provided an opportunity to market Belfast’s short break offer to identified consumer segments. It is therefore crucial that once the visitor arrives in Belfast that we ensure they have an enjoyable experience and that the product available matches the consumer expectation. The Belfast Visitor and Convention Bureau an arm lengths company of Belfast City Council should be resourced to deliver on the short breaks, business tourism and visitor management.

Conclusion

In summary there is a tremendous opportunity for significant growth and development of tourism in Belfast and Northern Ireland. The innovative work undertaken by Belfast City Council in terms of the development of initiatives in Cultural Tourism including Titanic and the marketing of the city through BVCB must be resourced and supported through central government. It is important that clearly defined roles and allocation of responsibility must be set for agencies involved in tourism marketing and product development. It would be beneficial if there were fewer government agencies with a responsibility for tourism however it is through successful collaboration and strategic planning that Belfast will continue to be the economic driver of tourism in Northern Ireland.

Ms Shirley McCay
Head of Economic Initiatives
22 May 2006

18. Written evidence from People 1st

1. People 1st

People 1st is licensed by the 4 UK governments as the employer led Sector Skills Council for the hospitality, leisure, travel & tourism industries. The 14 sector industries People 1st represents are: Hotels, Restaurants, Pubs, Bars & Nightclubs, Contract food service providers, Hospitality Services, Membership Clubs, Events, Gambling, Travel Services, Tourist Services, Visitor Attractions, Youth Hostels, Holiday parks, Self catering Accommodation.

People 1st provides the strategic focus for the development and implementation of standards, training and qualifications and it represents the interests of the hospitality, leisure, travel and tourism related businesses, to Governments and partners on these and other education and training issues. Our remit is to engage with employers on a sectoral basis and represent their needs to key partners and stakeholders within the UK countries and regions. In Northern Ireland we are committed to the:

— Delivery of a Sector Skills Agreement (Annex 1 provides a summary of the Sector Skills Agreement.)
— Developing and leading an Integrated Human Resource Development Strategy which is part of the Northern Ireland Tourism Strategic Framework for Action.
— Representing industry needs to government and education to ensure a demand led provision.

We recognise that the terms of reference for this inquiry seek to examine the effectiveness of measures taken by Government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination. It is our view that people are an integral part of the tourism product offering and where a lack of skills and people shortages persist within the industry this impacts directly on the quality and competitiveness of the overall product and visitor experience therefore constraining tourism’s true potential.

2. Size & Scope of sector and employment impact

Employment

— There are approximately 42,980 hospitality, leisure, travel and tourism employees in Northern Ireland.
— Hospitality industries dominate the sector (restaurants (28%), hospitality services (29%), pubs, (18%).
— There is a fairly even split between employees working full time in Northern Ireland and in the UK as a whole. (52% in comparison to 53%).
— It employs a higher percentage of females (66%) than males (34%).
— As is the case in the UK, a relatively high proportion of the hospitality, leisure, travel and tourism workforce are young, with the majority of the workforce aged between 25 and 50. 18% of the workforce are over the age of 50. 28% of employees are under 24, but of broad even spread.
— The sector’s qualification’s profile is low (no qualifications (29%), Level one (21%), Level two (23%), Level three (16%), Level four (10%).
— 11% of workforce are International workers.

Occupations
— 46% of the workforce in Northern Ireland work in elementary occupations, such as kitchen assistants, waiting staff and bar staff.
— Approximately 36,381 people work in core hospitality, leisure, travel and tourism occupations.

The industry has experienced sustained employment growth over the last 10 years and has the clear potential for further growth to counter both further decline in manufacturing and textiles and any reductions in public sector employment. Employment forecasts by DETI predict the creation of an additional 13,000 new jobs in the main hotels and restaurants sector by 2013, a third of the total 54,000 new jobs forecast for the Northern Ireland economy as a whole.

3. Skills Issues and Challenges

Customer expectations are growing and many businesses wish to upgrade the quality of their offer to reflect this but they are hampered by the lack of skills in the workforce.

As part of our Skills Needs Assessment research and subsequent employer engagement within Northern Ireland the poor performance of the sector and the barriers to its improvement, have come sharply into focus:
— Labour productivity lags behind key international competitors as well as other sectors of the economy.
— Skills shortages across specific occupational areas is high-particularly for Managers and Chefs.
— The sector is also suffering from a high number of hard to fill vacancies.
— Poor retention –forecast to cost industry at least £227 million by 2015.
— Indifferent human resource practices leading to poor image & perception of industry as an employer.
— Low appeal of sector—not perceived as a career of choice.
— Lack of customer awareness –customer feedback is limited.
— Lack of sophisticated management practices.
— Low qualifications base-29% of workforce have no qualifications & 23% qualified to level 2.
— Fit for purpose qualifications—industry believes there are too many qualifications the meaning and value of which is unclear.
— Growing reliance on international workers to fill vacancies.
— The tight labour market and the need to compete for good quality applicants.
— Demographic changes and the reduction in young people available to enter the industry-this situation will get worse if alternative labour pools are not sought.

Our initial research highlights four critical priority areas to be addressed. These are:
— Management & Leadership Skills.
— Customer Service Skills.
— Chef Skills.
— Retention.

The right people with the right skills and qualifications that are fit for purpose will be crucial to the future success of the industry. It is vital that a co-ordinated approach is taken to the issues as a whole which will require a real and effective partnership between government, employers, education and training suppliers.

4. Education and Training Provision

People 1st is presently conducting an examination into the quality, quantity and impact of learning provision as part of our sector skills agreement work which will identify:
— What courses are important for the sector?? How many students are on those courses?
— How many go into the sector on completion of their course?
— What impact does informal learning have on the sector?
This phase of work will also include a Smarter Spending Review to examine the total expenditure on training and education for the sector in Northern Ireland.

Early feedback from employers and research to date highlights issues such as:

— Falling university recruitment.
— Industry concerns over location of 3rd level training facilities away from Belfast-the main centre of tourism employment.
— Industry view that there are too many qualifications the meaning and value of which is unclear.
— Industry demand for more industry relevant training and learning courses which are accessible to individuals and businesses.
— Requirement for up-skilling existing workforce to meet industry needs and customer expectations.
— Low take up and achievement rate of Modern Apprenticeship Programmes –especially for key occupations of chefs & managers.
— Training undertaken by businesses in the main is focused on meeting statutory requirements such as health & safety & food hygiene.
— Limited awareness among employers and impact to date of foundation degrees.

5. Measures Taken by Government & Other Agencies

Through our employer engagement activities the common view expressed by industry on the measures and interventions taken by government and its agencies to support the sector as one of confusion and a desire for more effective co-ordination across the key departments and agencies who have a stake in tourism. The need for better integration of skills and training strategies aligned to product development strategies should be pursued. The model in place through Falite Ireland in the Republic of Ireland; where a single integrated entity exists with responsibility for product development and education and training; is viewed by industry as the ideal.

It is difficult at present to identify and quantify the full expenditure on training and education for the tourism sector. People 1st, with support from the Department from Employment & Learning are taking forward a Smarter Spending Review to identify and quantify partners’ resources for training and skills related initiatives. This work will conclude in October 2006. The figure quoted by DEL for current expenditure on education and training for the sector is some £18 million. The Smarter Spending Review will seek to quantify this and any other associated spend through other channels such as EU funding.

6. Recommendations

We recommend that an integrated approach is taken to deliver a demand led system. Qualification reform needs to ensure that only courses that are designated as fit for purpose by industry attract the funding streams People 1st are engaging with industry to deliver these outputs.

In addition:
— Hospitality, Leisure, Travel & Tourism to continue to be recognised as a priority economic sector by the newly formed Skills Expert Group.
— Formation of a dedicated skills group of the Tourism Strategy Forum with Ministerial support to focus on skills development as an integral component of improving Northern Ireland’s tourism product.
— Formation of an All Ireland Skills Group for Tourism.
— Sufficient funding to resource customised, flexible industry-relevant training that will encourage more employers to invest more seriously in skills and their workforce.
— Extension to Northern Ireland of the National Employers Training Pilot scheme which in England provides support and up-skilling for unqualified adult workers in the current workforce to at least level 3.
— Consideration given to the principle of developing a National Tourism and Hospitality Skills Academy for Northern Ireland similar to that proposed in England.
— Sufficient funding and resources in place to drive the penetration of customer care programmes ensuring a world class standard of service delivery.
— Revised NITB Accommodation Standards to include a link with skills and quality as part of the star rating or deliver an additional accreditation to the star.
— A programme to update the knowledge, and skills of teachers in schools and university lecturers delivering tourism & hospitality programmes modelled on the Lecturers into Industry initiative for further education.
— A programme of support to optimise the impact of international workers.
— Provision of a brokerage service to the sector to assist tourism businesses assess their workforce development needs and connect them with best practice solutions.

— Increased intervention targeted at helping the industry to implement best practice human resources.

— Appropriate business support tools available for SME’s/Micros which are appealing in format and accessible.

— Public sector support for skills passport provision to help drive continuous professional development within the sector.

— Comprehensive review of Apprenticeships for the sector to address issues of take up and retention.

Brian Wisdom
Chief Executive
22 May 2006

Annex 1

SECTOR SKILLS AGREEMENT

People 1st is contracted by government to deliver a Sector Skills Agreement. Sector Skills Agreements (SSA’s) are designed to deliver action to meet priority skill needs that will drive improved business performance. They provide a means whereby employers and employees in each sector can identify skills and productivity needs, the action they will take to meet those needs, and how they will collaborate with providers of education and training so that skills demand can directly shape the nature of supply.

Operationally, an Agreement will put in place a framework which allows employers to sign up to a key set of sector skill priorities with the main funding and delivery agencies. This framework will allow all parties to agree what actions collectively will be taken to meet the identified priorities.

The development of Sector Skills Agreements consists of 5 key stages:

1. Assess current & future skill needs.
2. Map the current provision.
3. Address gaps & issues identified.
4. Undertake collaborative actions.
5. Establish a costed action plan.

People 1st have commenced the development of a Sector Skills Agreement for the Hospitality, Leisure, Travel and Tourism industries through the first stage of skills needs assessment and the remaining stages will be undertaken for final delivery of the agreement by December 2006.

19. Written evidence from Professor Stephen Boyd, School of Hotel, Leisure and Tourism, University of Ulster

THE NATURE OF TOURISM IN NORTHERN IRELAND

The statistics that are collected by the Northern Ireland Tourist Board (NITB) and published as Tourism Facts classify the main purpose of visiting under the categories: VFR (Visiting Friends and Relatives), Holiday, Business, and Other. Since 1991 there has been very little change in how this breaks down for out of state visitors as the following statistics reveal, with VFR being the main purpose for visiting Northern Ireland.

— VFR: this has ranged from 36–47% (36% for 1995; 1st year after the official IRA ceasefire; 47% in 2002).

— Holiday: this has remained in 3rd place over the past decade, with one exception in 1995, when a portion of the VFR market identified their reason for visiting to be holiday-related, bringing the “holiday” component to 30%. Holiday visitors over the past decade have fluctuated around the 21-18% level, with a low of 16% for 2001 and 2002.

— Business: this has remained as the 2nd most important purpose of visiting, and over the past decade there has been limited change with figures ranging from 28 to 31%.

— Other: with some variation over the decade, the ‘other’ category seldom accounted for 10% of all visitors; most years this accounts for between 8 to 9%.

What the above breakdown reveals is that Northern Ireland is not a “holiday” destination and that tourism is highly dependent on the VFR and business market. Under the NITB “Strategic Framework for Action 2004–07”, the focus has been on “winning themes” of short breaks, excellent events, business tourism, activity tourism, and cultural and heritage tourism to grow the “holiday” element. The surveys
undertaken by the NITB do not break down reason for visit under such categories, and this is a major weakness in what statistics are collected. The VFR market is the predominant draw, but not enough attention is paid to how this is marketed.

**Growth in Tourism (Visits and Revenue)**

Overall trips to Northern Ireland over the past decade have revealed substantial growth. 1995 (1.557 million) witnessed a 20% rise in numbers over the 1994 figures (1.293 million). Since then, visitor numbers have continued to grow, with recent 2005 figures stating 1.967 million out-of-state visitors; a 26% rise over the past decade. The Corporate Plan of the NITB (2002–05) set out a target of a 7% growth of visitor numbers per annum, a target that the visitor statistics reveals has been met for each of these years. While rising visitor numbers is one measure of “success”, a better indicator of success is yield management; getting greater spend from the same number of visitors. Such thinking is reflected in the Corporate Plans of the NITB for the 2002–05 and 2005–07 time frames. Out-of-state visitor spend targets have been lowered from 9% per annum (2002–05 corporate plan) to 8.5% per annum under the current one. These have been ambitious spend targets, and visitor spend has only met its target once, and that was for 2005 when the target of £338 million was surpassed and recorded at £354 million (a +13% change over 2004). The failure of meeting visitor spend targets in the past should not detract from the overall growth in visitor revenue over of the past decade of 61% (£220 million in 1995 to £354 million in 2005). The recording of having met visitor spend targets for the first time in 2005 should be viewed with great optimism for future years; only a +4% growth in spend is required to meet the 2006 target.

**Key Markets**

Northern Ireland relies on the Great Britain as its key market, accounting for 67% of visitors and 71% of all visitor spending (2004 figures). The trend since 2000 in both trips and spend from the GB market has been an upward one. The same can not be said for the 2nd most important market (Republic of Ireland). Over the same time frame, the percentage of the market has declined from 23% (2000) to 13.5% (2005), with visitor spend of £36 million in 2004 representing 11% of overall visitor spend. Northern Ireland received 148,000 visitors (23% of all visitors) from North America in 2000, after which it declined to 97,000 in 2002 following the impact of 911. Recovery is now emerging in this market, with 2005 recording 146,000 visitors from North America (a +20% change to 2004), accounting for 7.5% of total visitor market (still down on 9% level of 2000). This decline and subsequent recovery of what was traditionally Northern Ireland’s 3rd principal market, had meant that Continental Europe has become the Province’s 3rd market region, capturing 9% of the market in 2005 (176,000) up from the stagnant position it has held since 2001 of having 6% of market share. 2004 visitor spend for this market was in the region of £25 million, almost the same as spending from North American market which had 11,000 less visitors. What this translates to is that a North American market is being replaced with a lower spend Continental European market (£197 from North Americans compared with £188 from Continental Europeans. The growth of the European market in 2005 of 32% over 2004 figures should not be translated into greater spending from this region. The breakdown of spend from each market region for 2005 is not yet available. Other overseas market represents between 3 to 4%, and while visitor numbers saw a change of +22% in 2005, visitor spending from this sector has been declining since 2001 and represents less than 3% of overall spending of out-of-state visitors.

Economic contribution of visitors can be assessed according to purpose of visit. Taking the most current figures (2004), the VFR and business sectors are virtually similar (37 and 38% respectively of a total spend of £325 million). What this reveals is that while the dominant market in terms of % is “VFR”, the “business” market is extremely important in terms of return. The “holiday” market only accounts for 17% of total revenue, and implies where investment is best placed in terms of growing demand in the future. It also demonstrates that Northern Ireland is not perceived as a “pure holiday” destination, and that other reasons supersede such as visits to family and friends, or visiting the Province as part of wider business reasons.

**Importance of Tourism to the Northern Ireland Economy**

It is difficult to quantify this as there is an absence of information that states the overall contribution the sector makes to the wider economy. Tourism as an industry does not receive an industrial classification as it comprises elements of different industry sectors, namely travel and transport, accommodation, food and drink, travel services, entertainment and attractions. It is estimated that tourism provides up to 20,000 direct jobs across Northern Ireland, and that it contributes around 2–3% of GDP. There is some discrepancy between this figure and numbers of employees in various sectors across the hospitality sector: hotels (6,749 employees), restaurants (16,045 employees), pubs/bars/nightclubs (7,656 employees), other food service providers (3,840 employees), gambling (2,483 employees), travel and tourism services (1,187 employees) and hospitality services (12,352 employees). The difference may be accounted for the fact that some employees are counted twice if they fall within more than one sector, as well as some people not seeing them as part of the tourism industry. The above figures also represent the wider leisure/recreation sector of the economy in which not all jobs are viewed as part of being in tourism. Given the above challenge of determining the extent of the Northern Ireland tourism industry, the benefit of tourism across Northern Ireland is perhaps better
explained in terms of what regions benefit the most from tourism. The most recent regional statistics are for 2004. The Regional Tourism figures combine out-of-state numbers as well as domestic visitor numbers and they show that the Belfast Tourism region receive the most trips (845,800), and spend (£118.3 million), whereas the Causeway Coast and Glens is top in terms of nights (2,928 million; 109,000 more than Belfast region), with 779,100 trips and £99 million in spend. The remaining regions of Sperrins, Londonderry/Derry, and Fermanagh Lakelands each receive in the region of 6% of total spend (approximately £26 million).

Other useful information to consider is the size of the accommodation sector across Northern Ireland. According to NITB statistics, in 2004 there were 131 hotels (a down from 137 in 1998), 140 guesthouses (declining annually from a high of 160 in 1998), 691 self-catering units (growing each year since 1992), and 728 other accommodation units (declining each year from a high of 1011 in 1996). In recently released figures for 2005, visitor nights have reach 9.5 million, a +13% change on the previous year where number of nights was in the order of 8.5 million. While it is important to note the rise in total nights, across all market sectors (VFR, Holiday, Business) ‘Bed and Board’ is not the main area where the economy benefits. According to the 2004 statistics released by the NITB, 31% of the £325 million spend is on food and drink, compared to 29% of spend on accommodation. These totals however mask the variation of spend that exists across each market sector; the VFR spend is greatest for food, then shopping with the least spent on accommodation, compared to pure holiday visitors who spend most on accommodation, closely followed by food and drink. The business traveller spends the most on accommodation, followed by food and drink. When each of these key sectors are taken as a whole, the VFR and Business markets brought into the Northern Ireland economy £122 million each. What is disappointing is that the lowest spend was accrued from the “holiday; sector that only accounts for £54 million of the total £325 million spend; again emphasising that Northern Ireland is not a holiday destination and must not heavily rely on this market.

**ECONOMIC IMPACT & THE ABSENCE OF POST-EVENT STUDIES**

One of the major failings of what data is collected is comprehensive studies of the impact of events that are hosted across Northern Ireland. There is no requirement that organisations hosting events, undertake a post-impact study to determine how the local and regional economies benefited. What have been undertaken over the years are extremely piecemeal and they indicated the positive contribution of tourism. The following list demonstrates the economic returns that are possible:

- 2004 world ploughing championship, Ballykelly contributing £1.2 million to the Sperrin Region (5,780 bednights)
- 2004 Ulster Grand Prix, contributed £1.9 million.
- 2004 Seniors Open, Portrush, contributed £1 million.
- 2004 Milk Cup, contributed £800,000 to the local economy.
- 2005 NW200, 130,000 visitors attended, but no economic impact undertaken as difficult to determine how many are daytrippers, as opposed to those who stayed in the region during the events.
- 2004 BBC Music live, Belfast, £4 million.

One measure of the success of events being hosted in Northern Ireland is the success Belfast has had as a major venue for hosting conferences. By 2005 Belfast has matured as a conference destination, hosting 67 conferences, generating over 41,000 bed nights and bring in £8 million to the local economy. Conference business activity is reported to be +30% change to 2004, with conferences booked up to 2010. Since opening in 1996 the patron’s conferences hosted at the Waterfront Hall have brought in £432 million to the wider Northern Ireland economy.

The Odyssey complex that opened in December 2000 at a cost of £91 million has run 600 events and has had over 3 million people through its doors. The proposed sports complex on the existing Maze prison site is estimated to create 6,000 full-time equivalent jobs at the cost of £55 million.

While the last figure is projected and cannot be counted, the previous figures reveal the benefits that tourism brings to the Northern Ireland economy. This point is said with some reservation as there is an absence of a culture where post-economic impact assessment of events is undertaken. The NITB does not require that organisations hosting events undertake extensive post event studies to ascertain the economic benefits they offer. However, it would be valuable to those event organisers who receive funding from the Northern Ireland Events Company, that they do undertake such work. There is a perceived view that if the numbers attending events grow on an annual basis then the event is viewed to be a success. The measure of success must not rely on numbers alone, but the extent to which greater spend is received from the visitor population; the focus must be on yield management, thinking that is not at the forefront of organising committees. In addition to economic impact studies being carried out, there is also the need to broaden this thinking to consider environmental and socio-cultural impacts that tourism can generate for those areas hosting events.

One small measure of economic impact of tourism in Northern Ireland is to examine the contribution that tourism brings to particular regions of the Province. The Coleraine Borough Council in their tourism development strategy (2001–10) noted in 1999 that the region received 266,000 out-of-state and domestic
visitors that accounted for 1.37 million bednights and spent an estimated £37.9 million in the area (average tourist spend is estimated at £118.60 per trip). This they place at around 12% of the Province’s tourism revenue. When the multiplier effect is factored in, tourism generates up to £55 million in economic activity, and helps to sustain 3,000 full-time job equivalents.

**Effectiveness of Measures Taken by Government**

My final comments are reserved to address how government agencies have performed within the tourism sector for Northern Ireland. Northern Ireland in the past would have best been described as a “vulnerable destination” for tourism and the performance of the lead organisation (NITB) must be measured against this reality. The performance of tourism since the first official ceasefire in 1994 has been remarkable. The NITB over the past decade has developed long-term corporate and strategic plans that reflect a changing external climate and growing receptiveness by out-of-state-visitors to Northern Ireland as a destination. I would argue that the corporate thinking between 1997 and 2001 had over zealous expectations that had targets that were unattainable. The corporate vision for 2002–05 was more balanced and realistic, as are the targets set out in the current corporate plans for 2005–07. NITB is currently based around strategic vision which sets out a framework of action that focuses on attracting visitors, enhancing tourism businesses and improving communication. One may be critical of the focus on select “signature projects” and certain ‘winning themes’ as it sets forth the idea that tourism to Northern Ireland is about certain particular things (ie, a visit must take in the Giants Causeway, the Walled City of Derry, etc.) and the focus is on growing certain markets (ie, short breaks, activity tourism, etc). The danger with this approach is that Northern Ireland becomes a certain “branded destination” and while that is one approach to take, my concern is what is left out of the brand and therefore what product/opportunity is not presented to potential visitors.

Tourism Ireland was established under the terms of the Good Friday agreement. The creation of a third Destination Marketing Organisation (DMO) for the whole island of Ireland (the others being Failte Ireland and the NITB already discussed) has resulted in delineating what specific roles each should play. The NITB is charged with marketing Northern Ireland at home, but they have not been given the right to market Great Britain; their major market region. This has fallen to Tourism Ireland who is also charged with marketing Northern Ireland as part of marketing the whole island of Ireland in all its principal out-of-state regions. I would argue this was a mistake and should never have been taken out of the remit of the NITB. While clearly defined roles have been established, there remains a lack of understanding across the industry to know what organisation does what, and which organisation individual businesses and operations should turn to for advice and assistance. If any changes were to emerge from this consultation, it would be the need to redefine the role NITB should play in the marketing of Northern Ireland.

One of the exciting developments that have happened over the past few years has been the opening up of more air routes of direct flights to Northern Ireland. In 2005, 10 new air routes into the Province were made available to travellers from North America and Continental Europe. One consequence of these developments and the opportunity that lo-cost airlines afford people is that less domestic tourism is occurring in the Province. The revenue from domestic tourism has been on the decline since 2003, and one factor contributing to this are the opportunity of affordable short breaks and longer holidays outside of the Province over holidaying within the Province. While an accessible environment is a necessary requirement to grow tourism, that accessibility is a two-way flow and the reality is that the flow is more outward as opposed to inward, and a significant challenge for the Northern Ireland tourism industry to face.

**Concluding Comment**

Any destination requires certain factors in place to have a viable tourism industry. These include: a safe environment (Northern Ireland can now claim to offer this), an attractive environment (strong tourism product; culture, recreation, heritage, entertainment, hospitality), an accessible environment (more direct access to the Province exists with better transportation links and corridors from key market regions), a qualified and highly trained workforce (strong tourism education in place, but more needs to be provided to the small SMEs), and a strong entrepreneurial culture (Northern Ireland still weak here and too reliant on the public sector to delivery a strong tourism industry sector). With all these factors in place, it is lastly important to note that tourism is also so reliant on externalities being positive (elements outside of its control) to ensure a long-term industry sector within the Province. Therefore it is so important that the wider political and economic climate remains positive for Northern Ireland to ensure that tourism can become a stand-out industry for the Province.

I wish the committee the best with its deliberations, and can make myself available if any of the above requires further explanation.

2 May 2006
20. Written evidence from Armagh Down Tourism Partnership

I would like to take the opportunity to highlight that this submission has been prepared on behalf of the Armagh Down Tourism Partnership and therefore specifically relates to our role and to the geographical area covered by the Partnership. In order to understand the background to and the context in which the Partnership operates, I have set out below a summary of the rationale for the establishment of our organisation and the breadth of our remit.

BACKGROUND & CONTEXT

With the launch of the Northern Ireland Tourist Board’s Strategic Framework for Action 2004–07, aimed at growing tourism across Northern Ireland, it was acknowledged that the structure of Northern Ireland’s tourism industry, particularly within the public sector, would need to radically evolve to assist NITB to deliver its ten identified action programmes. In response to this challenge, a new public-private sector organisation evolved in 2005—Armagh Down Tourism Partnership—a successor to the Kingdoms of Down Ltd, to represent the tourism interests of its seven local authority members (North Down, Ards, Down, Newry & Mourne, Armagh, Banbridge and Craigavon) and importantly the 600 plus private and voluntary sector members. The Northern Ireland Tourist Board also supports the Partnership.

The Partnership is set up to deliver a broad range of tourism functions across the following spectrum of activities as follows:

— Product Development
— Marketing & Communications
— Visitor Management & Servicing
— Industry & Stakeholder Engagement
— Business & Skills Development
— Research, Monitoring & Market Intelligence

Acknowledging the potential for growth in the region’s tourism sector, the Partnership is rolling out the first year of a five-year targeted plan of activities (articulated in the Armagh Down Tourism Strategy 2005-2010), aimed at growing the sector in this part of Northern Ireland.

TOURISM PERFORMANCE IN THE ARMAGH DOWN TOURISM REGION

The importance of tourism to the economy of the region covered by the Partnership is demonstrated by the current size and value of the tourism market. Latest research from the Northern Ireland Tourist Board highlights that just under 600,000 overnight trips were made to our region in 2004, representing just under a fifth share of all overnight trips in Northern Ireland. The region’s tourism economy is valued at a significant £87m; on this measure, tourism spend in the region represents just over a one-fifth share of all tourism spend in Northern Ireland.

The need to develop the potential and therefore economic importance of tourism to the region from this baseline position is particularly pressing given the decline in recent years in traditional industries across much of this region, including farming, fishing, textile manufacturing etc.

To this end, the Armagh Down Tourism Strategy & Action Plan 2005–10 sets out a five-year plan of action which is aimed at bringing about this growth. Allied to the Action Plan are a series of challenging growth targets in terms of regional tourism industry performance. Principal among these are the 5% annual growth targets in both tourist numbers, revenue and jobs. The Partnership is striving towards attaining a growth in tourist numbers to the region of over one-quarter of a million to 900,000 by 2010 and for the region’s tourism industry to become a £125m industry over this same timeframe. An ambitious growth of 15% in tourism related employment over the five years has been set.

ARMAGH DOWN TOURISM PARTNERSHIP—ACHIEVEMENTS TO DATE

Although the Armagh Down Tourism Partnership has been operating for a very short period of time i.e. over the 2005 and 2006 years, it is worth noting that substantial progress has been made not only in terms of reaching agreement on working arrangements but also on bringing forward the actions from year one of the Armagh Down Tourism Strategy & Action Plan 2005–10. It is particularly significant to note that only the Armagh Down Tourism Partnership has been successful to date in establishing itself as one of the new recommended Regional Tourism Partnerships in Northern Ireland and the first therefore to work in an expanded geographical region with a significantly expanded remit.

Despite this short timeframe, the Armagh Down Tourism Partnership has been successful in implementing a number of initiatives of strategic importance to the Armagh Down region and the Northern Ireland tourism industry. Most notable amongst these are:
PRODUCT DEVELOPMENT
— St Patrick’s brand developed;
— St Patrick’s Marketing & Visitor servicing publications produced;
— Feasibility Study to develop a high quality St. Patrick’s/Christian Heritage Trail completed;
— Partnership established with incoming Tour Operator- Abbey Tours to develop high quality St Patrick/Christian Heritage themed packages; and
— Audit of Armagh Down Visitor Attractions sector undertaken to ascertain product, marketing, training needs with attractions workshop planned.

MARKETING & COMMUNICATIONS
— Armagh & Down consumer brand development complete and launched
— 56 Press articles secured to date;
— New Armagh & Down Website developed, branded and currently on-line;
— New portfolio of Armagh Down literature produced.

VISITOR MANAGEMENT & SERVICING
— An Armagh Down Display Section in all TIC’s is currently being designed and costed for implementation;

INDUSTRY & STAKEHOLDER ENGAGEMENT & COMMUNICATION
— An extensive series of private sector recruitment meetings, briefings and trade Days completed with membership levels having increased in 2005–06 to 604 (Armagh Down Tourism Partnership) from 486 (Kingdoms of Down Ltd) in 2004–05, representing a 24% increase.

BUSINESS AND SKILLS DEVELOPMENT & SUPPORT
— Armagh Down Industry consultation facilitated by Armagh Down Tourism Partnership with People 1st re: Training Needs analysis
— Programme of Training courses for industry compiled in conjunction with all leading agencies

RESEARCH MONITORING & MARKET INTELLIGENCE
— Kingdoms of Down Annual Visitor Survey expanded to entire Armagh Down Tourism Partnership geographical area;
— Armagh Down Tourism Partnership participation in Great Britain and Republic of Ireland omnibus surveys to ascertain perceptions of Armagh Down as a tourism destination.

THE ADDED VALUE BROUGHT BY THE ARMAGH DOWN TOURISM PARTNERSHIP
A further measure of the effectiveness of the Armagh Down Tourism Partnership in developing and promoting the Armagh Down region as a tourism destination is the added value which this has brought about for all participant partners. This is demonstrated below:
— An analysis of the added value of the collective approach adopted by the Armagh Down Tourism Partnership in 2005–06 to maximising the tourism opportunities for the region illustrates that for every £1 of council financial support, the Armagh Down Tourism Partnership generates additional buy-in support of £8, for the destination as a whole.
— In addition, the Partnership was successful in securing approx. £160,000 from private and commercial sector sources to support its tourism activity.
— Also of importance is the fact that by having adopted this Armagh Down wide collective approach, areas of the South East region that previously have been unable to secure an out-of-state presence on a stand alone basis are now in a position to do so, facilitated by the Armagh Down brand.
— The Partnership and its predecessor (Kingdoms of Down Ltd) has developed a successful track record in co-operative working to deliver joint development and marketing initiatives with agencies such as Tourism Ireland Ltd, Northern Ireland Tourist Board, other regional tourism organisations such as the Causeway Coast & Glens Ltd and the East Border Region Tourism Partnership. This collaborative working has enabled the achievement of significant economies of scale. This is a practice that we will continue to actively adopt in pursuit of tourism growth for the region.
SUMMARY ECONOMIC IMPACT & BENEFITS

— The Armagh Down Tourism Partnership represents the tourism interests of seven of Northern Ireland’s 26 local authorities together with over 600 private and voluntary sector businesses and organisations.
— The economic importance of the tourism industry to the region is highlighted by the fact that the sector is currently valued at just under £90 million. The need to put in place mechanisms and resources to ensure the industry maximises its economic growth potential is vital, given the decline in traditional industries such as farming, fishing, textile manufacturing etc.
— Ambitious tourism growth targets for the region have been established and are predicated on the full implementation of the Armagh Down Tourism Strategy & Action Plan 2005–2010. Key targets over this period include an increase in tourism spend to £125 million and an associated 15% increase in tourism related employment.
— The Partnership, having rolled out the first year of a five-year programme of activity, has already demonstrated its success in implementing a number of tourism initiatives of strategic importance and its success in collaborative working with other tourism agencies such as Tourism Ireland, Northern Ireland Tourist Board etc. In order for this success to continue and for the challenging regional tourism growth targets to be achieved, continued financial support from Government, particularly through the Department of Trade Enterprise and Investment, is imperative over the coming years.

THE WAY AHEAD

The commitment and political will is present at all levels within the Armagh Down regional industry to grow tourism. The Partnership is, however, not only reliant on the commitment and resources of its local authority, private and voluntary sector partners, but also upon the system/scheme of financial support administered by the Northern Ireland Tourist Board and other relevant agencies.

For the current financial year (06/07), the Northern Ireland Tourist Board’s financial support to the Armagh Down Tourism Partnership represents over one-third of our operational and programme spend. Continued financial support from Government to the Armagh Down Tourism Partnership, particularly through the Department of Trade Enterprise and Investment, will be required over the coming years in order for the delivery of the region’s strategic tourism activities and therefore to ensure that its growth potential is fulfilled. This is all the more pressing in light of the conclusion of Northern Ireland’s PEACE funding. Any scaling back in resources will lead to irreparable damage to the Armagh Down region as a tourism destination, and as a result to the Northern Ireland tourism economy.

The successes of the Armagh Down Tourism Partnership to date highlight how public/private sector co-operation can be effective in ‘delivering’ tourism at a regional level, within the overall context of the overall Northern Ireland tourism proposition. We believe the Partnership to be an example of best practice in effective regional working in Northern Ireland and as such, continued Government support is vital.

Mark Mohan
Manager
5 June 2006

21. Written evidence from SkillsActive

BACKGROUND INFORMATION ABOUT SKILLSACTIVE

SkillsActive is an employer led organisation recognised and licensed by government as the Sector Skills Council for Active Leisure and Learning, and has been charged with leading the skills and productivity drive within the Sport and Recreation, Health and Fitness, Playwork, The Outdoors and Caravan Industries.

SkillsActive is working with and for the sector to:
— Advise government and influence decision makers.
— Promote the image of the sector to the public.
— Ensure the quality of training and qualifications.
— Help people find the jobs and training they need.
— Help the industry attract and retain the right staff.
— Attract funding to meet employers training needs.

SkillsActive is a registered charity and a membership organisation for employers and voluntary organisations in the sector. SkillsActive receives funding for its core functions from the Sector Skills Development Agency, as a result of being licensed by government.
SkillsActive works in close partnership with the Department for Education and Skills, the Department for Culture, Media and Sport, the devolved administrations and the homecountry sport councils to deliver our programme of activities. SkillsActive's work is directed by a Board of Trustees, which meets every two months.

SkillsActive works with employers to set national occupational standards for training and qualifications in the sport and recreation, health and fitness, playwork, the outdoors and caravan industries.

THE NORTHERN IRELAND CARAVAN SECTOR

1. The caravan sector has seen a sharp upward growth over the last five years at 4.9% per annum since 1999, which is considered likely to continue, albeit at a slightly lower pace (4.5%) for the next five years before picking up again (to 5%) until 2014.

2. The domestic tourism industry in Northern Ireland has undoubtedly benefited from the Peace process, and the caravan industry has shared the improvements in product design and features experienced elsewhere in the UK. There has been a marked increase in the value of units selling as a result.

3. There are approximately ten caravan dealerships in Northern Ireland and most servicing and repairs can be conducted by a few trained individuals, however, a large percentage of work and training is from England.

4. THE ECONOMIC BENEFITS OF THE CARAVAN SECTOR

According to a House of Commons response made by the Secretary of State for Northern Ireland in March 2006, the Northern Ireland Tourist Board (NITB) has, over the past 20 years, undertaken two annual surveys per year which identify the revenue spent by visitors and domestic holidaymakers including the caravan sector. The Secretary of State for Northern Ireland added that the NITB has not undertaken any additional, dedicated, surveys among the caravan sector providers over this period, and has no plans to do so.

5. The two annual surveys refer to the UKTS (UK Tourism Survey). Part of the problem lies in the definition of categories. For example if a couple own a caravan and their children (and grandchildren) come to use the caravan it can be classed as VFR (visiting friends and relatives) as opposed to caravan and camping.

6. The key point to make here is that there has been no caravan and camping sector specific survey in the past 20 years. If you look on the NITB website you will see hotel, guesthouse and B&B reports that are taken monthly. This is despite the fact that the Tourism Barometer (survey carried out by web tourism) has indicated that the caravanning sector has out performed the guesthouse and B&B sector in Northern Ireland.

7. The lack of surveys is having a detrimental effect on the caravan industry as its true value to the economy of Northern Ireland has not been shown in two decades. It effects the sustainable development of the caravan sector and the tourism industry as a whole.

8. SkillsActive is confident that an economic impact survey would produce sufficient evidence to confirm that the caravan industry makes a significant contribution to the Northern Ireland economy. Although it is not suggesting that its contribution would be as much as Wales (ie £209 million per annum), it is clear that the size and scope of this sector deserves more detailed investigation.

RECOMMENDATIONS

9. SkillsActive has highlighted the fact that there has been no caravan and camping sector specific survey in Northern Ireland in the past 20 years. It strongly recommends that a study similar to the "Caravan Holiday Homes in Wales 2003" commissioned by the Wales Tourist Board and the British Holiday and Home Parks Association should be carried out to monitor the contribution of the caravan sector to the Northern Ireland economy.

William Pickering
Public Affairs Office

25 May 2006

2 Research from Sector Skills Agreements 2005.

3 The Caravan Holiday Homes in Wales 2003 report examined the caravan holiday home sector in Wales in 2003. It looked at the nature of the sector, the market for caravan holidays and highlighted some of the policy issues that flow from these. The survey estimated that owners and renters in Wales contributed £209m to the Wales economy per year. This represents 17% of all holiday spending in Wales.
22. Written evidence from the Heritage Lottery Fund

1. ABOUT THE HERITAGE LOTTERY FUND

HLF is the UK’s leading heritage funder, distributing the heritage share of National Lottery proceeds. It is the only heritage organisation that both operates UK-wide, and funds all types of heritage—including built heritage; museums, libraries and archives; natural heritage; industrial, maritime and transport heritage; and the heritage of language, dialect and cultural traditions.

HLF currently distributes 16.66% of the money for good causes and since 1995 has committed £3.3 billion in 18,000 awards to heritage projects. The aims of the Fund are to:
- conserve and enhance the UK’s diverse heritage;
- encourage more people to be involved in and make decisions about their heritage;
- ensure that everyone can learn about, have access to, and enjoy their heritage, and;
- bring about a more equitable spread of our grants across the UK.

In Northern Ireland HLF has awarded over £100 million to more than 500 projects. It is estimated that this funding has levered in an equal amount in private and public funding for these projects.

National Heritage Memorial Fund

The parent body for HLF is the National Heritage Memorial Fund (NHMF), set up by the National Heritage Act 1980 with wide powers to fund heritage throughout the UK in memory of people who have given their lives for the UK. The NHMF operates as a fund of last resort, saving items of national importance that would otherwise be lost. In its 25 years it has awarded £220 million for more than 1,200 projects.

2. TOURISM IN THE WORK OF HLF

Northern Ireland’s diverse heritage is a growing factor in attracting outside visitors and in stimulating day trips, short breaks and holidays. NI visitor surveys consistently reflect the prominent role of heritage attractions such as museums, historic houses and gardens and the landscape in visitor feedback.

While almost every HLF award in Northern Ireland will have had some impact on the tourism economy, HLF has supported 180 projects that have tourism as a specific objective. These include 75 museum projects, 70 landmark buildings & attractions, 7 projects providing tourist accommodation and 29 landscapes, parks and gardens.

HLF’s approach to supporting heritage projects is distinctive. In addition to meeting priorities for conservation and public involvement, projects must demonstrate robust economic sustainability. With many HLF projects, tourism forms a key part of on-going business strategies. Equally, successful development of tourism in Northern Ireland is dependant on the care, conservation and development of its heritage.

HLF also believes that projects it supports should be developed in a holistic way. Many heritage projects involve more than one kind of heritage: for example, the restoration of a public park will often include work to historic structures as well as the landscape and biodiversity; and many museums, archives and libraries occupy heritage buildings. We also expect the project to demonstrate how it fits into wider strategic agendas like local tourism strategies. For example HLF-supported projects provide the accommodation for local tourist information facilities in Newry, Moneymore, Dungivin and Carrickfergus.

HLF’s Northern Ireland Manager, Kevin Baird is a Member of the Northern Ireland Tourist Board.

3. FUNDING FOR CONSERVATION PROJECTS

Conserving and enhancing the UK’s heritage is one of HLF’s three strategic aims and it is the largest funder of heritage conservation in the UK. Since 1994 it has invested over £1 billion in the conservation of more than 9,000 historic buildings; £680 million in land and biodiversity projects; and more than £1 billion in museums, libraries and archives, where many projects have included the conservation and opening up of nationally and internationally significant collections. Awards totalling £90 million have supported archaeological projects.

HLF is the largest dedicated funding source for the conservation of the United Kingdom’s built and natural heritage. Without HLF’s continuing investment it would not be possible to conserve iconic heritage assets at risk for future generations.

For example, major grants have enabled the restoration of St George’s Market, Belfast and the Tower Museum, Derry. The successful restoration of St George’s Market has resulted in expanded activities and as well as being a thriving city market, it is now the partner venue with Belfast’s Waterfront Hall for the growing international conference trade.
The Armada Exhibition that recently opened in the Tower Museum, Derry has brought an internationally recognised collection out of storage for the first time since it was discovered in the 1970’s and has created a major attraction in the heart of the Northern Ireland Tourist Board’s Walled City Signature Project. Over £1m of HLF support through our Townscape Heritage Initiative is also helping to revitalise this historic area and is successfully levering in other regeneration money to preserve and enhance this distinctive area.

It is unlikely that either of these major conservation projects, or many others like them, could have gone ahead without funding from the Heritage Lottery Fund.

Regeneration projects like Lisburn’s Historic Quarter Initiative illustrate the success that can be achieved through strategic local initiatives. A holistic approach has resulted in almost £4m of HLF grant aid being awarded to various projects within the area. This includes regeneration projects encouraging property owners to restore their properties, providing upper floor residential accommodation to create more city centre occupancy out of commercial hours. This has been complemented by landscape restoration and ‘time team’ type archaeological activities in the historic park. All of this work enhances the local environment which, when combined with the successful museum, creates a cluster of attractions to draw in and hold the visitor. In addition, this physical regeneration is supported by an oral history project involving people that lived or worked in this historic area over the years. This project is a good example of a city appreciating its historic assets and identity and developing them sympathetically to provide a unique retail environment and generate sustainable economic growth through multiple uses.

Natural heritage projects supported by HLF also make a huge contribution to the visitor experience. The instant popularity of opening Divis and Black Mountains, Belfast to the public is a recent success while projects at Murlough Dunes, Newcastle and Cuilcagh Mountain, Fermanagh (now designated a European Geopark) all hold significant appeal for visitors.

4. **Effectiveness of Measures to Support Tourism**

The Heritage Lottery Fund has expressed support for the Northern Ireland Tourist Board’s Strategic Framework for Action 2004–07 as it contains many elements that complement HLF’s priorities. The Signature projects and winning themes are of particular interest and many HLF grants have supported projects in these categories. HLF welcomes the effort that has been made through this framework to provide leadership and much needed co-ordination of activity. HLF supports the Review of Public Administration and the aspiration to provide a more holistic approach at local level. This in turn will require a more strategic and expert advice role within central government.

5. **Conclusion**

Tourism is a growing industry in Northern Ireland with considerable potential. Culture and heritage projects form a key element of the overall product on offer to visitors, local and overseas, and the Heritage Lottery Fund is one of the major funders of this sector. At a time of major organisational change within Northern Ireland there is an opportunity to further develop the clear strategic leadership that has begun to emerge. In addition it will be critical to ensure that resources are used efficiently and appropriately through the development of greater understanding, ownership and joined up working from all Government Departments and agencies in relation to the tourism agenda. Equally there is an opportunity to promote greater understanding that, carefully developed, heritage assets can both bring direct benefits to the community and offer tourism opportunities and economic growth. Heritage is a vital ingredient in Northern Ireland’s unique character; yet much remains at risk or inaccessible. Heritage funding has already made a major contribution to tourism but much more remains to be done.

*Joshua Peck*
Head of Public Affairs

26 May 2006

23. **Written evidence from the Ulster Architectural Heritage Society**

The UAHS was founded in 1967 in response to a growing awareness of the value of historic buildings in Northern Ireland and the threats to their survival. It is widely recognised as one of the most active groups in the British Isles concerned with the promotion of historic architecture and has pioneered a number of important initiatives. Its membership is around 1,200, but its influence is wider than this figure might suggest, and it remains the only voluntary body with a remit to campaign for the built heritage across Northern Ireland.

The Society lobbied successfully for the establishment of listed buildings legislation, historic building grants, conservation areas, the public buildings record and Historic Building Council. It continues to comment on planning legislation, policy, area plans and individual planning applications. The most public face of the Society is when it campaigns for the preservation of buildings threatened by redevelopment and
it manages a Buildings at Risk (BAR) register. Its ability to make precise and scholarly comments on applications arises largely from the accumulated expertise of its substantial output of publications on Ulster architecture.

**Built Heritage and Tourism**

Sustainable tourism increasingly hinges on the protection and conservation of the ‘product’. Our built heritage assets form a vital element of that product, serving as a magnet to visitors who are attracted to destinations with a sense of history or place. This is especially true of Northern Ireland, which does not enjoy a particularly pleasant climate. The assets include 59 conservation areas, approximately 8,500 listed buildings, 1,500 scheduled monuments, historic parks, gardens and demesnes, hundreds of designated and proposed Areas of Townscape Character and 5 Areas of Outstanding Natural Beauty.

Discerning visitors are increasingly drawn to animated historic places, enjoyed by local people rather than heritage attractions. The Heritage Lottery Fund’s Townscape Heritage Initiative serves as a good example of how our towns and villages can be brought back to life. Architectural details are being reinstated and sustainable uses introduced, including housing on upper floors as part of the ‘Living Over the Shops’ initiative.

The efforts of the Irish Landmark Trust must also be celebrated and supported. The Trust is unique in providing high quality tourist accommodation in unusual historic erstwhile buildings at risk across Ireland. To date the NI properties are Ballealy Cottage near Randalstown, Blackhead Lighthouse and the Barbican at Glenarm Castle.

While these serve as positive exemplars and possible templates, we cannot escape the fact that in general our built heritage is under severe threat.

**Threat to Asset**

Listed buildings and buildings within conservation areas and areas of townscape character are being lost through unauthorised and authorised demolitions or are losing their character as a result of inappropriate alterations. These are either being given listed building consent or enforcement action does not ensue. Indeed hundreds of buildings have been de-listed in the second survey of historic buildings because they have lost their special character in this way. There are approximately 470 buildings on the BAR register and enforcement tools such as repairs notices or urgent works notices are not being employed to help prompt repair and re-use.

The ongoing rate of loss largely hinges on the lack of expertise within Planning Service and the wariness of the Departmental Solicitors in taking enforcement action.

Opportunities to breathe life back into our conservation areas are also being lost because of the dearth of qualified staff in place to pursue regeneration schemes.

The marketing of our green landscapes and vernacular cottages has been dubbed ‘one of the greatest confidence tricks ever played’. In the 1950s over 30,000 thatched dwellings existed. Approximately 120 remain. The amount of single dwellings being constructed in the countryside constitutes more than the number being built in England, Scotland and Wales combined.

Draft PPS14 Sustainable Development in the Countryside is attempting to tackle this onslaught on the landscape by removing the presumption in favour of development and actively encouraging the re-use of traditional buildings. It was met with widespread political opposition, fuelled by the media. Sadly the chance to explore and explain the fundamental link between the protection of our historic landscapes and the future of cultural tourism was wasted. Such opportunities need to be grasped with both hands.

**Future for Built Heritage Management**

In the attached paper to the ongoing review of environmental governance, we have suggested an improved model for built heritage management, which we have also copied to the Review of Public Administration team. We hope that the committee will be able to take the opportunity to look at this model as part of the Inquiry.

We trust that the above comments are of some assistance and we would be pleased to offer further evidence if required.

*Rita Harkin*
Research Officer

*5 June 2006*
24. Written evidence from Ulster Unionist Party

The Committee wishes to conduct an inquiry into Tourism in Northern Ireland and its economic impacts and benefits. In particular the Committee wishes to look at:

The nature of tourism in Northern Ireland, its impact and importance for the overall economy, and the effectiveness of measures taken by Government and other relevant agencies to develop, promote and support the marketing of Northern Ireland as a tourist destination.

While tourism is an essential part of Northern Ireland’s economy, there is a vast untapped potential for the tourist industry in this part of the United Kingdom. At present tourism accounts for only 1.6% of the GDP contribution compared to a UK-wide figure of 4.7%.

Both Scotland and Wales have developed their respective tourism industries much more effectively than has Northern Ireland. Tourism accounts for 7% of Scotland’s economic output, sustains 200,000 jobs, and tourists contribute £4 billion per year to the Scottish economy. In Wales tourism similarly accounts for 7% of economic output, contributes £2.6 billion to the regional economy and sustains over 100,000 jobs.

The comparisons with Northern Ireland are stark—tourism accounts for 2.5% of Northern Ireland’s economic output, contributes £800 million to our regional economy and sustains 20,000 jobs. Similar stark contrasts occur when comparison is made with the tourist industry in the Irish Republic—accounting for 8% of the Republic’s economic output and contributing 5.1 billion Euros to the Irish economy.

However, Northern Ireland’s tourist industry does share a fundamental characteristic with tourism in Scotland, Wales and the Republic—in each jurisdiction the vast majority of visitors are from Great Britain. 92% of visitors to Scotland are from GB, 93% in Wales, and 62% in the Republic. The figure for Northern Ireland is 74%. These figures suggest clearly suggest that GB will remain the main market area for tourism in Northern Ireland—and is the market on which future growth and success is largely dependent.

Regarding overseas visitors, the United States and Canada is the largest single market for both the UK regions and the Republic of Ireland. 24% of overseas tourists to Scotland are from North America, as are 38% in the Republic. The figure for Northern Ireland is 47%. In terms of overseas marketing, therefore, North America is the key market.

In light of this, the Ulster Unionist Party offers the following proposals as a contribution to the debate on the renewal of Northern Ireland’s tourist industry:

— Weaknesses in Northern Ireland’s infrastructure—particularly transport infrastructure—are undermining our tourism potential. This applies both internally as well as to infrastructure links with GB and the Republic. The Northern Ireland Tourist Board commented in their 2006 marketing plan that “the public transport infrastructure for tourism is lacking”. We would draw attention to the ongoing need for the Northern Ireland Route Development Fund in order to continue improve to air access to Northern Ireland.

— There are overwhelming marketing and infrastructure reasons for ensuring that the proposed National Stadium should be based in Belfast, Northern Ireland’s capital city. In view of ongoing public concern at the Government’s proposal to use the Maze site, the Ulster Unionist Party calls for an independent evaluation of the tourist potential of placing the National Stadium at that site.

— Northern Ireland’s Ulster Scots traditions should be more effectively funded and promoted as a unique aspect of the Northern Ireland tourist experience. We note the recent admission, in relation to the tourist potential of Ulster Scots traditions, by the Minister (Maria Eagle MP) that Government “clearly recognise that there is an opportunity that has not been exploited, and we are determined to more in relation to that tradition”.

— Major sporting and cultural events should be more effectively marketed outside of Northern Ireland. A strategically-located Centre of Excellence for Motorsports would also enable Northern Ireland to appeal to a premium end of this market.

— Northern Ireland has a rich heritage in major industries, particularly shipbuilding and aerospace. We believe this heritage should be celebrated and promoted through a “Museum of Sea and Air”. This could be built in the Titanic quarter as part of the tourism strategy for that area.

— Waterways Ireland should be tasked with completing the Ulster canal to link Lough Erne with the River Shannon. Promotion and marketing of this should be modelled successful waterway experiences elsewhere.

— Northern Ireland’s impressive prehistoric, historic and contemporary built heritage should be promoted as part of the tourism experience offered by our region.

— The failure of the signature points of the Strategic Framework for Action 2005–2007 to refer to the Fermanagh Lakelands is in need of urgent revision. The recent launch of the ‘Destination Fermanagh’ indicates the tourism significance of the Lakelands.

— The North American connection brochure requires stronger, more focussed marketing. The historic and cultural links between Northern Ireland and USA/Canada should be the basis for marketing Northern Ireland as a tourist destination in North America.
Northern Ireland is the only region of the United Kingdom without a national park. The tourist potential of national parks has been demonstrated elsewhere in the United Kingdom. Progress towards the creation of a Mourne National Park is an important part of renewing Northern Ireland’s tourism potential.

There is a consensus across relevant bodies and interest groups in Northern Ireland that our region is failing to reach its full economic potential. Experience elsewhere in the UK and British Isles indicates the contribution tourism can make to a regional economy. Public policy must not only aspire to similar performance by Northern Ireland’s tourist industry—it must also make it attainable.

Dr Brian Crowe
Head of Policy
3 July 2006

INTRODUCTION

The National Trust welcomes the opportunity to submit evidence to the Northern Ireland Affairs Committee inquiry into tourism and its economic impact and benefits.

The National Trust is the UK’s largest conservation charity, supported by over 3.4 million members, including over 46,000 members in Northern Ireland. In Northern Ireland the Trust currently owns and manages 15 major countryside or coastal estates, some 200 kilometres (approximately 30%) of the NI coastline, five National Nature Reserves, the World Heritage Site at the Giant’s Causeway and land within 21 Areas of Special Scientific Interest.

The built heritage owned and managed by the Trust in Northern Ireland includes nine major historic mansions and houses, five industrial heritage sites open to the public, over 200 listed buildings, 12 scheduled historic monuments, over 150 archaeological sites, a range of industrial archaeological sites, most of the villages of Cushendun and Kearney, and two public houses.

The work of the National Trust contributes significantly to tourism in Northern Ireland. A 2004 study carried out for the Trust by PriceWaterhouseCoopers into the contribution made by the Trust to the region’s economy and tourism (Valuing Our Environment, 2004) found that its properties receive over one in ten of all recorded visits to Northern Ireland attractions. It also highlighted the contribution which the Trust makes to the economy in Northern Ireland, investing approximately £5 million per year and purchasing goods and services in all 26 council areas.

Market research by the National Trust

Research undertaken by the National Trust includes an annual visitor survey which measures customer expectation against satisfaction. This research project is managed on behalf of the Trust by Bournemouth University and is completed at a total of seven sites. National Trust also evaluates the quality of customer service on site via a “Mystery Visitor” program. This research adopts a three wave approach—start, middle and end of season and is undertaken at nine sites. In 2004, National Trust also conducted a household survey to evaluate perception of the National Trust in Northern Ireland.

Our research indicates that the profile of visitors to the majority of our properties in Northern Ireland comprises a mix of 35% out of state visitors to 65% domestic tourists. Exceptions to this are the Giant’s Causeway and Carrick-a-Rede rope bridge with a visitor profile mix of 70% out of state to 30% domestic market.

Research on the economic impact of tourism—Valuing Our Environment

In 2003, the National Trust commissioned PriceWaterhouseCoopers to carry out a study into the contribution which the National Trust’s properties and activities make to the Northern Ireland economy, including its tourism industry. The study, published in 2004 entitled “Valuing Our Environment,” highlighted that:

— the Northern Ireland tourism sector earns £395 million year supporting an estimated 19,600 jobs;
— there is substantial room for growth in the Northern Ireland tourism industry before reaching the same level tourism earnings enjoyed in the Republic of Ireland and Scotland. (At the time of the study, NI tourism earnings represented less than 2% of the region’s GDP, compared with 4.2% in Scotland and 5.4% in the Republic of Ireland); and
More than 10% of recorded visits to Northern Ireland attractions were to National Trust properties.

A full copy of the report can be found at http://www.nationaltrust.org.uk/main/w-ni-valuing—environment-full.pdf

**The National Trust’s work with tourism organisations in Northern Ireland**

The National Trust annually subscribes to membership of five Regional Tourism Partnerships in Northern Ireland. As part of this membership, the National Trust avails of cost-effective marketing within the international marketplace through print, web, direct-marketing, incoming familiarisation trips and media visits and participation at exhibitions.

**The National Trust and the Northern Ireland Tourist Board**

The National Trust works with the NITB in a range of ways, and staff from both organisations meet regularly.

The National Trust is represented on a number of NITB Steering Groups including the Internet Steering Group, St Patrick’s Trail Signature Project Action Group and the Food Tourism Action Group. In previous years, National Trust has also participated in the Business Tourism Action Group.

The National Trust has over the last year attended a number of industry events and workshops initiated by the Northern Ireland Tourist Board. These events have proved useful in respect of providing industry partners with tools and advice on marketing at Travel Trade events and in particular within the Business Tourism arena.

The National Trust also works in close partnership with the NITB Dublin to promote its portfolio including events, holiday cottages, group and special interest tours within the Republic of Ireland marketplace. The National Trust also completes an annual promotional display in the NITB Dublin’s front window space.

The National Trust works in partnership with the Northern Ireland Tourist Board Communications Dept. on a number of domestic promotional campaigns including Valentines day, Mother’s day, Father’s day, Easter, Christmas, Halloween, and summer events.

The NITB also makes regular use of National Trust properties as backdrops for promotional photography for Northern Ireland and has brought media to film at National Trust properties, giving profile to these properties through world media. National Trust sites used by the NITB for filming purposes, include the Carrick-a-Rede rope Bridge, Giant’s Causeway and Mount Stewart.

Geoff Nuttall
26 July 2006

**26. Written evidence from Mourne Heritage Trust**

On 18 October I had the pleasure, in my capacity as Chief Executive of Mourne Heritage Trust, of joining the Northern Ireland Affairs Committee at a Northern Ireland Tourist Board (NITB) hosted dinner in the Slieve Donard Hotel, Newcastle. The Committee was at that point reaching the final stages of its extensive tour of tourism related sites in Northern Ireland which that day included the Mournes and Slieve Croob Area of Outstanding Natural Beauty, the core of Northern Ireland’s proposed first National Park. I was pleased to be able to engage with a number of Committee members about the National Park concept and to observe the high level of interest in it. The purpose of this letter is to follow up some of those discussions and to highlight some issues of particular concern to members of the Mourne Heritage Trust.

**BACKGROUND**

By way of background the Trust is the management body for the Mourne AONB and a company limited by guarantee with charitable status. It is a community based management structure with a Board of 21 Trustees representing a wide spectrum of local and special interests and a subscription membership association, “Friends of Mourne”. The Trust is core funded by DoE Environment and Heritage Service, NITB and the three local authorities of Banbridge, Down and Newry and Mourne. In addition it attracts project funding from a range of sources and is currently delivery agent for the EU Peace funded Natural Resource Rural Tourism Initiative which will be coming to a close in March 2007. The Trust works across five interrelated work areas as follows:

— Environmental Protection and Enhancement.
— Visitor Infrastructure and Visitor Management.
— Built and Cultural Heritage.
— Sustainable Tourism Development.
— Rural Regeneration.

The Trust is represented by its Chairman, Dr. Arthur Mitchell on the Mournes National Park Working Party, the independent body established by government to examine the potential for a National Park in Mournes. I sit as an Observer on the Working Party. A number of other Trustees of MHT also sit on the MNPWP as representatives of other organisations.

**Proposed Mournes National Park**

One point that seemed to particularly strike those members with whom I spoke is the falling “out of sync” of the respective processes towards designation of the Mournes National Park and of putting in place the primary legislation required to enable National Park designations in Northern Ireland generally. The former, the proposal for a Mournes National Park, is at public consultation stage which includes seeking views on a proposed boundary. In relation to the latter, the draft primary legislation is at an advanced stage of development with DoE Environmental Policy Division, as is an accompanying business case. However, details of this work have yet to be made public and enacting of the legislation, which will first require further public consultation, is currently scheduled for 2009 having been ‘de-prioritised’ in the legislative calendar in favour of business related to the Review of Public Administration.

Among the impacts of this has been that the consultation process in Mournes has been shorn of a degree of credibility. While people are being asked their views on both the principle of a National Park designation and specifically on a boundary for a Mournes National Park, the Working Party has, in the absence of detail knowledge of the legislation that would underpin such a development, been unable to give significant detail on what it would mean in practice. This has fed a “hidden agenda” “this is being foisted upon us” viewpoint among some of the more sceptical in the local community and, even among those who wish to positively consider the concept, a degree of frustration that they are unable to do so from an informed viewpoint.

Aside from the challenges currently posed to meaningful consultation, there is also concern at the proposed date of 2009 for enactment of this important legislation. The Review of Public Administration is of course a seminal development in Northern Ireland and the legislation associated with it therefore of great importance. However, the capability to designate National Parks and the associated prioritising of the protection and enhancement of our important natural environment, is, I would suggest, a very important strategic development in Northern Ireland. Both in terms of encouraging tourism derived economic growth in the short term and ensuring that this can be sustained in the longer term by adequately protecting the natural resource.

It is surely anomalous that a predominately rural region has identified tourism as a prime engine of future economic growth is one of the few, if not only, jurisdictions in western Europe that does not have a National Park. Accordingly, Mournes Heritage Trust feels that, in order to facilitate an informed debate on the possible contribution of National Park designation to the development of tourism in Northern Ireland and to ensure that future benefits to the economy and society in Northern Ireland are optimised. The following two actions are necessary:

— Making public the detail of the draft enabling legislation for National Parks in Northern Ireland as soon as possible and ideally in advance of the close of consultations on a National Park in Mournes (end January 2007).
— Prioritising the enactment of such legislation.

**Protected Area Management in Northern Ireland**

A related issue is that of the resourcing of the management and promotion of Northern Ireland’s foremost environmental and, by extension, tourist assets. There are currently nine AONBs in Northern Ireland with a further two proposed, as well as a great number of other environmental designations too numerous to mention. However, AONBs in Northern Ireland, as well as having significantly less statutory weight than their GB equivalents, are not particularly well resourced. I understand that the annual Environment and Heritage Service budget for protected area management in Northern Ireland is currently in the region of £600,000. Mournes Heritage Trust is fortunate enough to receive just under a quarter of this amount from EHS. Even this, however, sustains a field staff of only one Area Ranger and two Countryside Officers, along with management, administrative and running costs, in a sensitive area of 57,000 hectares.

In addition, the need to rely on the continued goodwill of a range of different funders each with their own requirements also makes the funding base for protected area management rather insecure. While DoE has a legislative responsibility under the Nature Conservation and Amenities Lands Order (NI) 1985 to provide, in some shape or form, for management of designated AONBs, there is no such onus on any of our other core funders and we are therefore grateful for their ongoing support.

Mournes Heritage Trust would contend that—the Giants Causeway apart and accepting the ongoing attempts to develop the Titanic theme in Belfast and that the Mournes themselves have an iconic image within the Province—Northern Ireland does not have a critical mass of stand out flagship tourist attractions and sites. One very significant, if rather dispersed asset we would suggest is that as yet relatively unspoilt
rural landscape, as highlighted by the remarkable concentration of AONBs and other designations (please see attached map highlighting designated areas). Northern Ireland has very significant potential to build an image and reputation as a “green” destination in tourism terms.

However, while steps have been taken through recent planning policy to arrest the degradation through over-development of this landscape, funding for more proactive aspects of the promotion, enhancement and protection of these special rural areas remain limited. NITB’s Five Key Signature Projects include two that are based around Areas of Outstanding Natural Beauty (the Causeway Coast and the Mournes) and one, Saint Patrick, which involves a wide rural area. This further emphasises the importance to tourism development in Northern Ireland of management and protection of our natural resources.

In appreciating the economic value that can be derived from the environment the example of Wales is instructive. Research conducted by the Countryside Council for Wales in 2001 estimated that environmental tourism and education alone contributed £821 million per annum to the economy and maintained 23,800 jobs. While directly comparable research for Northern Ireland is, to the best of my knowledge is not available, it could reasonably be suggested that Northern Ireland is not capitalising to the extent that it might on the economic potential of its environment.

To take the National Park proposal specifically a recent study completed on behalf of NITB and coordinated by Mourne Heritage Trust is also instructive. This estimates that by 2020 tourism related expenditure per annum in the “sphere of influence” of the Mourne AONB (the district Council areas of Banbridge, Down and Newry and Mourne) could be over 50% greater than would be the case if National Park designation were not to happen (£221 million per annum compared to £140 million). In turn, this level of expenditure would account for over 5000 tourism jobs and a further 2,600 in related industries. A copy of this report has previously been forwarded to the Committee.

It is of course important that Northern Ireland capitalises on the tourism potential of its countryside given the dependence of many rural areas here on agriculture, which continues to decline in the face of unfavourable market trends. It is notable that many of our protected areas coincide with those in which farming is most marginal, making transition to custodial farming not just an option in these areas but an imperative. This is highlighted in another attached map which outlines the Standard Gross Margin (a measure of agricultural productive capacity of land) against protected areas in Northern Ireland. Areas highlighted in blue are those of greatest viability in agricultural terms, with green most marginal.

In addition, therefore to progress on the National Park concept, which will of course address many of the issues outlined in the areas to which it is applied, the Trust also feels that the following are of vital importance if Northern Ireland is to fully capitalise on its tourism potential:

— More substantial and consistent resourcing of the management of protected areas in Northern Ireland generally.
— Progression of the Mournes Signature Project.
— Promotion and development of sustainable tourism and “green” tourism as a niche market.
— Additional incentives to farmers in protected areas to participate in agri-environment schemes.

I hope that the information and views outlined in this letter are of interest and use to the Committee. I am of course happy to provide further information as necessary.

Martin Carey
Chief Executive
6 November 2006

27. Written evidence from Kevin Smyth

On the Committees recent visit to Northern Ireland I was asked for some additional information on the development of the two hotels I was involved with.

Ten Square Boutique Hotel opened in September 2001. It was the first time a dedicated Luxury Boutique Hotel had opened in Northern Ireland. The travel and business media seized upon this as the ray of light for the new Belfast. Journalists from Australia, Asia and North America in addition to the UK press have praised the high standard of accommodations. Ten Square’s success has paved the way for other independents, groups and chains to invest in the city, namely Malmaison, Radisson and now five years after opening, The Merchant Hotel. The £5.5 million private investment by two local brothers was quite a bold move at the time especially as 9/11 and foot and mouth came on the back of opening.

I was General Manager of this hotel up until August this year. As an independent hotel, we had limited resources to pull from to market the hotel outside Ireland. In partnership with the Belfast Visitor and Convention Bureau, I was able to reach out to a wider audience on a global scale without the associated cost. The ability to partner at European showcase evenings, exhibitions and travel fairs is something I could not have achieved to this degree with the NI Tourist Board nor Tourism Ireland. www.tensquare.co.uk

Our second property has been owned by the Hill brothers since 1991. Set in 96 acres of County Antrim countryside. Galgorm Manor is in the process of a £10 million transformation from a country house hotel with 24 bedrooms to what will be one of Ireland’s leading resorts. I had identified the Spa leisure, Incentive travel market, which was largely untapped by the Northern Ireland tourism product as a key component to Glagorm’s future success. Four years have been spent perfecting the offering and construction began in October 2005 with completion scheduled for the summer of 2007. Comprising of 100 rooms, full destination spa with hydro pool, fine dining and a casual restaurant and bar, extensive conference facilities with Northern Ireland’s first hotel conference auditorium, outdoor country pursuits’ including fishing, equestrian, archery and clay pigeon shooting. Galgorm will be the jewel in Northern Ireland tourism crown however this will require assistance from the tourism bodies to promote Belfast and Northern Ireland as a destination. www.galgorm.com

Galgorm has not been created to displace Northern Ireland business, but to drive new business into the province. Extensive marketing has been done in the United States, Canada and Europe in the lucrative Incentive travel market who see Belfast and Northern Ireland as a new exciting destination. Bookings for 2007–08 have already been confirmed. With now over 25 international airline destinations from Belfast, encouraging companies to bring their meetings from the US and Europe to Northern Ireland is now a reality.

It is my belief that the Industry would be better served with one body responsible for the marketing of Belfast as a gateway city to Northern Ireland. Tourism Ireland markets Ireland as a whole, however, having travelled internationally to sell my hotels, it is my opinion that as Northern Ireland has so much ground to make up in comparison with the Republic of Ireland, we need additional marketing in key cities to emphasise the destination and one body promoting the city on an international scale. The NI Tourist Board has achieved so much however it is seen within the industry as the strategic force behind tourism, not the marketing.

As a Board Member of the Belfast Visitor & Convention Board representing hotels under 100 bedrooms, I am aware first hand of the decreasing budget restraints for 2006–07. As a Private Public Partnership, great inroads have been made and the industry feels that it is better represented through the Bureau.

I would ask for your support in securing direct funding for Belfast Visitor & Convention Bureau. As noted by many of the travel press and industry professionals, Tourism in Northern Ireland is still in its infancy and must be nurtured as this key stage in its development.

19 October 2006

28. Written evidence from the Causeway Coast and Glens Regional Tourism Partnership

BACKGROUND

Causeway Coast and Glens Regional Tourism Partnership, formed in 1999 is responsible for promoting a region comprising of eight Local Authorities (Ballymoney, Ballymena, Coleraine, Carrickfergus, Larne, Limavady, Moyle and Newtownabbey). The region is currently the leading leisure holiday destination in the province with a 28% share of the visitor market. Tourist revenue in the area in 2005 (excluding day trips) was just over £136 million.

In addition to regional marketing, the Tourism Partnership is also undertaking work in product development, visitor servicing, industry skills and communication, research and market intelligence.

The Regional Partnership is a membership organisation and its relationship with the private sector is one of its key successes to date. Currently, 425 businesses are members of the Partnership.

The UNESCO World Heritage Site at the Giant’s Causeway is the key iconic attraction in the region. The Giant’s Causeway is without doubt one of the key motivating factors in visitors choosing to come to Northern Ireland.
 ISSUES FOR CONSIDERATION BY THE COMMITTEE

(a) NITB Strategic Framework and Signature Projects

The development of the NITB Strategic Framework 2004–07 and the introduction of winning themes (short breaks, events, business tourism, activity tourism and culture and heritage) was well supported by the majority of the stakeholders in the industry. However, to date there would appear to be a view that not a lot has changed as a result of the framework and that there is a need for the development of both short and long term goals and actions to ensure that objectives are achieved.

(b) “Joined Up Government”

There is clearly a need for all of the Government Departments in Northern Ireland with a tourism remit to support the objectives of the NITB Strategic Framework for Action (SFA).

Currently, NITB appear to have little influence on “Departmental Tourism Spend”.

There is also clearly a need for “buy in” to the SFA from all Government Departments. While there appears to be some support shown at the “Tourism Strategy Forum”, chaired by the Minister, there appears to be little support for the SFA from government departments at regional level.

There needs to be a sharing of the vision of the SFA and co-ordination of resources across all government departments.

(c) Delivery Mechanisms

There is still a degree of confusion within the industry in relation to delivery and the role of NITB, Tourism Ireland and the Regional Partnerships.

It is the view of CCAG that the Regional Tourism Partnerships have demonstrated success through their partnerships with the private sector and this is evidence that regional delivery brings results. There is a need for clarity of roles with a clear distinction made between strategic leadership, policy and delivery. DETI and NITB should focus on development of policy and strategic leadership with the RTPs adopting the role of regional delivery.

(d) Communication

Improved communication between Tourism Ireland, NITB and the private sector would make a very significant contribution to addressing many of the issues facing the industry. Information tends to be presented rather than a genuine engagement seeking the views of the sector.

(e) Support for Regional Delivery

Currently the private sector contributes 27% of the Regional Partnership funding with the remainder coming from local authorities and the NITB. Given the current level of maturity of the industry and the obvious potential to grow the contribution to GDP there is a need for increasing support from central government for the Regional Partnerships. Without this central government support, the industry will not achieve its potential growth.

Currently, the profile of the accommodation sector in Causeway Coast and Glens is such that just over 50% of the providers have four bedrooms or less or one unit of self catering. Clearly, there is a limit as to how much money can be raised from this sector.

(f) Government Investment in Infrastructure and Product

There is a view that government is not doing enough to support the industry. As stated earlier, there has been very significant buy in from stakeholders for the NITB SFA and Winning Themes, yet lack of funding for NITB to date has meant that progress in implementing these plans has not been as good as had been hoped for.

There is a need for long term funding commitments for tourism for both NITB and the regional partnerships.

The industry is suffering from “Strategy Fatigue”—what is currently required is for resources to be focussed on delivery and implementation of the actions. This will provide visible support for the industry and will lead to greater private sector buy in.
(g) **Statistical Information**

There is a need for robust, timely data to allow the tourism sector to make plans and respond to changes in the marketplace. Much of the current data is not available soon enough and there are a number of gaps in the data. For example, no data exists on the current value of the day tripper market.

*Don Wilmont*
Manager
23 November 2006

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**29. Written evidence from the Western Regional Tourism Partnership**

**BACKGROUND**

In 2002, the NITB commissioned a review of the delivery network for regional tourism in Northern Ireland. The review examined the (then) current structures, roles and stakeholder responsibilities and considered a number of options for the future organisation, management and delivery of tourism on a regional basis in NI. At that time there were five Regional Tourism Organisations (RTOs), primarily responsible for marketing and in some instances visitor servicing. The NITB considered that the new RTP organisations would build upon the RTO structure and provide greater co-ordination and cohesion for tourism in the respective regions.

**EVOLUTION OF THE WESTERN REGIONAL TOURISM PARTNERSHIP**

Given that the Regional Tourism Partnership’s had been identified by the NITB as the way forward, the seven local authorities in the West collaborated as a Steering Group in the Summer of 2005 to explore the opportunities and potential to establish an RTP organisation for the North West/West of NI.

This proved challenging as there were two Regional Tourism Organisations already in existence—Derry Visitor and Convention Bureau and Fermanagh Lakeland Tourism. In Co Tyrone, the delivery agents were Sperrins Tourism Ltd, Tyrone Tourism and Flavour of Tyrone. These organisations had and have the support and backing of their local authorities and private sector. It was also recognised that the 3 regional brands of Fermanagh, Tyrone and Derry should be retained for marketing purposes especially as the new RTP’s would have a focus on closer to home markets.

It is important to note that the seven local authorities have individually adopted resolutions that prioritise the establishment (in the long-term) of a cross border-based tourism body for the North West of the island of Ireland, comprising the counties of Donegal, Fermanagh, Leitrim, Tyrone, Londonderry and Sligo and are currently committed to pursuing the establishment of such a body in the medium-term through their participation in the Destination North West Programme.

In view of this the local authorities are agreed that substantial investment in a structure that, in all likelihood will be short-lived, does not represent value for money. Furthermore, the impacts of the Review of Public Administration are still largely unknown and in the short-term, further restructuring of any new (RTP) organisation put in place now, may be necessary.

There is consensus across the seven local authorities that in the immediate-term, a virtual RTP would be established for the west of NI. The establishment of such a structure enables the western region to engage fully with NITB in the delivery of its development strategy and will ensure that funding available for the RTP structures is not lost to the western region.

In agreeing to move forward in this manner, the local authorities were conscious of their commitment to the existing Regional Tourism Organisations, delivery bodies, and associated consortia.

Thus, in terms of the virtual structure, a joint committee comprising the Officers of the Seven Western Council, along with the Officers of the existing consortia that are currently supported (by the seven local authorities) would form a Steering Group for the WRTP to meet regularly and co-ordinate the work of the existing delivery bodies under the auspices of the virtual WRTP. This steering group comprised the seven local authorities as well as Derry Visitor and Convention Bureau, Fermanagh Lakeland Tourism, Flavour of Tyrone, Sperrins Tourism Ltd and Tyrone Tourism.

**THE WESTERN REGIONAL TOURISM PARTNERSHIP**

The WRTP Steering Group is responsible for identifying regional priorities for tourism and for agreeing actions and activities to be delivered through the existing mechanisms and organisations. This steering group approach has been adopted for the virtual RTP to maximise the potential of collaborative functions, to ensure greater efficiency across the sub-regions within the West, to avoid duplication and to lead to the development and implementation of joint actions.
The role of the RTP is to undertake all strategic tourism functions, working with the local authorities and other partners on the ground to deliver strategy, strategic product development, research and market intelligence. This enables the establishment of an entirely new “light” footed/structured organisation with a defined set of objectives, whilst working with sub-regional tourism networks in order to address local issues and retaining the existing delivery bodies to undertake continued limited destination marketing, as well as visitor servicing etc and the local authorities working on product development.

The Western Region has a diverse set of tourism products/market propositions that is the basis for a strategy that aims to do many things for all of the industry. The challenge is about how, through collaborative working, the WRTP is able to prioritize those elements that will bring about step-change to enable tourism to make a more significant contribution to the economic and social prosperity of the Region.

**Issues for Consideration by the Committee**

1. *Delivery Mechanisms*

   There is an increasing need for support from central government for tourism. As RTP’s have been identified by NITB as the way forward, then these must be properly resourced if they are to succeed. The Western RTP, which covers the largest landmass of all the RTP’s can only access a maximum of £125,000 funding per annum via NITB for marketing. In the past, the three counties received approx £280,000. This is a significant reduction in funding and given the current level of maturity of the industry there is a limit to the amount of financial support available from the private sector, given that many of these tourism businesses are based in rural areas and are small family run establishments. The review of RPA will mean that the Western region may be governed by two or more local authority areas– priorities for tourism must be maintained within any new structures.

2. *Government Investment and Infrastructure Planning*

   There is industry consensus that government is not doing enough to support tourism. The NITB has a Strategic Framework for Action, yet lack of funding for tourism to date has meant that progress in implementing these plans has not been as good has had been hoped for.

   For the Western region, and NI as a whole, tourism is a prime driver for the local economy and investment in this in the short to medium term will stimulate longer term economic growth that will assist in financing other areas eg health and education.

   Government Departments in NI must work more closely together to deliver on tourism opportunities.

   2.1 There is confusion within the industry as to the role of bodies like NITB, Tourism Ireland and the Regional Partnerships. There needs to be strong strategic leadership for the NI tourism industry and also clarification on how Tourism Ireland can deliver additional business to NI which is part of their remit.

   2.2 Furthermore, the planning process is relying on outdated development plans when considering tourism development proposals. There is an urgent need to have a Planning Policy Statement addressing tourism needs. In the western region, there has been a significant decline in agriculture and manufacturing businesses. Tourism offers an alternative economic development opportunity but the present Planning regime stymies many proposed tourism projects.

   2.3 The private sector is prepared to make the often significant financial contribution necessary to create tourism products suitable for to-day’s market but they need the support of Government Agencies to access finance/funding and to bolster investor confidence. This has, in the past, proven extremely difficult to obtain. Sometimes, if support has been forthcoming and some public funding has been committed, then the constraints and conditions placed on its acceptance have substantially reduced its value.

   2.4 Investment in infrastructure development is a priority for the Western Region. Ease of access is vital for the potential visitor. The increase in direct flights into NI has had a major impact with regard to visitor numbers and spend, but most of this has benefited the east of NI more so than the West. The development of Derry City Airport and the potential of Enniskillen Airport, as a regional hub, would contribute significantly to the local economy in the West. Likewise, investment in road infrastructure is essential. The main routes requiring investment are the M2/M22/A6 Belfast to Derry, the A4 route from Ballygawley through Enniskillen to the Border, the A32 Enniskillen to Omagh and the Enniskillen Bypass. It is also essential that the N2 and the N3, the primary routes to and from Dublin are improved as are the A5 and the A509 respectively in NI.

   While the Western region is mainly rural, with the exception of Derry, it is crucial that major investment is made in the urban centres. This is essential in that our tourists expect a sophisticated urban offering including high quality shops, restaurants, pubs and accommodation. These need to be located in attractive, clean and unique urban centres. Out towns and villages do not offer this and major investment is necessary.
3. Regional Strategies

There are three distinct regions within the WRTP—Derry, Fermanagh and Tyrone. We acknowledge the benefit of working more closely together and hope to do so with regard to future marketing activity and product development. However, each of the counties is highly distinctive. Some of the private sector has invested heavily in tourism development—most notably in Derry and Fermanagh. Fermanagh for example, has produced a new Destination Fermanagh strategy which sets out the County’s vision for tourism over the next 10 years. Support is needed at the highest level in order to drive this strategy forward. There is one signature project in the Western Area—the Walled City project in Derry. Investment in this project is hoped to bring further benefits to the North West—however research indicates that visitors who come to Derry do not travel south as far as Fermanagh—they are more inclined to stay in the city and travel around the Donegal and Causeway region. Fermanagh and indeed Tyrone were disappointed not to have had a signature project identified in the south west and now much emphasis is being put on the importance of these projects—the fear being and indications are that significant future funding will be focused on these projects to the detriment of other regional initiatives.

4. International marketing issues

Tourism Ireland has the remit to market the island of Ireland overseas. In the past this was done with the support of the various Regional Tourism Organisations who represented their private sector and had the knowledge required to supplement the Tourism Ireland Activity. The new Regional Tourism Partnerships, due to lack of funding have had to concentrate marketing activity in the closer to home markets. For those regions that have the product to compete in the international marketplace, we need to have increased funding to allow the regions and the private sector to have the platforms in order to support Tourism Ireland overseas and deliver additional business to the regions of NI. There is also the issue of what is being done to disperse visitors through NI and not just attract them to the “honey-pots”—the regional structures should be used for more cross-marketing, particularly for the more rural destinations.

5. Financial support for private enterprise

The lack of financial support for private enterprise leads to a lack of confidence in the tourism industry—particularly in less developed parts of the region like the Sperrins and Fermanagh. It needs to be recognised that whilst significant financial input has been made by private investors into tourism in the region, the industry is not yet at a “stand alone” base and if the achievements are to be maintained and built upon, financial support needs to remain in place. Both Tyrone and Fermanagh gained significant funds over the last three years via the Natural Resource Rural Tourism Initiative administered through the Department of Agriculture and Rural Development with support from NITB and EHS. The benefits of this need to be capitalised upon with more regional marketing opportunities. For those businesses that wish to avail of financial support, then the processes to do so should be streamlined and simplified. There seems to be an inordinate amount of “redtape” involved. Obviously accountability is important and vital, but there should be ways of doing this that fulfils the requirements of all parties.

January 2007

30. Written evidence from VISITBRITAIN

1. VisitBritain welcomes the opportunity to provide evidence to the Northern Ireland Affairs Committee.

2. Although VisitBritain® (VB) was established by the Development of Tourism Act 1969 to promote Great Britain overseas, the Act also provided that it should have the power, inter alia, to undertake activities overseas to promote Northern Ireland at the request of the Northern Ireland Tourist Board (NITB). Hence, VB has always had a close relationship with NITB. More recently, the Belfast Agreement of Good Friday, 1998 iterated the provisions of the Act and also provided for collaboration between VB and Tourism Ireland (TIL) when appropriate.

3. The way in which VB and NITB work together is set out in a Memorandum of Understanding which provides that whether VB will promote Great Britain or the UK will be agreed on a case by case basis, depending on the level of customer awareness and understanding of the individual country brands in any particular territory, and will also take account of economies of scale.

4. Any promotional work agreed as a result of the above is charged for by VB but, in addition, VB provides NITB with a range of core services in return for an annual fee of £30,000. These core services include:
   — Provision of relevant market research and a commitment to involve NITB in developing forward research programmes;

Since 1 April 2003, the British Tourist Authority has traded under the name VisitBritain.
— The provision of links to NITB web sites from www.visitbritain.com, which consists of 46 separate country/language specific portals as appropriate, and inclusion of information on Northern Ireland product on www.visitbritain.com as supplied by NITB. During the current financial year we expect visits to visitbritain.com to be around 12.5 million;
— Access to VB’s extensive photo library of approximately 53,000 images;
— Identifying and providing opportunities for NI to feature in VB print;
— Distribution of NITB’s Northern Ireland guide by relevant overseas offices;
— Including Northern Ireland destination news features in output to overseas media. During the last 12 months, this included seven items in Britain Calling, VB’s monthly newsletter to 1,000 overseas media which is also posted on our on-line Press Centre;
— The provision by relevant VB overseas offices of a basic enquiries handling service and the referral of more detailed enquiries to the local TIL office.

5. Underpinning the Memorandum is an extensive network of collaboration at all levels within the two organisations. The Chairman of NITB attends VB Board meetings as an observer; the Chief Executives meet quarterly together with the Chief Executives of VisitScotland, Visit Wales and Visit London; the marketing directors, research specialist and business planners of all of these boards also meet in separate forums approximately every quarter to discuss collaborative projects and share best practice.

6. Territories in which VB has worked with NITB to promote NI tend to be long haul markets where consumers’ appreciation of the different country elements of the UK brand is not as developed as in near markets: for example, Australia, Canada, China, India, Japan, New Zealand, South Africa.

7. The types of activity undertaken range from NITB and its partners joining VB exhibitions, road shows and sales missions, or the provision of VB support to similar events organised by NITB and TIL, to participating in main and ad hoc marketing campaigns. Examples include:

— VB and TIL undertook a joint campaign with United Travel in New Zealand to target potential visitors for 2007. This was carried out through the construction of a dedicated website, email newsletters, on and offline direct mails, and awareness inserts into TV advertisements on travel shows. NI only packages were promoted as part of this campaign as well as combination packages that promoted the ease of travel to NI from Great Britain. Excluding TV ads, in excess of 100,000 people were contacted directly.

— In Australia VB and TIL have recently shared joint booths or provided joint information at consumer shows in Brisbane and Sydney, targeting approx 30,000 potential travellers. VB also supported TIL’s workshops in November 2006 involving trade, media and travel agents in Auckland, Sydney, Brisbane and Melbourne. In excess of 800 travel agents received NI training as part of this programme.

— In Japan VB took a stand in April 2006 at the Ireland Workshop, which took place at Osaka, Nagoya and Tokyo. Later in the year, TIL participated in the VB’s annual sales mission to Japan. In March this year, TIL will be distributing VB literature at the St Patrick’s Day festival.

8. As already referred to above, VB promotes the whole of the UK, including Northern Ireland, through visitbritain.com which is the foundation of all of VB’s international marketing activity. The ‘destination guides’ section is the most popular area of the website, with approximately 40% of web visitors using them. NI as a whole, and the major cities and tourist areas within Northern Ireland are promoted within this section of the site. Examples of destinations promoted include Belfast, Fermanagh Lakelands, the Causeway Coast and Glens, and Omagh. In addition, from time to time, places within Northern Ireland have received extra promotion through being named “Destination of the Month” on visitbritain.com, for example in January 2007 Belfast was promoted in this way. During 2006, there were over 560,000 visits to NI sections of www.visitbritain.com.

9. Domestically, VB, NITB, VisitScotland and Visit Wales join forces each year to conduct the United Kingdom Tourism Survey that measures the volume and value of trips taken by UK residents. We also collaborate on the UK Occupancy Survey required under the EU Statistics Directive.

10. We hope this provides an overview of the extent of collaboration between VB, NITB and TIL but would be pleased to provide additional evidence if the Committee would find it useful.

VisitBritain

2 February 2007
31. Written evidence from Mr John A McCullough

My Member of Parliament, Mr Sammy Wilson MP, invited me as a new entrant to the Tourism Industry in Northern Ireland, to submit to you what I consider to be opportunities, difficulties and barriers to entering the tourism industry in the province. I apologise for neglecting to submit this information to you earlier.

I have recently successfully completed a Business Start Up Course in Larne, Co Antrim with the intention of running Special Interest Tours in Northern Ireland.

Opportunities

1. I have found the government funded business start-up course to be excellent. (This course was recently evaluated by the Kauffman Foundation of New York the best business start-up course in the world.)

2. The Northern Ireland Tourist Board (NITB) organised a seminar at the Hilton Hotel, Templepatrick, Co Antrim, on 11th September 2001. All Special Interest Tour Operators from the United States of America were present and made presentations at that seminar. The main point made was that Americans coming to Northern Ireland want to be shown around in small groups of not more that 10 in number, and to stay in farm house bed and breakfast accommodation. (For my organised tours, I intend to make use of NITB approved farm house bed and breakfast accommodation as well as family-run old hotels.)

3. The NITB offered to assist anyone wishing to start up such Special Interest Tours.

Difficulties and Barriers

1. In July 2006 I carried out some research among farm house bed and breakfast accommodation providers in Counties Cork and Kerry in the Republic of Ireland (RoI). I was disturbed to find that fewer farm houses are providing bed and breakfast accommodation and was told by several providers that the policy of the large hotels in the RoI was to eventually put them out of business. I fear that the same thing may be happening in Northern Ireland.

2. To counteract the above difficulty, I think that the Northern Ireland Department of Agriculture and Rural Development (DARD) should be involved—in conjunction with the NITB—to help and encourage the development of farm house bed and breakfast accommodation providers.

3. During my research in the RoI I found that every town I visited had an old family-run hotel. This is rare in Northern Ireland. Indeed, the only example I can think of in Northern Ireland is the Londonderry Arms Hotel in Carnlough, Co Antrim. Many of the older hotels in Northern Ireland are group owned by either the Hastings Group or the McLarnon Group. Privately owned hotels in Cushendall and Cushendun, in Co Antrim, have closed in recent years.

4. A family-run hotel like the Londonderry Arms Hotel would be interested in catering to the needs of Special Interest Tour operators. However, the large hotel groups (see above) are only interested in catering for coach operators. More help should be given to keeping and preserving—and indeed preserving the independence of—the older character hotels in Northern Ireland.

I thank you for forwarding my submission to the Northern Ireland Affairs Committee.

17 October 2006

32. Letter to Rosie Cooper MP from Causeway Coast and Glens Heritage Trust

It was good to meet last week in Portrush and good to hear the Glens of Antrim are well represented on the Committee.

As mentioned it is my view that every effort should be taken to push forward enabling legislation to allow for the establishment of a National Parks in Northern Ireland. Not only would this allow for the establishment of a Mourne National park it would allow for other areas (such as the Causeway Coast and Glens) to be considered. Outside Belfast and Derry our tourism product is based around landscape. National Park designations would allow for adequate central government funding to be directed to the management of these areas at a similar level to that enjoyed by Park Authorities in Snowdonia, Pembroke, Peak District etc.

Similarly further consideration might be given to the provision of additional funding for AONB Management. Northern Ireland has nine AONBs which again form an important part of the tourism product. Unlike England and Wales few of these have management plans, and where they do, these are non-statutory. The level of funding available to take forward recommendations is minimal in comparison to that enjoyed by colleagues in England and Wales.

So in summary isn’t it about time we took protected area management seriously and realised the important links to tourism? If we did that, through the establishment of one or more new National Parks or enhanced AONB management similar to what’s on offer in England and Wales then we really could start talking about a sustainable tourism industry in Northern Ireland.
Hopefully you might take some of this on board and should you wish to discuss further I would be more than happy to do so. On a related issue please see attached request [not printed]

Peter Harper
Trust Director,
Causeway Coast and Glens Heritage Trust
19 October 2006

33. Letter to the Clerk of the Committee from the Rev Ian Paisley MP MLA

Thank you for your letter of 12 October advising me of your visit to Northern Ireland, and in particular to my constituency. I apologise for not being available to greet you in Bushmills as I had other business outside the constituency that day. I hope you had an enjoyable visit and were able to see for yourself the tourism potential of the constituency, which in my view has not been properly realised. The chief failure for the lack of tourism potential is in my view a lack of vision by those who are supposed to be in charge of tourism.

The key tourism attraction, The Giant’s Causeway is encumbered by a general campaign to restrict the number of tourists at their site by contract. I believe in utilizing this site and getting as many visitors to it as possible and providing them with something extra special to see and do whilst they are there, providing them with more accommodation so that they will stay more than a few hours, and ensuring that their visit is not only memorable, but one which they will wish to return to again and again. The current arrangements that are in place operate against these objectives. Most visitors appear to be bussed in for a few hours, spend as little money as possible in the locality and are bussed out. That to me is a waste and I believe needs to be addressed by the tourism authorities. Thankfully there has been a competition launched to build a new centre, which is long overdue.

However, once again in my view, the plans for the centre are too small to achieve this desired goal. The existing hotel, restaurants and the train station at the Causeway all need to be incorporated into a new joined up plan for tourism of the area that would give tourists significant choice and value for money on their visit. Presently the integration of all of these sites is missing.

Bushmills itself is undergoing some regeneration plans, and I believe more investment in this regeneration of the village would be helpful in ensuring that the historic working village of Bushmills becomes more attractive to tourists. There are some wonderful hotels and guesthouses in the locality, including the Bushmills Inn and they do cater for a particular type of tourist.

You may not be aware of plans for a new five star hotel to be built on the edge of Bushmills, along with a new golf course, that will gradually provide additional conference facilities. However, these plans have been in the of for five or six years and there needs to be an impetus to try and deliver approval which means that in the coming years Bushmills can remain crucial as a tourist centre.

Many other opportunities that are currently not being exploited, including boat trips along the front of the Causeway and helicopter trips along the North Antrim coast, need to be identified as a tourism opportunity in order to encourage tourism growth.

Other tourism opportunities exist here. Currently there are a number of marinas that could be exploited further to ensure they too are used to their full potential and money is generated into the local economy.

The most significant outdoor sporting event takes place in May of each year called the North West 200. This motorcycle race is attended by 120,000 visitors during the NW200 week. It also generates more than £6 million pounds per annum to local incomes and is a major part of the tourist industry. I have been canvassing long and hard with the government to provide more sponsorship and additional resources for this wonderful event to ensure that is tourism potential is fully realised. This event is run with significant private sector funding, and I believe that the government should boost it in the way that the Isle of Man significantly supports the Isle of Man TT Races because they are an integral part of ensuring the island’s economy is successful. The NW200 is an integral part of our local economy that must be integrated with tourism opportunities.

I believe there is a significant lack of hotel accommodation along the entire North Antrim coast, and this denies the visitor the opportunity to avail of the locality. This has got to be challenged, and the only way to challenge it significantly is to ensure that there are adequate hotel facilities between Londonderry and Ballycastle. I do believe there is an opportunity for a number of them to be very successful. Further down in my constituency in Ballymena, there is a new spa resort at the Galgorm Hotel as well as a new golf course at Galgorm Castle currently being planned and built. This will eventually attract, in my view, high paying tourists from the luxury end of the market. This end of the market needs to be cornered, and once again the government can play a significant role in ensuring that it happens.
In recent times I have noticed that planning applications for such hotel developments have been very slow, in fact the planning application for a luxury hotel to be built at Galgorm Castle has taken five years and it is still not at the finishing line. This only hinders the local economy, and I think the sooner the Planning Service recognises that they play an integral part in ensuring the success or failure of the local economy the better.

In addressing these issues of red tape might be a more significant role for your Committee to play in ensuring that tourism opportunities actually take place in the Province.

I am sure that some of these observations I have outlined are common across the Province, and some sort of tourism/planning force ought to be created that will allow for the streamlining of these tourist attractions.

28 November 2006

34. Letter to Mr Sammy Wilson MP MLA from Moyle District Council

BALLYCASTLE/CAMPEBELTOWN FERRY SERVICE

The Council has asked that I write to all MP’s, MLA’s and MEP’s in Northern Ireland seeking support for the efforts to reinstate the ferry service between Ballycastle and Campbeltown in Argyll.

This is a project that the Council and the local community in Moyle, along with Argyll & Bute Council in Scotland, have been working hard for over the last number of years, ever since the previous service ceased in 1999. We were delighted in 2002 when both the NI Executive and the Scottish Executive (SE) agreed to tender the Service as a Public Service Obligation with a subsidy of £1m pa for a five year period, £700,000 of which was to be provided by the SE and only 300,000 from Northern Ireland. Although two subsequent tendering processes failed to produce a positive result, with the support of ministers on both sides, a considerable amount of effort has been put into generating new interest in the route, and we are now at the stage where there are two qualified potential operators both willing and ready to tender for the service based on the current specification.

Given the long road that we have come to get to this stage, the Council has been dismayed to hear (and only indirectly), that the Northern Ireland Administration has written to the Scottish Executive stating that NI is no longer prepared to contribute to this project. This is especially perplexing given that the reintroduction of the ferry service is identified as a Priority I Action under DETI’s own Tourism Masterplan for the Causeway Coast and Glens, the infrastructure (ie Linkspan, terminal buildings) is in place on both sides, and that after considerable effort over six years there are now potential operators ready to operate the route.

The Scottish Executive has taken the lead role in the tendering process, and I understand that everything was in place for tenders to be issued in early summer. This would have facilitated the re-introduction of the service in 2007, and the only issue preventing this process going forward was a reaffirmation from this side that NI would honour it’s earlier commitment. After four months of delay, and at the very last hurdle, it now appears that the NI Administration is going to walk away from the project at the very point it is about to come to fruition.

I understand that part of the rationale quoted for this decision, was a feasibility study undertaken in 2002 that indicated that whilst Moyle would benefit, the economic impact on the rest of Northern Ireland was only marginal. However, until now, Northern Ireland Executive ministers, and since direct rule, both Barry Gardiner and Angela Smith have continued to support the project and anecdotal evidence such as enquiries and interest in the route which continue to be expressed by visiting tourists, coach operators, the local community and potential freight carriers appear to suggest that the route will be viable if allowed to operate.

There is no doubt that the link to Campbeltown opens up a completely new opportunity for economic and cultural links with Scotland, especially as this is a route directly into the Highlands. Furthermore, previous economic appraisals have shown that this is not a threat to existing routes, and that it will add to the tourism product for the whole of Northern Ireland. The potential gains are immense, and these will be lost forever if the relatively small contribution requested from Northern Ireland is no longer available.

The considerable support for the re-establishment of the ferry service is further illustrated in the “Report on an Inquiry into Possible Co-operation Between Scotland and Ireland” by the European and External Relations Committee of the Scottish Parliament (SP Paper 607), and especially by the submissions received as evidence to the Inquiry. (http://www.scottish.parliament.uk/business/committees/europe/inquiries/scotirel/ScotIrelEvidence.pdf).

It appears that the government is now prepared to renege on an agreement with the Scottish Executive which has had the support of all previous ministers in Northern Ireland. For some inexplicable reason, now we are at the very final stage with an impending service, the project is to be abandoned because NI is not prepared to honour its £300,000 commitment towards the £1 million required.
The loss of this potential service is not only a considerable loss to the Moyle district, it is also a loss to Northern Ireland and the Republic. Any pressure or support that you can bring to bear to highlight and change this disgraceful decision would therefore be much appreciated.

There is considerably more background information about this issue than I have been able to put into this letter, and therefore if you wish to discuss this matter further please do not hesitate to contact me.

*R G Lewis*
Clerk & Chief Executive

31 October 2006

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35. Letter to Sir Patrick Cormack MP, Chairman of the Committee from Tom McGrath OBE, Chairman, Northern Ireland Tourist Board

TOURISM IN IRELAND

Further to our conversation in Newcastle on 18 October 2006. I note some of the Tourism Ireland issues:

1. Great Britain
   - This is a vitally important market for Northern Ireland but one that is currently not showing the same growth potential as many others. Research carried out by Tourism Ireland showed that the consumers’ image in Great Britain of Northern Ireland was distinctive to that of the Irish Republic. There was less interest in Northern Ireland, a lack of knowledge, lingering concerns re the Troubles and an image that was generally less warm and harsher. In our view this requires a more specific and tailored message promoting Northern Ireland as a new and discovery destination and based on the improving accessibility of Northern Ireland. This suggestion of a more regional approach to selling Ireland in the Great Britain market is also shared by a number of the industry in the Irish Republic who feel that the British consumer is more aware of the regional variations within the island.
   - The Great Britain market has increasingly become a short break and business tourism ie Conference and meetings market ie the market is more destination specific and in many cases Northern Ireland is competing for this business with Republic of Ireland destinations.

2. Tourism Ireland Advertising

   Prior to the establishment of Tourism Ireland, Bord Failte (the Irish Tourist Board) promoted the 26 counties as Ireland. Tourism Ireland promote the 32 counties as Ireland. Hence a key issue for NITB has been the consumer take-out of Tourism Ireland messages ie does the consumer read that the advertising is inclusive of Northern Ireland. Tourism Ireland research shows that in 2006 only 26% of GB consumers thought that the Tourism Ireland advertising was inclusive of both parts of the island. This remains a major concern for NITB.

   Northern Ireland and the Republic of Ireland are competitors for Tourists, particularly those from Great Britain.

3. Product Knowledge

   Tourism Ireland staff are mainly ex Bord Failte or are citizens of the Irish Republic. It is suggested that their product knowledge and affinity is less than Northern Ireland residents.

   I would be pleased to discuss any of these points with you in more detail should you require. Thank you again for the kind remarks made on your visit to Northern Ireland and I pleased that NITB was able to make your visit as productive as possible.

3 November 2006

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36. Letter to Sir Patrick Cormack MP, Chairman from The Rt Hon Peter Hain MP, Secretary of State for Northern Ireland

Thank you for your letter of 7 November about the Ballycastle to Campbeltown ferry service.

I have taken note of the comments you make. However, in the present financial climate, with competing priorities and economic challenges, a £1.5 million subsidy (plus inflation) over five years for a ferry service, which experience has demonstrated is not sustainable, does not represent value for money for the public purse.
I would also advise you that the reinstatement of the ferry service is a Priority 2 Action within the Tourism Masterplan for the Causeway Coast and Glens, and like all areas of public expenditure is subject to the normal evaluation processes.

The Department of Enterprise, Trade and Investment and its agencies remain committed to enhancing economic opportunities across the North Antrim area and will continue to seek investment and entrepreneurial support to promote economic prosperity in the region.

22 December 2006

37. Written evidence from Disability Action

EXECUTIVE SUMMARY

Disability Action welcomes this opportunity to present evidence to the Northern Ireland Affairs Committee inquiry into Tourism in Northern Ireland.

This paper will set out the key issues facing disabled people whether resident in or visiting Northern Ireland in relation to the tourism industry in respect of:

— The availability and quality of information.
— The building standards applied.
— Customer care
— Marketing

The paragraphs below set out a brief summary of the key issues, and the following statement is reflective of the frustration of disabled people:

“it is easier to find a hotel where one could take a pet than it is to find a hotel that could accommodate a wheelchair user.”

There is a total lack of information relating to the accessibility of tourist accommodation in Northern Ireland, in terms of places to stay, places to go and events or attractions to visit.

There is no single source of information which a tourist, whether indigenous or from overseas, can tap into in order to advise on a trip to or within Northern Ireland.

Mainstream tourism information rarely if ever refers to accessibility and when it does disabled people do not trust the information provided.

Confusion reigns in relation to which standard should be applied to a new build accommodation project, a service provider does not know which regulation takes precedent or to whom to turn for advice.

Staff may be highly trained in a range of tourism issues but do not demonstrate good service and appropriate approach to disabled tourists. It is critical therefore that all staff training includes disability awareness and disability equality training.

The seasonal and part time nature of jobs in the tourist industry may prove very attractive to some disabled people and to older workers and it is important that the opportunity to tap into this workforce is not missed. This is often the case as employers, particularly small employers often see the employment of disabled people as more trouble than it is worth.

The promotional material used to market Northern Ireland both indigenously and overseas should be reflective of the diverse nature of society in Northern Ireland and should portray Northern Ireland as a welcoming and inclusive society.

We believe that the following actions are needed to redress the current inequalities experienced by disabled people in relation to the tourist industry in Northern Ireland:

— The accessibility of premises should be included in the quality assessment of accommodation and used in the award of the “star rating”.
— Comprehensive access audits undertaken by suitably qualified, competent auditors should be completed on a regular basis on all accommodation, attractions and events.
— There should be a single point of information where visitors can access all of the information they need on the accessibility of accommodation, attractions and events throughout Northern Ireland. This should be available in a variety of formats to suit the needs of the individual enquirer.
— Service providers should be given clear and accurate information regarding the access provision required in new build or refurbishment schemes.

7 Quote from a wheelchair user frustrated at the lack of information available on the accessibility of the hotel accommodation in Northern Ireland.
— The accessibility standards applied should be harmonised to the highest standard across all sectors involved in the creation of new build and refurbished tourist accommodation.

We urge the Committee to address these issues as a matter of urgency and to enable Northern Ireland to become established as a destination for the disabled traveller and conference organisers, and to fully utilise the facilities, which we suspect are available, but are not told about.

Disability Action will be happy to present and illustrate this evidence to the Northern Ireland Affairs Committee.

INTRODUCTION

Disability Action is a pioneering Northern Ireland charity, working with and for people with disabilities. We work with our members to provide information, training, transport, awareness programmes and representation for people regardless of their disability; whether that is a physical, mental, sensory, hidden or learning disability.

More than one in five (300,000) people in Northern Ireland has a disability and the incidence is higher here than in the rest of the United Kingdom. Over one quarter of all families here are affected.

As a campaigning body, we work to bring about positive change to the social, economic and cultural life of people with disabilities and consequently our entire community.

Our range of services is provided from a network of four local offices, with 100 staff and 250 volunteers.

Disability Action welcomes this opportunity to present evidence to the Northern Ireland Affairs Committee inquiry into Tourism in Northern Ireland.

This paper sets out the keys issues facing disabled people whether resident in or visiting Northern Ireland in relation to the tourism industry.

KEY ISSUES

Information

There is a total lack of information relating to the physical accessibility of tourist accommodation in Northern Ireland, both in terms of places to stay, places to go, events and attractions to visit. There is no single source of information which a tourist, whether indigenous or from overseas, can tap into in order to advise on a trip to or within Northern Ireland. Information is crucial to a disabled person planning a trip therefore the complete lack of information in relation to the availability of facilities in Northern Ireland can only dissuade visitors from coming here.

The NITB previously produced a booklet (on an annual basis) entitled Accessible Accommodation in Northern Ireland, which gave information on hotels, guesthouses and self-catering accommodation. However this has not been updated since 2004 and no replacement is planned.

The information from this booklet was then used as the basis for external guidebooks such as those produced in Great Britain and the Republic of Ireland, two primary markets for the Northern Irish tourist industry. As this information had not been updated to our knowledge since 2003 there are now NO up to date sources of information available to advise of the accessibility of tourist accommodation in Northern Ireland. Disability Action has copies of travel guidebooks that have blank sections where the information relating to accommodation in Northern Ireland should be. In addition Disability Action was already concerned about how the accuracy of this information was monitored and verified.

Disability Action receives a high volume of calls from disabled people themselves, or from others arranging group travel or conferences and who cannot access information relating to the accessibility of accommodation. In fact the NITB refers callers to Disability Action!

We are able to advise people based on our personal experience of premises and some basic research we have undertaken, however without a comprehensive and qualified audit of premises it is impossible to stand over the information provided. Disabled travellers are forced into a situation where they must contact premises individually which is time consuming, expensive and often frustrating, as from experience they are unable to rely on the accuracy of the information provided.

One disabled person told us that it was easier to find a hotel where one could take a pet than it was to find a hotel that could accommodate a wheelchair user.

The same is true of tourist attractions and events. There is no single source of information where a traveller can find out about the availability of attractions or events across Council boundaries. Rather the traveller is again forced into a situation where they must contact Councils individually, and even then there may be no relevant or inaccurate information.

Mainstream tourism information rarely if ever refers to accessibility. Potential customers are again forced to contact each bar, restaurant, hotel, guesthouse, event or attraction separately to enquire about accessibility.
This is a situation that cannot be allowed to continue, particularly if Northern Ireland is to market itself in a global economy. What other sector would ignore one in five of Northern Ireland’s population and at least 1:10 of the population in Southern Ireland. It is not fair on the disabled traveller nor is it fair on the service provider who has accessible accommodation but no means to market it.

Northern Ireland is missing out on a considerable potential income not only from disabled people themselves but also their friends, family and colleagues. Meanwhile other locations in Spain, France, Denmark, Sweden and further afield in the United States and Canada are making the most of the business opportunities afforded by accessible tourism.

It is estimated the combined spending power of people with disability in the UK is £80 billion, this is therefore a market which Northern Ireland can ill-afford to ignore. Furthermore these statistics do not take into account the monies lost because the friends, families and colleagues of disabled people also avoid venues which are inaccessible.

**Accessibility Standards**

Another issue facing the disabled traveller in Northern Ireland is the quality of access at premises, even of those which claim to be “fully accessible”. Without an independent and qualified audit of the accessibility of premises one must rely on the assessment of, often well meaning, but ill-informed facilities managers.

Confusion reigns in relation to which standard should be applied to a new build accommodation project. A service provider is legally obliged to adhere to the Building Regulations (Part R relates to physical access) but must also meet the requirements of the Tourist Board if they wish to achieve Board recognition.

A new “National Accessibility Scheme” has been produced by the Tourist Board but has not yet been applied, and service providers must also be mindful of the Disability Discrimination Act. Without clear advice from the Tourist Board a service provider does not know which regulation takes precedent or to whom to turn for advice.

The Building Regulations Part R has been updated but the amended Regulation will not address the problems faced by disabled travellers. For example for wheelchair users in particular, the availability of a level deck shower rather than a bath is critical, but the Building Regulations allow for either. Whilst the new Part R will suggest that a shower is preferable the provision of either will remain acceptable. An unsuspecting guesthouse owner could unwittingly miss an opportunity to follow good practice because there is no one available within the industry to advise them of which route to follow.

Accessibility is not just about the physical access of premises but also about the management of facilities and the attitudes of staff. Hoteliers, guesthouse owners and the owners and management of events or attractions are all subject to the Disability Discrimination Act as service providers, and as such are also responsible for the actions of their staff. It is critical therefore that staff training includes disability awareness and disability equality training as often accessible premises are welcoming but staff attitudes and culture are not.

**Employment**

The Tourism Industry in Northern Ireland has the potential to be a large employer and every effort should be made to ensure that its employment practices are fair and inclusive. Whilst each employer will be subject to the provisions of the Disability Discrimination Act they should be encouraged to go beyond the letter of that legislation to embrace good practice. The seasonal and part time nature of jobs in the tourist industry may prove very attractive to some disabled people and to older workers and it is important that the opportunity to tap into this workforce is not missed because the employers within the industry are so disperse. Disabled people in Northern Ireland are already up to three times more likely to be unemployed than non-disabled people. This is not a result of unwillingness or inability but of the resistance of small employers to “take the risk” of employing disabled people.

**Marketing**

The promotional material used to market Northern Ireland both at home and overseas should be reflective of the diverse nature of society in Northern Ireland and should portray Northern Ireland as a welcoming and inclusive society. The imagery and copy used in promotional materials should market all of the advantages Northern Ireland has to offer, especially to disabled travellers. The total lack of specialist marketing material must be addressed as a matter of urgency.

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8 Disability Rights Commission
Conclusion

Disability Action has welcomed this opportunity to present evidence to the Northern Ireland Affairs Committee inquiry into Tourism in Northern Ireland.

Our comments are reflective of those made to us by disabled people but cannot fully indicate the frustration and anger felt by some disabled people caused by the dismissive manner in which they are being treated by the administration of tourism in Northern Ireland.

This is a situation that cannot be allowed to continue.

We believe that the following actions will redress the current inequalities experienced by disabled people in the tourist industry in Northern Ireland:

— The physical accessibility of premises should be included in the quality assessment of accommodation and used in the award of the “star rating”.
— Comprehensive access audits undertaken by suitably qualified, competent auditors should be completed on a regular basis on all accommodation, attractions and events.
— There should be a single point of information where visitors can access all of the information they need on the accessibility of accommodation, attractions and events throughout Northern Ireland. This should be available in a variety of formats to suit the needs of the individual enquirer.
— Service providers should be given clear and accurate information regarding access provision required in new build or refurbishment schemes.
— The accessibility standards applied should be harmonised to the highest standard across all sectors involved in the creation of new build and refurbished tourist accommodation.

We ask the Committee to address these issues as a matter of urgency and to enable Northern Ireland to become established as a destination for the disabled traveller and conference organisers, and to fully utilise the facilities, which we suspect are available, but are not told about.

Orla McCann
1 December 2006

38. Supplementary written evidence from Northern Ireland Tourist Board

Following the oral evidence session I attach further information.

Since inception Tourism Ireland Ltd has undertaken research to determine its effectiveness around three key areas:

1. Intentions to visit.
2. Brand tracking.
3. Advertising Recall.

1. Intentions to Visit

An intention to visit survey is undertaken annually. Consumers state that interest in Northern Ireland is growing (however of those interviewed only 13% expressed an interest in visiting Northern Ireland compared with 34% interested in visiting the island of Ireland), that they increasingly intend to visit Northern Ireland and they increasingly plan to visit Northern Ireland however, in reality they do not make the purchase and visit Northern Ireland.
### Funnel Summary - Northern Ireland*

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*Note: Includes ALL those who ‘do not know yet’ where they will go in island of Ireland

Ø = less than 0.5%

2. **Brand Tracking**

A series of brand values are regularly tested with the consumer to determine the consumers’ perception of the island of Ireland and Northern Ireland as a holiday destination and to ascertain their likelihood to visit.

The research indicates that the GB market perceives Northern Ireland as offering less than ‘Ireland’ in terms of all of the variables below. This perception has not grown in comparison to 2004 (the last time that these questions were included) for either Ireland or Northern Ireland, with the exception of ‘Easy to get there’.

The table below identifies that Northern Ireland lags significantly behind Republic of Ireland and competitor destinations in terms of the perception of GB audiences across all variables. This reiterates the fact that the GB audience does not view the island of Ireland as a single destination but rather, as a collection of component parts, each with their individual strengths to be marketed.
39. Written evidence from the St Patrick Centre, Downpatrick

Just a note to thank you for your comments last Wednesday during your meeting with the Regional Tourism Managers from Northern Ireland and the delegation from the Northern Ireland Tourist Board. I was actually able to watch this on television through my computer, which was a revelation. I very much appreciate your wishes for the Centre to remain open.

Just to give you my thoughts on the specific comments asked about the Centre during the evidence on Wednesday 7 February with the NITB:

1. The regional manager, Mark Mohan, has been very supportive but his role is to promote and sell only the Armagh Down region with funding which is made available through the Northern Ireland Tourist Board. Some of this is for capital schemes, like providing signage for St Patrick’s Country which will allow tourists to get from one place of interest to another. No support is available through his scheme for revenue funding.

2. I was somewhat relieved by Mr McGrillen’s comment at the start of your NITB meeting when he stated that the future of the Saint Patrick Centre was guaranteed. I have to confess however to having grave concerns about his references to changing our current management structure. Mr McGrillen refers to an agreement made when we first opened which stated the Centre would revert to the local council if it were to close. This is of major concern for key Signature schemes like the St Patrick Centre (and future ventures like the Giant’s Causeway Centre and the Titanic Centre) which should have support from central government. It is vital, in my view, that we ensure they are not left in a financial vacuum after they are built. My main concern relates to such facilities being taken over by local government which, although often well meaning, have neither the vision nor marketing experience to successfully manage international visitor attractions. This is not meant to be critical of local government per se and certainly not of the officers of Down Council who have been very supportive; but I see the Signature Projects as being beyond local politics and as anchor attractions which should provide the entire province with an international profile. Facilities of such status are working on behalf of Northern Ireland PLC, whom they represent and they should be supported within the financial remit of the national tourism authority, i.e NITB. To do otherwise would leave the Signature Projects to steer a treacherous course through the most local of local politics throughout the Province.

Key Signature Schemes, which have been recommended by the Northern Ireland Tourist Board as the best chance for increasing the tourist economy here, like the Saint Patrick Centre, should be ‘flying the flag’ instead of limping around penniless, attracting negative publicity and waiting to be taken over and inevitably losing their direction and quality of visitor experience. How, for example will a Saint Patrick
Centre fare as an independent facility at the mercy of a much enlarged Regional District Council in two years when it can barely get the support of the Councillors in this small corner of County Down at the present moment? I believe that given the significant investment which government has put into the Centre of some £6.3 million, we all have a moral duty to ensure that it is a success and that it is able to “pay back” to the NI community by being well-run, interesting and a magnet for tourists. I also believe that it is uniquely placed to offer cross-community educational facilities where the shared legacy of St Patrick can act as a builder of bridges.

Notwithstanding the above I would wish to record my appreciation to Down District Council and Mr McGrillen in particular for their continued financial support for the project. I am very concerned however that the potential of the Centre will not be reached if we do not take it forward as a NI-wide facility.

Can I suggest that the future sustainability of vital tourist projects which have already seen an outlay of millions of pounds should be a central priority within your deliberations. Revenue funding is a subject which has been studiously avoided for schemes like our own by various Government Departments in Northern Ireland either because policy does not exist to make provision for them or through fear that to fund one such project would open the flood gates to fund all of them. This attitude is detrimental as it makes no priorities and views schemes like our own as problems which might go away if they were taken over by local government; May I recommend that attractions of international status which have already been identified as essential tourist ventures by Government departments should be prioritised for discretionary revenue funding to lift them beyond local politics and that a departmental source of that funding be urgently sought.

One final piece of news, related to the above is that we have just heard from the Department of Education Community Relations Office, who have funded the salary of our Education Officer for the last four years. Our application for funding over the next three years has been rejected, which means that inevitably our Cross Community Education programme which brings thousands of children together every year to celebrate their common Christian heritage, will have to close. I am trying frantically to pursue other possible lines of funding. I have asked Mr McGrady to update us on this matter. I hope you don’t mind.

Dr Tim Campbell
Director
13 February 2007

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40. Letter to Sir Patrick Cormack MP, Chairman from Maria Eagle MP, Parliamentary Under Secretary of State, Northern Ireland Office

I undertook to write to you with additional information following my evidence session to the Northern Ireland Affairs Committee on Wednesday 21 February 2007.

I have contacted David Cairns’ and David Hanson’s offices about the issues raised by the Committee in relation to Planning Policy Statement 16 and the National Sports Stadium respectively. They have undertaken to respond to you immediately.

You made specific reference to funding of the St Patrick’s Centre, and in particular, funding of an education officer post at the Centre.

My officials at the Department of Education have confirmed that the St Patrick’s Centre applied for funding under the Department’s Community Relations Core Funding Scheme 2007–10. Applications are evaluated independently and awards made on merit. Out of 59 applications received, unfortunately, the Centre’s proposal ranked 50th on the objective criteria and was thus unsuccessful. An appeal form issued to the Centre on 15 February 2007 and is due to be returned to the Department by 8 March 2007. I share your concerns relating to signature projects needing the full support of Government and I will urgently seek to find a positive way forward.

As discussed, I will forward on the report on economic impact of tourism as soon as it is finalised.

26 February 2007

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41. Letter to Sir Patrick Cormack MP, from David Cairns MP, Parliamentary Under Secretary of State, Northern Ireland Office

I am writing to you following the recent Evidence Session of the Northern Ireland Affairs Committee Inquiry into tourism on 21 February 2007 attended by my Ministerial colleague, Maria Eagle MP. She has asked that I write to the Committee to clarify the current position with respect to the processing of planning applications for tourism projects in Northern Ireland, particularly larger strategic projects, and to update you about Planning Policy Statement 16: Planning and Tourism.
Current planning policies for tourism related development are set out in the publication “A Planning Strategy for Rural Northern Ireland” (Policies TOU 1–5 refer). All planning applications for tourism projects, including proposals for tourist accommodation, are therefore assessed against the policy provisions contained in the Tourism section of the Strategy, while account is also taken of other relevant policy contained in a number of other topic based Planning Policy Statements (PPS) together with the guidance contained in the Regional Development Strategy for Northern Ireland 2025.

You may be aware that most of the policies within A Planning Strategy for Rural Northern Ireland are being redrafted into a suite of Planning Policy Statements. This will include a new PPS on tourism (PPS 16 Planning and Tourism).

Work on PPS 16 had originally commenced in 2004. A working group consisting of representatives of key interest non-government organisations, including the Northern Ireland Tourist Board, was established at this time to advise Planning Service on issues relevant to the preparation of this policy statement. In addition a scoping paper outlining a range of issues was presented to the working group for discussion. However, no formal draft of the policy document was completed.

In October 2004, an announcement by the then Minister, Angela Smith MP, saw the redeployment of Planning Service staff to deal with the workload pressures in processing planning applications in development control sections across the province. Work on PPS 16 was subsequently suspended.

Due to the continuing workload pressures combined with competing priorities progress with the PPS programme has been slower than expected and as a consequence the recommencement of work on PPS 16 was not included in the Planning Service’s current work programme for 2006–07. There is currently no stipulated date to restart work on PPS 16. Planning Service is currently considering its overall policy work programme for 2007–08. There is currently no stipulated date to restart work on PPS 16. Planning Service is currently considering its overall policy work programme for 2007–08. Once agreed by the Planning Service Management Board (anticipated late March 2007) this programme will be presented to me for agreement. Preparation of the new PPS on Tourism is one among a large number of areas of work currently under consideration for inclusion in the 2007–08 programme.

I understand that concern was raised at the Committee Evidence Session about delays in dealing with large strategic planning projects, including those for tourism development. I would advise that as part of its Modernising Planning processes in Northern Ireland, the Planning Service put in place a new Strategic Projects and Design (SPD) Division some 12 months ago. This Division is tasked with co-ordinating the Planning Service response to planning applications which are considered to be of major social or economic importance to Northern Ireland. The focus has been on the delivery of the Investment Strategy for Northern Ireland and on significant private sector projects. The Division is currently dealing with some high profile tourism projects, while more locally I would also confirm that certain tourism applications can be given priority based on their social/economic benefits. As indicated above all such projects are being assessed against the Department’s published tourism polices and I would confirm that the absence of a new PPS on Tourism is not considered to be a matter that is causing any significant delay in the processing of these planning applications.

I hope this clarifies the current position and wish the Committee well in its deliberations. I look forward with interest to your Report and hope that the Government can respond favourably to your recommendations.

24 February 2007