CUT HOSPITALITY & TOURISM VAT

THE FULL FISCAL AND EMPLOYMENT IMPACT OF REDUCED VAT ON UK HOSPITALITY AND TOURISM

SUMMARY REPORT

February 2022

Prepared for:

ALVA Association of Leading Visitor Attractions

British Beer & Pub Association

Tourism Alliance the voice of tourism

UKHospitality

CUT HOSPITALITY & TOURISM VAT

2nd February 2021

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Association of Leading Visitor Attractions

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British Beer & Pub Association

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Tourism Alliance

David Sheen
UK Hospitality

Dear Andy, Bernard, David and Kurt

Study of the Full Fiscal and Employment Impact of Reduced VAT on Visitor Accommodation, Visitor Attractions and Out-of-Home Meals in the UK – Summary Report

We have pleasure in submitting our Summary Report of the above study. The study has been carried out in accordance with our proposal dated 3rd August 2021.

The report provides an up-to-date analysis of the full fiscal and economic impact of a reduced rate of VAT for the UK hospitality and tourism sector at 12.5% rather than 20%, assuming normal trading conditions and that this is a permanent measure.

The long-term benefits of reduced VAT on hospitality and tourism services have long been demonstrated, as evidenced not least by the fact that EVERY other country in Europe has a reduced VAT rate for visitor accommodation (except Denmark which has no reduced rates), and many do for hospitality and attractions.

Our latest analysis confirms the findings of our previous studies. Reducing VAT on hospitality and tourism as a permanent measure will trigger a virtuous cycle of increased consumer spending, investment in facilities and the creation of jobs, leading over a number of years to fiscal gains for HM Treasury. Maintaining reduced VAT now, when the industry is severely affected by coronavirus, will aid recovery when restrictions are removed and consumer confidence returns.

Yours sincerely

Graham

Graham Wason
Chairman
Cut Hospitality & Tourism VAT Campaign

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Supported by over 48,000 businesses and 35 major tourism and hotel groups across an industry which employs 3.1 million people

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KEY FINDINGS AND CONCLUSION

The UK Government's decision to reduce VAT on UK hospitality and tourism in July 2020 prevented many businesses from closure and saved thousands of jobs.

Industry surveys confirm that reduced VAT has provided a lifeline during the crisis. Many businesses remain fearful of the prospect of closure if VAT reverts to 20% in April 2022 as currently proposed. Furthermore, businesses argue compellingly that retaining reduced VAT as a permanent measure will be a strong incentive for investment in hospitality and tourism infrastructure and jobs.

If VAT reverts to 20% in April 2022 the rate on visitor accommodation will be higher than every other country in Europe (except Denmark) and nearly double the EU average.

This report confirms the findings of previous reports over nearly 3 decades that demonstrate how reduced VAT on hospitality and tourism will lead to strengthening and expansion of the sector and, over time, higher revenues for HM Treasury. According to our modelling, a permanent rate of 12.5% VAT will set off a virtuous cycle of industry investment and growth.

Headline results from this 2022 analysis of the impact of VAT applied to hospitality and tourism at 12.5% rather than 20% are as follows:

- Jobs created over 5 years – **182,400**
- Jobs created over 10 years – **286,850**
- Additional turnover over 5 years - **£4.9 billion**
- Additional turnover over 10 years - **£7.7 billion**
- Years for UK Government to see positive returns on its investment – **less than 5 years**
- Net present value of fiscal gains for HM Treasury over 10 years - **£4.6 billion**

Our regional analysis demonstrates that maintaining a permanently reduced rate of VAT on hospitality and tourism will benefit all parts of the UK, thereby assisting the Government's 'levelling-up' agenda.

Our modelling has been subjected to outside scrutiny. An adviser to HM Treasury who built and maintains a model owned by HMRC/HMT concluded that cutting hospitality and tourism VAT "is one of the most efficient, if not the most efficient, means of generating GDP gains at low cost to the exchequer that we have seen with the CGE model". A comprehensive analysis by a former member of the Bank of England Monetary Policy Committee and a former HM Treasury economist concluded that "there would be substantial benefits to the UK economy from a cut in the VAT rate on tourism-related activities".

Maintaining a reduced rate of VAT for hospitality and tourism would be highly popular with, and advantageous to, virtually all UK residents. Once coronavirus restrictions and fears are removed, reduced VAT will lower prices, so eating out, day trips, short breaks and holidays become cheaper for UK residents and an incentive to overseas residents to visit Britain.

1. The current scope of hospitality and tourism VAT in the UK

In response to the crisis to UK hospitality and tourism caused by Covid-19, the UK Government made an announcement on 8 July 2020 allowing VAT registered businesses to apply a temporary 5% reduced rate of VAT from 15 July 2020 to certain supplies relating to:

- hospitality;
- hotel and holiday accommodation; and
- admissions to certain attractions.

The temporary reduced rate was originally to be withdrawn at the beginning of January 2021 but was later extended to the end of March 2021.

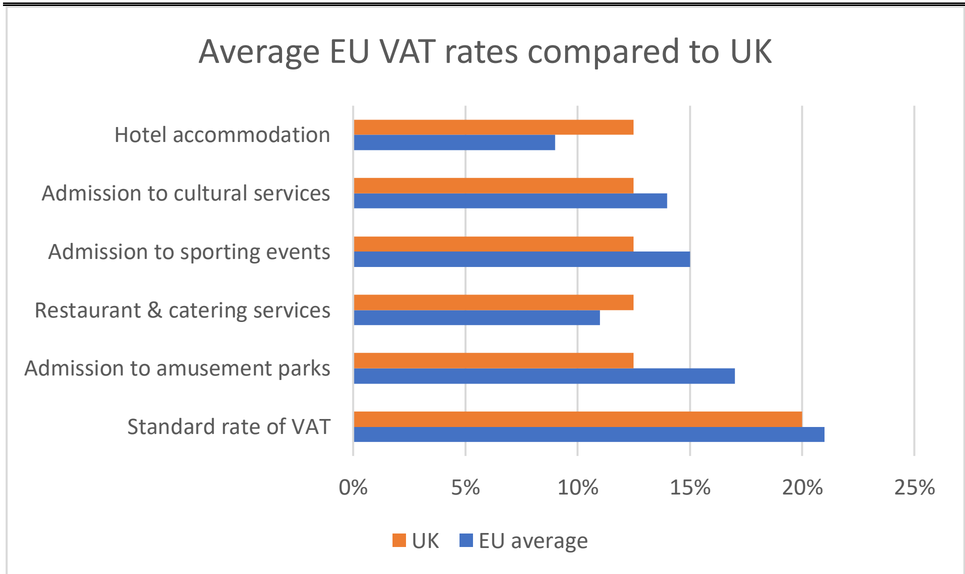
As announced at Budget 2021, the Government:

- further extended the temporary reduced rate of VAT of 5% until 30 September 2021;
- prepared for a new rate of 12.5% from 1 October 2021 to 31 March 2022.

The reduction in VAT on hospitality and tourism services to 5% in July 2020 had the profound effect of making the rate in the UK approximately half of the average prevailing in other European countries, whereas for the last 30 years the rate in the UK has been nearer double the European average.

The increase in the UK rate from 5% to 12.5% in October 2021 means that the UK is now close to the European Union (EU) average: 3 percentage points above the EU average for visitor accommodation (9.4%) and out-of-home meals (11.6%); below the EU average in the case of admissions to amusement parks, cultural services and sporting events. See Figure 1 below:

Figure 1:
Average VAT rates in Europe



Source: European Union, 1st January 2022

2. The CH&T-VAT Campaign

The Cut Hospitality & Tourism Campaign (CH&T-VAT) has its origins in 1993 when the then British Tourist Authority set up the VAT Working Group and commissioned Deloitte to undertake research into the impact of reduced tourism VAT in the UK.

This present study has been undertaken by Graham Wason and Michael Nevin who were previously Partner and Managing Consultant respectively at Deloitte and have worked together on this subject since 1993, completing studies in 1995, 1997, 1998, 2002, 2008, 2010, 2011, 2012 and every year between 2014 and 2018. For these assessments two dynamic partial equilibrium ('DPE') models were developed.

3. Methodology

Our research and analysis for this 2021 update of our report has been supplemented with data provided by and discussions held with the British Beer & Pub Association, the Tourism Alliance and UK Hospitality.

The primary base information source for data is the Annual Business Survey (ABS) which was released on 24 June 2021 for the year 2019. This has provided the best available 'business as usual' estimates for total sector turnover and jobs pre-Brexit and pre-Covid, and comparable on a like-for-like basis with our 2018 analysis, when VAT on UK hospitality and tourism was levied at the standard rate of 20%.

This data has been used to update and adjust the DPE models and the assumptions underlying them. Due to the historic way in which research into reduced hospitality and tourism VAT has been commissioned over the years, two primary DPE models have been used:

- Visitor accommodation and attractions (the A&A DPE Model); and
- Out-of-home meals (the OOHM DPE Model).

Both models simulate the full fiscal and economic impact of lower VAT on a consistent basis, comparable with simulations run in previous years.

This study primarily compares:

- Data from the 2019 ABS when hospitality and tourism might be deemed to have been relatively stable, prior to the impacts of Brexit and Covid-19, and when VAT was 20%; with
- The same data adjusted to reflect VAT at 12.5% and the anticipated effect of that on sector turnover, jobs and fiscal income.

Thus, the results contained in this report largely assume that the hospitality and tourism sector would have continued to grow as in years prior to 2019 had Covid-19 not taken place, and that a permanent 12.5% VAT rate applies to the sector.

When comparative ABS data for 2020 and 2021 becomes available, it can be expected that industry turnover, jobs and fiscal income will be shown to have declined significantly compared to the results in 2019; sector turnover and jobs have declined despite reduced VAT, and fiscal income has declined due to the combined impact of lower sector turnover and the lower VAT rate.

For the present study, our analysis includes two further aspects:

1. Estimates of the impact of reduced VAT have been calculated by UK region. This analysis was undertaken by apportioning the national UK figures from our models to each region using UK Regional Release Statistics. The full results are contained within our main report and are summarised below.
2. Consideration has been given to the impact of reduced VAT on alcohol consumed as part of an out-of-home meal. This analysis has involved an expansion of the OOHM DPE model. The headline results of the fiscal impact of this analysis are contained within an appendix to the main report.

4. The impact of Brexit

The Office for Budget Responsibility reported in October 2021 that ‘Brexit would cut GDP by around 4% long term, while Covid impacts would hit output by a further 2%’, i.e. the impact of Brexit on the overall economy is forecast to be double that of Covid-19.

Whilst this finding relates to the UK economy as a whole, it is likely that the reverse is true in the case of hospitality and tourism, i.e. that this sector has been substantially more affected by the coronavirus pandemic than by Brexit. For example, over the past two years there has been a slump in both inbound and outbound international travel which is very largely due to coronavirus rather than Brexit. The most significant impact of Brexit on hospitality and tourism to date has been to the availability of staff as was felt during the period of recovery in the summer of 2021.

5. The impact of coronavirus on hospitality and tourism since March 2020

The coronavirus pandemic has since March 2020 had a greater adverse impact on UK hospitality and tourism than any other factor since the boom of tourism in the post-war years. VisitBritain estimates that the industry has lost £210 billion of revenue during the pandemic caused by enforced periods of closure and restrictions on travel and socialising.

In January 2021 the CH&T-VAT Campaign published the results of a survey of 1,144 hospitality and tourism businesses of their experience of VAT at 5%. Three-quarters responded that they might not have been able to continue in business without the VAT cut. Nearly 90% of businesses used some of the VAT cut to meet extra costs of compliance with Covid-19. And whilst the VAT cut was clearly intended to assist their survival, nearly 50% passed on at least some of it in lower prices for consumers. Businesses have also used the VAT cut to assist with other costs of complying with coronavirus requirements, such as reducing capacity in pubs and restaurants.

In the summer of 2021, much of the industry enjoyed a remarkable recovery, almost back to pre-pandemic levels, thanks to the removal or easing of restrictions and the release of pent-up demand.

A further survey in September 2021 to assess the view of businesses of the 12.5% VAT rate due to be implemented the following month was undertaken by ALVA, BBPA, the British Institute of Innkeeping, the Tourism Alliance and UK Hospitality. There were 815 responses. Key responses were as follows:

- VAT at 12.5% in the period up to March 2022 is regarded as ‘important’ or ‘crucial’ by over three-quarters of respondents.
- If VAT reverts to the standard rate of 20% as currently envisaged by the Government, 4 in 10 respondents expect this to lead to further cutbacks and job losses and 10% might face closure.
- If the 12.5% rate were to be extended indefinitely beyond April 2022, 7 in 10 businesses will put the saving towards investment in their businesses. Averaging out responses suggests that business turnover might go up by 8.8% and investment by 12.0%.

The partial recovery of summer 2021 was scuppered by the threat of new restrictions and plummeting consumer confidence caused by the emergence of the Omicron coronavirus variant in late 2021. A survey on the impact of this variant, carried out by the Tourism Alliance for the Department for Digital, Culture, Media & Sport, found over half of 1,235 businesses responding had suffered a slump in revenue of at least 50% in December 2021 and nearly half reported similar cancellations for January to March 2022. Almost a quarter said they had no cash reserves whilst another 31% had only one or two months of reserves. About 11% said that they were ‘very likely to fail’ whilst a further 29% were ‘quite likely to fail’.

6. Assumptions underpinning the DPE models

We have applied the same methodology as in previous years to the DPE Models which measure not only the direct impact of lower VAT rates, in terms of the direct loss of VAT receipts, but also indirect gains that would accrue to the Exchequer, arising from:

- higher turnover as sector demand would be stimulated by lower prices resulting from most of the VAT reduction being passed on to consumers;
- greater income and national insurance payments generated by new jobs and higher wages in the sector;
- savings in social security payments as a consequence of lower unemployment, with some of the new jobs created taken up by those previously unemployed;
- increased corporation tax payments as a result of higher margins and higher turnover;
- increased income taxes paid on dividends generated by the accommodation and attractions sector; and

- multiplier impacts from additional taxes generated further down the supply chain for accommodation and attractions.

A full presentation of data sources and assumptions made are set out in our Full Report. Key assumptions are set out in an Appendix to this Summary Report.

7. Results

The A&A DPE and OOHM DPE Models are constructed to provide the following outputs:

- A 'comparative-static' analysis or 'before' and 'after' comparison: 'Before' represents the pre-Covid hospitality and tourism sector with VAT at the standard rate of 20%; 'After' represents the sector with VAT at 12.5% after a period of adjustment.
- A 'dynamic' analysis that shows the results over 10 years from the point of change, including the effect of the period of adjustment from VAT at 20% to VAT at 12.5%.

Key results from the comparative-static analysis are shown in Table 1 below.

Table 1: Comparative/Static Analysis of impact of VAT at 12.5%

	A&A	OOHM	Total
(1) Net direct loss of VAT receipts	-944	-2,410	-3,354
(2) Additional VAT Yield on increased turnover	132	391	523
(3) VAT Yield on wider base	4	9	13
(4) Income tax and NI on new jobs	65	190	255
(5) Income and NI from higher wages	21	54	75
(6) Savings in social security payments	130	467	597
(7) Corporation tax from higher margins	26	67	93
(8) Corporation tax from higher turnover	55	164	219
(9) Income tax paid on dividends	20	60	80
(10) Additional business rates	15	43	58
(11) Multiplier impact	312	933	1,245
Net fiscal impact (undiscounted)	-164	-32	-196

In both sectors, HM Treasury suffers an initial loss of VAT income which is partially made good through indirect taxation gains. There remains a very small overall net loss of fiscal income but, in terms of meeting overall Government objectives, this is more than compensated by saving businesses and jobs affected by the Covid-19 pandemic, incentivising them to invest and helping to achieve the Government's 'Build Back Better' agenda and Tourism Recovery Plan.

The positive medium-term impact is shown in the dynamic analysis. Whilst the comparative-static analysis demonstrates the 'before' and 'after' position, in practice it takes time for the impact of VAT changes to have their full effect, as follows:

- A period of adjustment is required before the cut in VAT is passed through and all the envisaged indirect fiscal gains are triggered, so that HMT losses are greater in the initial years. It typically takes 2-3 years for the 'after' position to be reached.
- The VAT cut sets off a virtuous circle over time of lower prices leading to increased demand, income, jobs, investment and fiscal gains, so that HMT fiscal income ultimately increases beyond that achieved if VAT were to remain at 20%.

We have assumed a particularly cautious period of adjustment as follows:

- year 1 – 65% of the eventual full impact (i.e. 65% of the 'after' scenario);
- Year 2 - 80% of the impact;
- year 3 – 90% of the impact; and
- year 4 and thereafter – 100% of the impact.

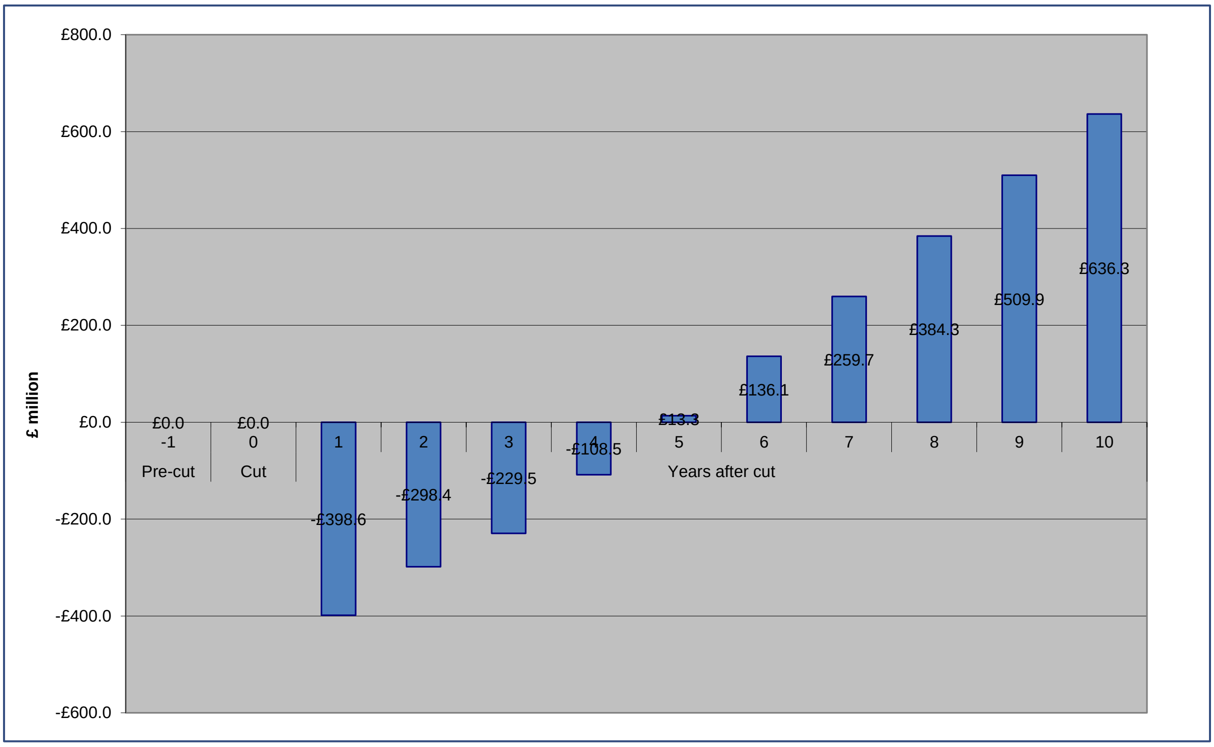
Table 2 highlights key results of the dynamic analysis:

Table 2: Key results of the dynamic analysis

	A&A	OOH Meals	Total
Jobs created over 5 years	40,707	126,896	167,603
Jobs created over 10 years	69,530	217,319	286,849
Additional turnover over 5 years £ million	£1,320	£3,551	£4,871
Additional turnover over 10 years £ million	£2,275	£5,447	£7,722
NPV Years 1-5 £ million	-£954	-£594	-£1,548
NPV Years 1-10 £ million	£478	£4,144	£4,622
IRR over 5 years %	N/A	-19%	-36.90%
IRR over 10 years %	10.10%	33.20%	25.10%
Years to break even	5	4	4.5

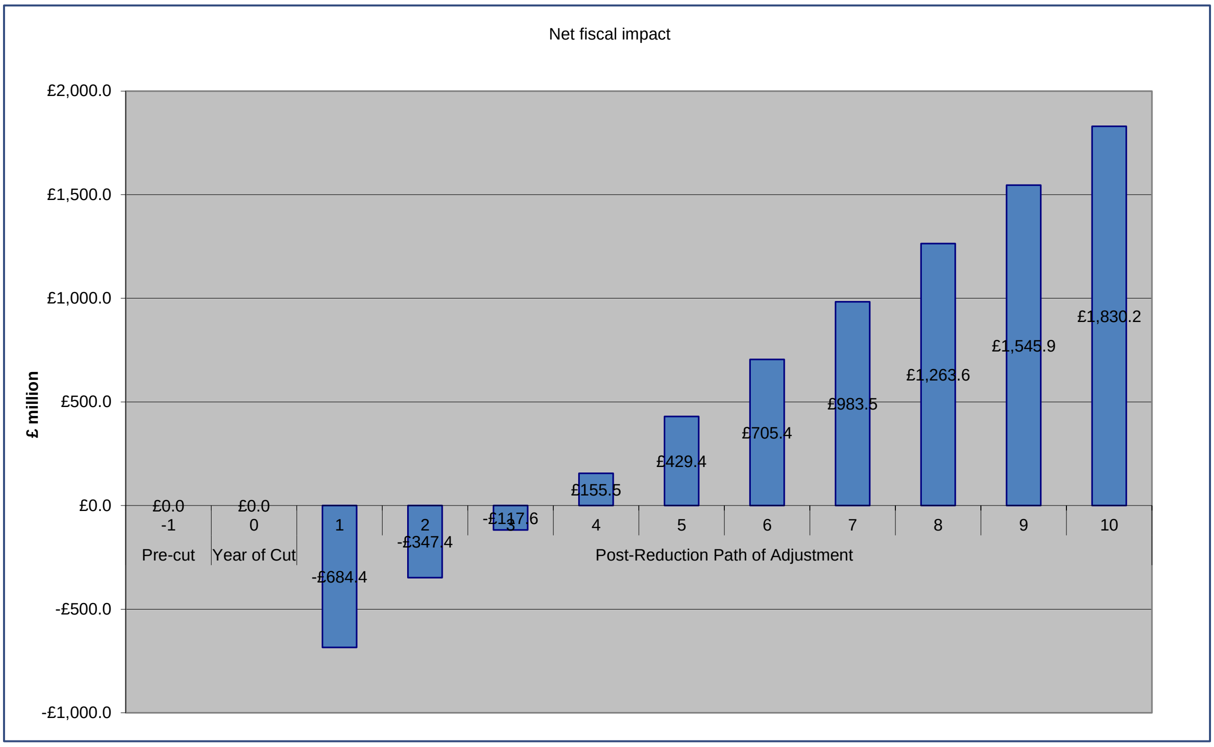
The impact of 12.5% VAT on accommodation and attractions on HM Treasury revenues over 10 years is shown in Figure 2:

Figure 2: Dynamic Impact on fiscal revenues of 12.5% VAT on Accommodation & Attractions



The impact of 12.5% VAT on out-of-home meals on HM Treasury revenues over 10 years is shown in Figure 3:

Figure 3: Dynamic impact on fiscal revenues of 12.5% VAT on Out-of-Home Meals



Reduced VAT is projected to lead to the creation of jobs as shown in Figure 4 for accommodation and attractions and Figure 5 for out-of-home meals.

Figure 4: Cumulative jobs created or safeguarded by the VAT reduction: A&A Sector

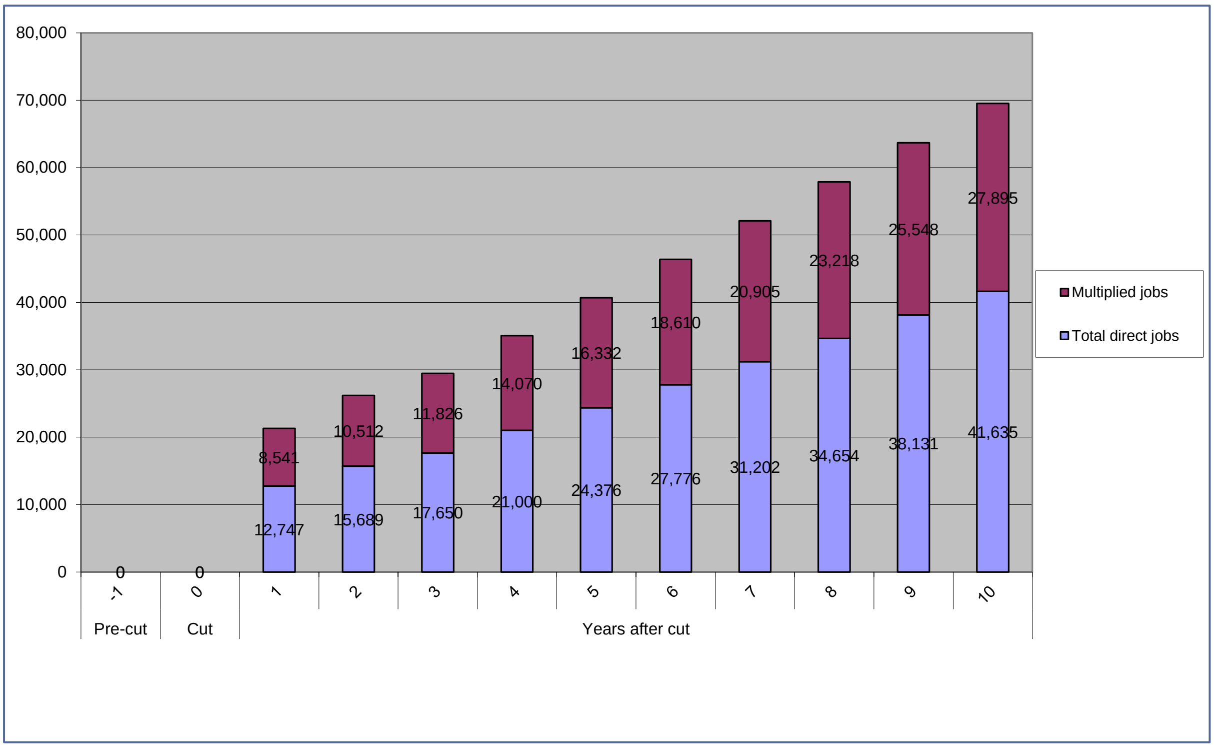
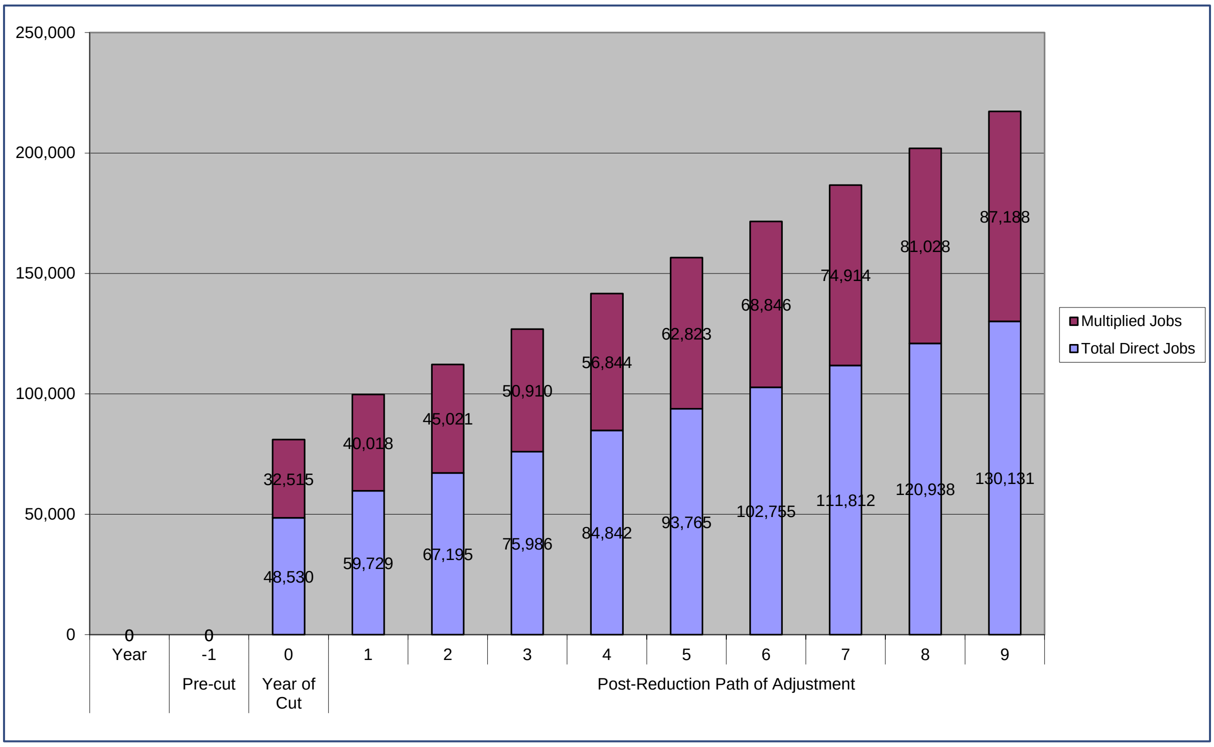
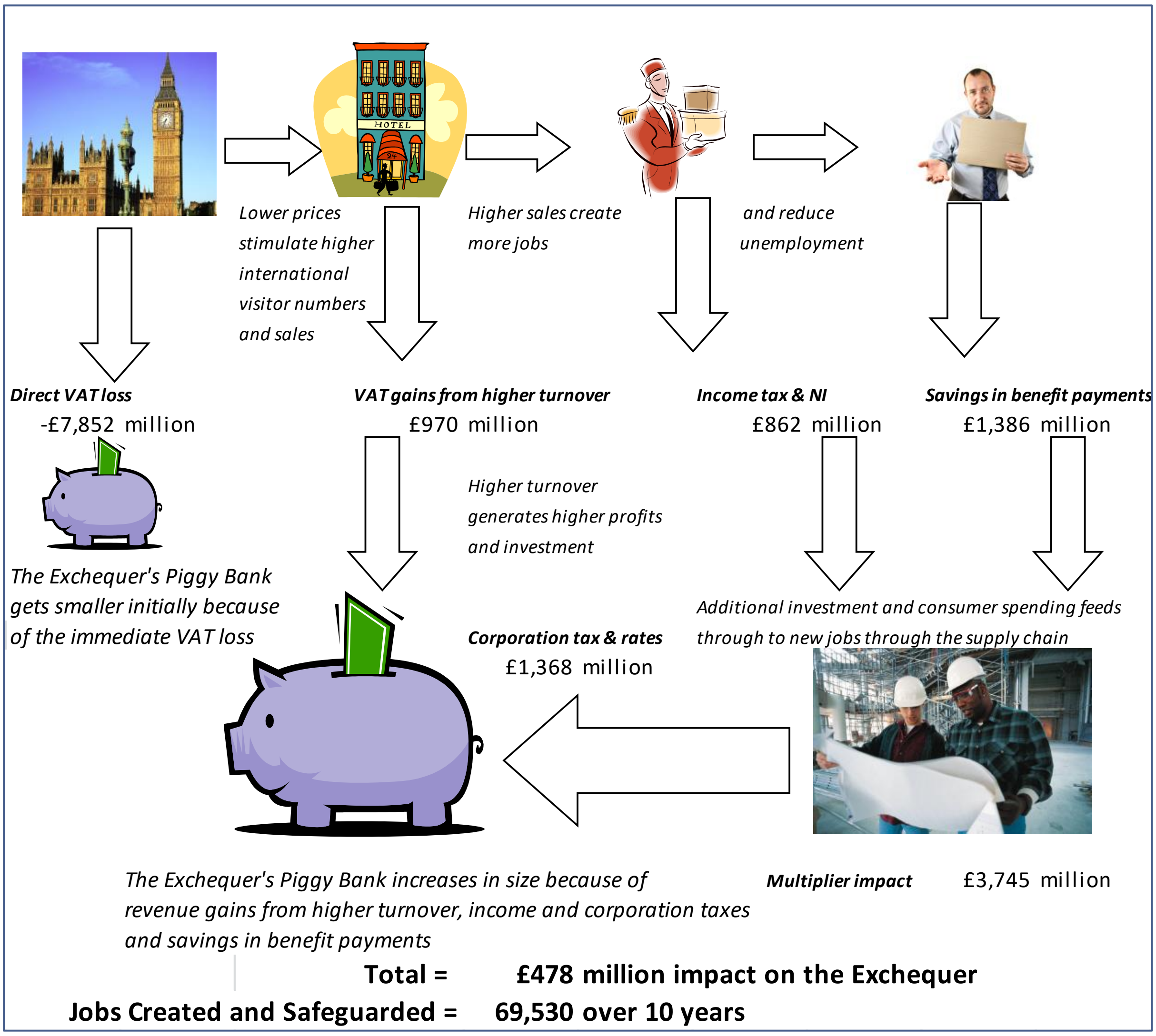


Figure 5: Cumulative jobs created or safeguarded by the VAT reduction: OOHM Sector



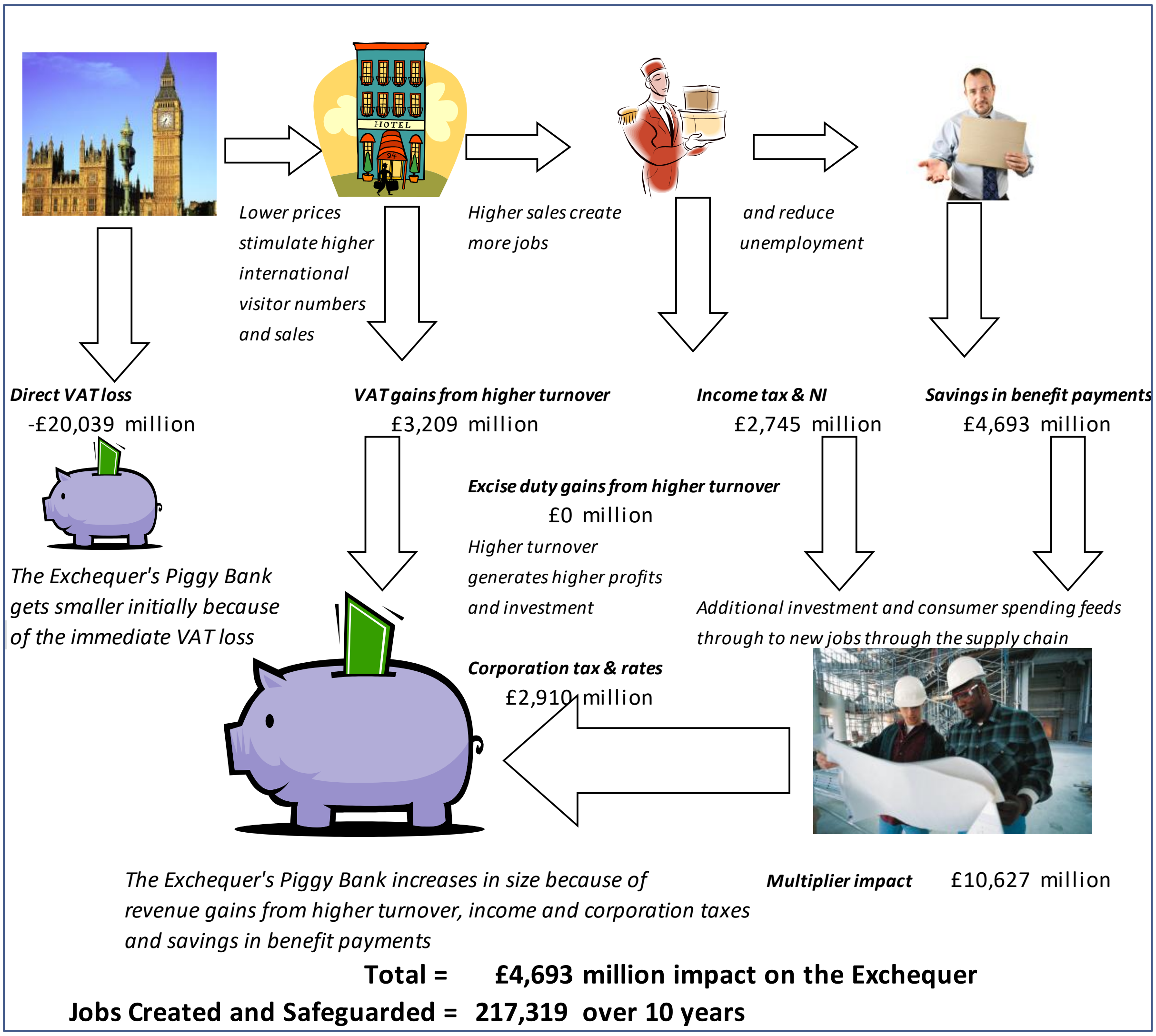
The results of our modelling of VAT at 12.5% over a 10-year period are illustrated in the following two charts: Figure 6 for the A&A sector and Figure 7 for the OOHM sector.

Figure 6:
Net Fiscal Impact of applying a 12.5% VAT Rate rather than a 20% VAT rate in the UK's Accommodation and Attractions Sector over a 10-year period in NPV terms



Source: Nevin-Wason DPE Model, 2022

Figure 7:
Net Fiscal Impact of applying a 12.5% VAT Rate rather than a 20% VAT rate in the UK's Out-of-Home Meals Sector (excluding alcohol) over a 10-year period in NPV terms



Source: Nevin-Wason DPE Model, 2022

8. Regional analysis

The UK-wide analysis was applied to estimate the impact of reduced VAT by UK region. This analysis was undertaken by apportioning the national UK figures from our models to each region using the UK Regional Release Statistics for each of the SIC codes in percentage terms (adding up to 100%).

A summary of the impact of VAT at 12.5% on hospitality and tourism turnover and jobs by UK country and region is shown in the table below.

A summary of the impact of VAT at 12.5% on hospitality and tourism turnover and jobs by UK country and region is shown in Table 3 below.

Table 3:
Impact on regional turnover and jobs of 12.5% VAT on hospitality & tourism

	Turnover £m	Jobs
North East	£200	8,088
North West	£683	27,421
Yorkshire & The Humber	£432	17,395
East Midlands	£332	13,373
West Midlands	£544	21,971
East of England	£565	22,713
London	£1,795	71,983
South East	£995	40,009
South West	£638	25,471
England	**£6,184**	**248,425**
Wales	£270	10,806
Scotland	£549	21,985
Great Britain	**£7,003**	**281,216**
Northern Ireland	£140	5,633
United Kingdom	**£7,143m**	**286,849**

Source: Regional percentages of turnover applied to the turnover and job estimates of the Nevin-Wason DPE Model

The above table shows that the benefits of reduced VAT on hospitality and tourism would be felt by all parts of the UK.

9. Independent validation of the modelling

In previous meetings with the CH&T-VAT Campaign, HMT officials suggested that the impact of reduced tourism VAT be analysed using a Computable General Equilibrium (CGE) model. HMT officials provided the name of Professor Adam Blake of Bournemouth University who built and maintains a CGE model owned by HMRC and used by HMT and gave permission for Professor Blake to use the core of the existing model on behalf of the Campaign. Professor Blake's conclusion from the CGE analysis was that cutting tourism VAT is one of the "most efficient, if not the most efficient, means of generating GDP gains at low cost to the exchequer that we have seen with the CGE model".

An independent review of the economic evidence of the impact of reduced tourism VAT was undertaken by Dr Andrew Sentance CBE, who served for five years on the Bank of England Monetary Policy Committee, and Mr Jonathan Gillham of PricewaterhouseCoopers (PwC), who worked previously as an economist in HM Treasury and HMRC and specialised in the impact of tax and spending on the economy. Their conclusion was that "the depth of (the Campaign's) research and the modelling detail has been impressive... both the DPE and CGE results support the view that there would be substantial benefits to the UK economy from a cut in the VAT rate on tourism-related activities".

10. Conclusions

This report confirms the findings of previous reports over many years that demonstrate how reduced VAT on hospitality and tourism will lead to strengthening and expansion of the sector and, over time, higher revenues for HM Treasury.

Naturally the extent of the impact of VAT at 12.5% is significantly less than VAT at 5%. However, benefits to both industry and the UK Government remain strong and compelling.

Reduced VAT was introduced by the Government to support the sector during the Covid-19 crisis and has proved a lifeline without which more businesses would have ceased to trade.

Extending reduced VAT at 12.5% for hospitality and tourism indefinitely would result in: additional investment in existing and new facilities; new enterprises and growth of existing ones; and safeguarding of existing jobs and creation of new jobs, both in this sector and in companies further down the supply chain. This would lead to fiscal gains for HM Treasury.

The introduction of reduced VAT to support the sector during a time of crisis is a very different proposition from a reduction introduced in a time of relatively 'normal' trading conditions:

- During crisis, fiscal income falls rapidly due to a combination of both the reduced rate and the fall in turnover subject to VAT. For a significant part of the period since the 5% VAT rate was introduced businesses were forced to close and in consequence had zero income, so the VAT rate was irrelevant. When they were allowed to re-open businesses needed the VAT reduction to begin to recoup lost earnings and repair balance sheets. The proportion of the VAT reduction to pass through to lower prices has been low and consequently there has been limited stimulation of demand. Reduced VAT during crisis helps businesses to survive.
- During prosperity, businesses are able to pass all or most of a VAT reduction through to lower prices and are usually forced to do so by competitive pressures. Lower prices stimulate demand, leading to increased turnover, employment and wages. Reduced VAT during prosperity incentivises businesses to invest and grow and thereby increases fiscal income.

Maintaining a reduced rate of VAT for hospitality and tourism would be highly popular with and advantageous to virtually all UK residents. Reduced VAT means lower prices, so eating out, day trips, short breaks and holidays become cheaper for UK residents and an incentive to overseas residents to visit Britain, once coronavirus restrictions and fears are removed.

Appendix: Selection of key model assumptions

A full presentation of data sources and assumptions are set out in our report. A selection of key assumptions is as follows:

- Sector turnover - we have used the most appropriate Standard Industrial Classification codes in the ABS data.
- VAT payments as a percentage of turnover - derived from ONS 'Annual Business Inquiry' data for previous years: accommodation and attractions, 16.9%; hotel food & beverage, 17.7%; event catering and other food activities, 9.9%; bars, 13.3%.
- Accommodation sales mix - 65% of income is attributable to 'rooms' (accommodation); 35% to food and beverage; 5% to other income which is assumed to be liable to VAT at the standard rate of 20%.
- Sector turnover accounted for by business visitors who are able to reclaim VAT, which is therefore not income lost to HM Treasury: accommodation visitors, 40%; attractions visitors, 0%; restaurants, 15% - based on previous research and discussions with trade associations.
- OOH meals turnover accounted for by the sale of alcoholic beverages: hotels & restaurants, 28%; bars, 60%; Catering, 5% - based on data provided by and discussions held with trade associations.
- Allocation of the VAT reduction: 75% passed through to lower prices; 7% to higher salaries; 3% to training; 10% to increased sector investment; 5% to higher profits/dividends – based on previous analysis of the actual experience of VAT reductions in other countries and discussions with trade associations. In present circumstances, where turnover has been severely depressed by Covid-19, less than 75% pass through to lower prices is likely to occur until business profit and loss accounts and balance sheets regain their pre-pandemic shape and strength.
- Speed of adjustment – 65% of the impact is achieved in year 1; 80% in year 2; 90% in year 3; 100% in year 4 and thereafter – based on previous analysis of the actual experience of VAT reductions in other countries and discussions with trade associations. In present circumstances, where turnover has been severely depressed by Covid-19, full adjustment might occur more rapidly.
- 'Dynamic stimulus' – this is an assumption that lower VAT rates will stimulate growth over and above that which will occur at higher VAT rates. Our previous studies have assumed a stimulus factor of -1.5% where VAT is reduced from 20% to 5%. For the present study which assumes VAT at 12.5%, a stimulus factor of -0.75% is assumed – i.e. half of the previous assumption, in proportion to the revised assumption regarding the VAT reduction, with VAT cut from 20% to 12.5% rather than from 20% to 5% in the previous modelling exercise.
- Price elasticity (excluding alcohol) -1.2, that is, each 1% fall in price results in a 1.2% increase in demand, based on previous econometric research and other studies.
- Size of the shadow economy as a % of officially reported turnover – 7% - based on the latest UK Government analysis, which suggests a considerable improvement compared to 14% in 2005/06.
- Reduction in the size of the shadow economy post-VAT cut – 1.75% - based on the experience of actual VAT cuts in other countries.
- Percent of increased turnover feeding through in higher business rates –1.39% - based on business rates receipts.
- Multiplier effects – 1.67 - Gross multiplier - based on Oxford Economics estimates of the tourism multiplier and previous research.
- Turnover per job – accommodation, £58,469; attractions, £36,935; restaurants, £41,856; catering, £50,033; pubs, £44,739; hotel food & beverage, £48,491 – based on ABS 2019.
- Turnover per job for computation of multiplier effects - £89,470 – based on ONS National Income statistics.
- Ratio of Full Time Employment (FTE) equivalents to Total Employment – accommodation and attractions, 0.70; OOH meals, 0.67 - based on ONS Business Inquiry data 2016.
- % of additional jobs taken by those previously unemployed or economically inactive – 60% - estimate based on the assumption that many industry employees will be young people, older (semi-retired) people and part-time workers, many new to the workforce, and the shortage of available overseas workers following Brexit.
- % of total turnover accounted for by overseas visitors – accommodation and attractions, 40%; OOH meals, 0% - based on previous research.