



Written Submission on the Impact of Covid-19 on the
Hospitality and Entertainment Sectors

Association of Visitor Experiences and Attractions

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EXECUTIVE SUMMARY

The Association of Visitor Experiences and Attractions (AVEA) is the representative body for the visitor experiences and attractions (VEA) sector. Our members employ 4,500 people, and in 2019 welcomed over 25 million visitors, and generated in excess of €500 million in visitor revenues that supported local communities in every region.

AVEA recently conducted a COVID-19 Business Impact Survey among its members, and this revealed a 75% fall in visitor numbers nationally and 90% in Dublin, where a greater dependency exists on international visitors for the year 2020. 2020-21 have seen prolonged periods of closure for our museums, galleries, experiences and attractions. During the limited times our member sites were open, they operated without international visitors, and with drastically reduced capacities.

AVEA members have been heavily reliant on business supports simply to survive. Facing into a second summer without international visitors, and a winter which traditionally generates only 5-7% of revenue which will be even further reduced due to COVID restrictions this year, it is clear that supports will be required until the end of March 2022, in order to give our sector a lifeline until such time as inbound tourism returns and on which our sector is hugely reliant.

In particular, AVEA advocates the following measures for survival: the continuation of the EWSS at its current level until March 2022; Business Continuity Grant Aid funding in addition to that provided for 2020 & retention of the CRSS scheme; the retention of 9% VAT rate to 2025; and clear criteria for the resumption of international travel, taking an all-island approach, the continuation of the pan-European traffic light system and the earliest implementation of Green Certification including its' application to third country and core inbound tourism markets of UK and USA. AVEA also seeks a confirmed re-opening in line with non-essential retail, with guided tours enabled; the extended waiver of Local Authority rates; and inclusion of our sector in a consumer- and business-friendly reiteration of the Stay and Spend Scheme to stimulate domestic business.

AVEA members are anxious to re-open to visitors in 2021 but can only do so if current Government liquidity support measures are made available during the short opening period available during the peak summer months. They present safe, accredited, highly-controlled visitor experiences. There are many benefits in permitting visitor attractions, indoor and outdoor, to open, and in permitting curated, controlled guided tours, when public health guidelines allow. As we face into a second 'staycation summer' with no prospect of international visitors, visitor attractions are essential destination drivers. They provide enjoyable, memory-making 'things to see and do' and mental health benefits at a time when the country longs for meaningful holiday time. As we see attractions in Northern Ireland open up, the need for an all-island approach is necessary. And it is absolutely essential that priority attention is given to a planned return to international travel, by means of an EU-wide digital green certificate, and by given appropriate consideration to non-EU key markets, UK and USA.

I. INTRODUCTION

- (i) The **Association of Visitor Experiences and Attractions (AVEA)** was established in 2017 as the national representative association for the Visitor Experience and Attractions industry in Ireland. It was formed by the sector to provide a forum for networking, and thereby build greater competence and confidence in operational and experience delivery. As the representative body for the VEA sector, the Association provides a collective voice and representation to create greater awareness and understanding of this vital tourism sector, recognised as the key destination drivers.

- (ii) AVEA membership has grown to over 75 members and includes all the leading visitor experiences and attractions in Ireland. Our membership ranges from iconic must-see destinations like the Guinness Storehouse, Book of Kells, Kylemore Abbey, and Cliffs of Moher Visitor Centre, to smaller but regionally significant attractions like Hook Lighthouse, Spike Island, Waterford Treasures and Birr Castle. We also list amongst our membership a number of the National Cultural Institutions, and the top OPW sites. Visitor attractions are Ireland's strategic tourism assets. AVEA members are keenly aware of the important role they play in protecting our built and natural heritage assets so that future generations can continue to enjoy them. The VEA sector is firmly rooted in Ireland's cultural heritage, and AVEA's membership encompasses a rich tapestry of places and buildings that have survived countless generations; their ongoing prosperity is integral to delivering the stories of our history and culture and the recovery of the tourism industry. Holiday visitors are motivated to travel to and around Ireland to explore and enjoy the country - its natural and built environment, people, heritage and culture. Visitor attractions and experiences play a vital role in stimulating awareness and interest among visitors, and in fulfilling their expectations by offering a wide choice of things to see and do.

- (iii) The stated objectives of AVEA are:
 1. To provide a forum for the exchange of knowledge, information and advice between members and provide external support and professional insight to assist members in the delivery of best practice in customer care, interpretation and service standards.
 2. To improve performance within the industry and promote the development of the core skills and competencies that it requires to drive the growth and continued success of the visitor experiences and attractions sector.
 3. To conduct research for the sector, and gather data on performance and the needs of the sector.
 4. To represent the attractions and experience sector and advocate importance within the tourism industry, local and national government.

II. VISITOR EXPERIENCES AND ATTRACTIONS: PERFORMANCE PRE-COVID-19

The number of admissions to visitor attractions is testament to their importance. Based on data collected from AVEA's members, Fáilte Ireland, and other sources, it is estimated that, in 2019, almost 40 million visits were made to some 390 visitor attractions in the Republic of Ireland. These attractions are spread throughout the country, promoting tourism and economic activity which, in many locations, would not otherwise occur.

Annually AVEA conducts a survey of its members performance. In 2019, this survey of members reveals the value of their tourism and economic contribution. Based on the data supplied by respondents, the following highlights emerge:

- AVEA's members received an estimated 25.3 million visitors in 2019, 22.6 million in the Republic of Ireland, and 2.7 million in Northern Ireland; this represents, respectively, 57% of visits to all attractions in the Republic, and 24% of all visits to attractions in Northern Ireland.
- AVEA's members employ over 4,500 people.
- AVEA's members generated an estimated €501 million in revenues in 2019, a very high proportion of which flowed into their local economies in wages and purchasing of goods and services.
- International visitors represented 55% of AVEA members business. However, the dependence on international visitors in Dublin was far greater at 79%, with rural attractions having a greater number and spread of domestic visitors.

The full AVEA 2020 Covid-19 Impact Survey can be read here: <https://avea.ie/2021/04/01/avea-members-business-report-2020/>

III. THE IMPACT OF COVID-19 ON THE VISITOR EXPERIENCES AND ATTRACTIONS SECTOR

The impact of Covid on the Visitor Experience and Attractions (VEA) sector has been devastating. AVEA conducted a survey of its members in February 2021 on 2020 performance and the impact of covid. The findings were catastrophic in terms of performance, and selected impacts are detailed below:

- (i) **Visitor Numbers:** Visitor numbers for the year January-December 2020 were down -75% on the previous year. However, a snapshot of the year March 2020-March 2021 reveals that Dublin attractions were even harder hit, given the greater dependence on International visitors: these are down over -90%.
- (ii) **Extended Periods of Closure:** In 2020, our member Visitor Attractions were open on average for only 25 weeks. It is worth noting that 8-10 of those weeks were in the pre-COVID January-mid March period, therefore many only traded for July, August, part of September and 2-3 weeks in December, and these very short periods were at significantly reduced capacities due to COVID restrictions
- (iii) **Collapse in Capital Projects:** Investment in essential building maintenance, refreshment and renewal fell by -92% in Dublin and -78% regionally.
- (iv) **Widespread Drawdown of Essential Supports:** Our members were reliant on a wide range of measures during the extended periods of closure. Critical to survival in 2020 were Government measures and supports including but not limited to:
 - Fáilte Ireland Adaptation Grant
 - Employment Wage Subsidy Scheme (EWSS), and previously Temporary Wage Subsidy Scheme (TWSS)
 - PUP (accessed by temporarily laid-off staff)
 - Covid Restrictions Support Scheme (CRSS) to a limited number of Visitor Attractions
 - Fáilte Ireland Business Continuity Grant Aid funds
 - Local Authority Commercial Rates waiver
 - Local Authority Re-start Grant
- (v) **Impact on Employment:** People are the life-blood of the VEA sector for the delivery of the experiences, curation of the assets, and the expertise built over numerous years of experience specific to this sector. AVEA members worked extremely hard in maintain jobs, with the greatest fall seen in seasonal jobs across the sector.

TABLE 1: Fall in number of staff employed 2020 v 2019

	Dublin	Non-Dublin
Full-time	-14%	-19%
Part-time	-28%	-13%
Seasonal	-77%	-54%
Total	-22%	-35%

- (vi) **Necessary changes to business operations:** In response to extended periods of closure, significantly reduced capacities, and the resulting impact on all revenue streams (ticket sales,

events, food and beverage, retail, etc), AVEA members sought new ways to deliver their product and innovate, to engage with their customers while closed. These initiatives did not in any way make up for lost revenue. The objectives were to re-imagine the customer engagement points, and to retain critical staff, in the hope of strengthening recovery when it comes. Some examples include:

- Alternative Retail Offers
- Enhancing Outdoor Activities
- Virtual Tours / Online
- Virtual Lectures and Entertainment

IV 2021 – ANOTHER YEAR OF SURVIVAL

- (i) **Pessimistic Tourism Scenario for 2021:** It is clear at the time of writing that there is little prospect of any return of international visitors this summer, and many VEA businesses are already considering 2021 as a yet another year of basic survival. The summer months will be entirely dependent on domestic holiday-makers, which, according to our surveys of 2017-2019 made up less than 45 per cent of total visitors, and an even lesser proportion of expenditure. As previously noted, social distancing measures drastically reduce the capacity of many sites. The uncertainty surrounding intercounty travel means managers cannot plan or prepare for the key summer months. The summer is normally our peak time, generating reserves to sustain our members' cashflow position through the much quieter winter months: in 2021, there is no hope of sufficient income for this to happen.
- (ii) **Key Asks in the Survival Period:** As our members will remain in survival mode until such a time as international travel is restarted and the traditional tourism season recommences, we have identified the following key asks as essential to mitigate business vulnerability.
- The continuation of EWSS at current levels to end March 2022
 - Additional Business Continuity Grant Aid funding to support a proportion of operational costs. CRSS retention will also be vital for those VEA businesses that can access it.
 - Retention of 9% VAT rate to 2025
 - Opening at 'Level 3' with guided tours enabled
 - Clear criteria for the resumption of international travel. An all-island approach, pan-European traffic light system and implementation of Green Certification including third country and key markets of UK and USA
 - Extending waiver of Local Authority Commercial Rates
 - Inclusion of our sector in a consumer- and business-friendly reiteration of the Stay and Spend Scheme to stimulate domestic business
- (iii) **Tourism Recovery Taskforce Plan 2020-2023.** AVEA fully supports the Report prepared by the Tourism Recovery Taskforce which delivers a roadmap for the survival and recovery of Irish Tourism. [This report](#) identifies the visitor attractions and experiences sector as 'key strategic assets' and essential destination drivers. The VEA sector is noted as having an important role in driving regional visitation numbers for accommodation and hospitality businesses. It calls for investment with targeted prioritisation for cultural and Heritage tourism products. It also calls for specific business continuity grant aid funding of up to €20 million being provided for survival. Many of the core themes and recommendations of this report will, if implemented, enable the survival and a return to sustainable recovery of the key sector of Irish Tourism. AVEA welcomes the Minister's implementation of the Recovery Oversight Group to ensure the recommendations of the Plan are implemented.
- (iv) **AVEA Advocacy on the Impacts and Consequences of COVID-19:** In the last year, AVEA has presented submissions and actively engaged in the Tourism Recovery Taskforce (adopted by Minister Martin in October 2020), participation in the TRT presentation to the Joint Committee

on Tourism (October 2020), active participants in the Development of ITIC's (Irish Tourism Industry Confederation) Tourism Revival Plan and are members of the Tourism and Hospitality Forum. In addition to our consistent and continuing identification of the 'key asks' to enable business survival, AVEA has advocated for our sector to be permitted to re-open with guided tours permitted at Level 3 of the Government's 'Living with Covid' Plan, similar to non-essential retail outlets. AVEA believes that our members encompass important and strategic destination drivers, and are critical to the tourism offering, nationally and regionally: their survival is central to the very fabric of the Irish tourism experience. It is positive to see that 'The Path Ahead' Plan issued recently specifically recognises the devastation being caused by COVID and the necessary restrictions remaining in place while the vaccine roll-out is being implemented. It is particularly pleasing to see that, as part of the National Economic Recovery Plan, the Government will consider more targeted and much needed longer-term measures to help those sectors, such as tourism, which will continue to face particular challenges during the recovery phase when the economy reopens and until international travel can be enabled. It is essential that we emerge from the COVID-19 era with a tourism product that is intact, attractive, and ready to welcome back inbound tourism visitors.

(v) Date for Re-opening? We welcome the announcement by An Taoiseach Mícheál Martin on 30th March that outdoor visitor attractions will be permitted to open on Monday 26th April, and that, from 4th May, strong consideration will be given to opening Indoor Attractions (referred to as 'Galleries, Museums, and Cultural Attractions'). While AVEA understands that public health considerations will drive Government decision-making, nonetheless, it is a significant challenge being unable to plan with any certainty without confirmation of dates, inter-county travel, capacity restrictions, and without Government guarantee of continued supports beyond 30th June, particularly in the initial phases of re-opening.

(vi) The Case for a Planned and Prioritised Re-opening of Visitor Experiences and Attractions: Like all sectors of tourism, AVEA members have more than played our part in adhering to public health guidelines, investing in our businesses in order to ensure visitor and staff safety. In spite of the extremely low levels of demand, our members have worked incredibly hard to re-open and stay open so as to protect our people and secure as many of their jobs as possible. While much has been sacrificed, our members have done everything possible, aided by the support of EWSS, to retain our most important asset: our people, with only -16% loss of full time staff in 2020 demonstrating our members' commitment to holding on to this valuable resource. This has been the primary *raison d'être* for many members to open as there is no prospect of profitable trading in a COVID environment. The intellectual capital of our core teams is incredibly important and vital to strengthening our pace and ability to recover when it comes. The following points support the rationale to open visitor and experience attractions, at the same time as non-essential retail:

1.	Visitor attractions are <i>professionally controlled spaces</i> , highly experienced in managing people flow. 85% of AVEA members provide online ticket bookings to
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	support capacity management. Ireland’s attractions have also extensively invested in new, updated safety measures and training including the Fáilte Ireland Covid-19 Safety Charter. They are perfectly placed to re-open as safe, spacious places.
2.	There are many well-documented positive mental health benefits associated with the enjoyment of culture and the arts, and the lockdown experience showed us how we crave beautiful and aesthetic experiences for our emotional well-being. In carefully managed and controlled environments, compliant with accredited standards, our members can provide welcome and much-needed respite for the public good.
3.	Visitor attractions are ‘destination drivers’ , a key part of a destination’s product offering, uniquely presenting a ripple uplift on surrounding accommodation, restaurants and other tourism offerings. It is critical that attractions are allowed to open, to get our people back to work which is critical now for their mental health and well-being and retain their vital skills so as to strengthen the pace of recovery when Ireland re-opens to international tourism
4.	It is our firm belief that the VEA sector can open safely at Level 3 with guided tours given the enormous drop in demand and a reduction of -75% in visitor numbers to our sector nationally and over - 90% in Dublin attractions. Non-essential retail department stores would have 10 times more visitors daily in smaller and more congested spaces than our largest indoor heritage and cultural spaces where people are guided through experiences to further ensure their safety and that they are not stationary while visiting. We too insist on masks being worn at all times in indoor environments, we are obliged to contact track and trace (unlike retail) and have invested in huge numbers of hand sanitisation stations.
5.	Northern Ireland’s Plan – Pathway Out of Restrictions, issued in early March, allows for the opening of Visitor Attractions fully at the equivalent of Level 3 – an all-island approach must be taken into consideration.
6.	Given the likelihood that outbound international travel for Irish holiday-makers will not be a possibility for Summer 2021, it is essential to offer, in a planned fashion, plenty of things for families to see and do , after a lengthy lockdown. Visitor Attractions have an extremely important role to play in providing orderly, weather-proof indoor opportunities for enjoyment, engagement, experiences, and memory-making, drawing holiday-makers away from crowded streets, playgrounds, shopping centres, or other uncontrolled settings.

Providing us with the option to open our doors at Level 3, to keep jobs, offer much needed positive mental health benefits, maintain Ireland’s strategic tourism assets and vital infrastructure for the future and provide safe experiences for our domestic visitors will strengthen the pace of recovery when international visitors can return much later this year or in 2022.

V. CONCLUSION

The devastating impact of COVID-19 on the visitor experiences and attractions sector was immediately felt in March 2020, but its true impact will continue to be felt long into the future.

The Irish Tourism Industry Confederation (ITIC) considers that even in a ‘best case’ scenario, international tourism will not return to 2019 levels until at least 2025. Indeed, this industry remains in ‘survival mode’ for the rest of 2021 given that international travel, when likely to be enabled, will be too late and miss another peak season, meaning a full two years of revenue loss for visitor attractions. The phrase ‘first hit and last to recover’ is truly applicable to this sector, as even the start of the recovery is some way off yet.

Domestic tourism will again be the only market on which we can depend for 2021 and for an extremely limited period of time with significant capacity curtailment due to the pandemic’s operational restrictions. It is important to note that the domestic market can in no way replace, either in numbers or in revenues, international visitors. AVEA members experienced a -75% fall in 2020 business and the expectation is that this will be repeated and possibly even worse in 2021.

Facing a second summer of COVID-19 restrictions, and emerging from an extended period of lockdown, reserves have now been depleted, and access to finance through normal lending mechanisms is simply not available. Capital projects have been halted or postponed indefinitely. The sector has experienced an existential crisis, with our beautiful museums, galleries, stately homes, heritage sites and other attractions empty of visitors. While the Government has promised ‘no cliff-edge’ in relation to business supports, this reassurance provides little comfort or clarity to businesses which will not see any form of recovery commence until, at the earliest, Spring 2022.

Simply put, Ireland’s visitor experiences and attractions are key tourism strategic assets – along with our natural landscape and heritage, they are the draw, the attraction that brings visitors to Ireland, and onwards to our regions. It is essential, when Ireland reopens to international visitors, that our VEAs are viable, functioning businesses, ready to open our doors and deliver the very best visitor experiences in our own unique and inimitable way.

AVEA’s Chair, Seán Connick, thanks the Joint Committee for the opportunity to provide this submission and he remains available to present at a hearing at the convenience of the Committee.