

Debate Pack

Number CDP-0082 (2021)

By Dr Roger Tyers, Georgina Hutton, Fintan Codd, Rosalind Kennybirch, Anastasia Lewis, Philip Brien

Westminster Hall debate: Support for the Aviation, Tourism and Travel Industries

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1 Background

1.1 Introduction

A Westminster Hall debate, sponsored by Henry Smith MP, on Support for the Aviation, Travel and Tourism Industries, has been scheduled for Thursday 24 June 2021.

The Library has prepared the following material about the sector's contribution to the UK economy pre-pandemic, the impact that the Covid-19 pandemic and lockdown restrictions have had on it, the support which the UK government has provided to date, and outstanding issues as restrictions ease and the sector looks to recover.

This material was originally prepared in advance of a similar [debate on 'Aviation, Travel and Tourism Industries'](#) in the Commons chamber, held on 10 June 2021¹. In that debate, the following concerns were raised by Members:

- that travel agents, airlines, cruise ship and other ancillary companies (e.g. food and drink producers) were at risk of redundancies/bankruptcy due to international travel restrictions.
- that skilled staff in the sector might choose to leave for more secure employment elsewhere.
- that other countries' governments had given greater financial support for their aviation sector and/or were easing travel restrictions, meaning the UK industry could be placed at a long-term competitive disadvantage.
- that the Government had to choose whether to allow more international travel now or face further industry bailouts later.
- that the UK's successful vaccination programme meant travel restrictions could be eased more quickly.
- that the number of 'green list' countries could and should be expanded.
- that the cost of private Covid testing for travel is prohibitively high.
- that Covid-vaccination status for UK residents was being used by passengers to avoid entry restrictions in some other countries, but not in the UK itself.
- that there was confusion among travellers when FCDO advice and the 'traffic-light' guidance diverged for some destination countries, and greater clarity over travel insurance was required.
- that while international travel was difficult, the Government could help domestic aviation instead e.g. through a cut in Air Passenger Duty (APD).

¹ HC Deb [10 June 2021](#) c1174

- that the UK Government’s support for the aviation sector had missed the opportunity to attach environmental ‘conditions’ to it.

Speaking for the Government, Aviation Minister Robert Courts said “the House is united in wanting to see international travel reopened as soon as it is safe to do so”, and summarised the financial support the Government has provided for aviation sector:

By September 2021, the air transport sector alone will have benefited from around £7 billion of Government support, including accessing more than £2 billion through the Bank of England’s Covid corporate financing facility and around £1 billion to £1.5 billion of support through the furlough scheme.²

He said that colour lists for different countries were informed by risk assessments produced by the Joint Biosecurity Centre, alongside wider public health factors, and that despite the success of the UK vaccination programme, it was important that restrictions were maintained where necessary to “to ensure that we do not risk throwing away our hard-won achievements”.

On testing, he said the Government understood the problems with cost:

We recognise that the cost of those tests is still too high. Although we have seen the price of post-arrival tests decrease from around £210 to around £170, we continue to explore options for lowering the cost of testing further, including cheaper tests being used when holidaymakers return home.³

On the use of Covid status certification for inbound travel, he hinted that this might become a possibility soon:

We are working to consider the role of vaccinations in shaping a different set of health and testing measures for inbound travel into our country. We will set out our position on that in due course.⁴

He also said that a new strategic framework for UK aviation was forthcoming this year:

We are working on a strategic framework that will focus on building back better and ensure a successful UK aviation sector for the future. That framework will set out a plan for a return to growth of the aviation sector, and it will include consideration of workforce and skills, Union connectivity, noise, innovation, regulation and consumer issues. The strategy will complement the Government’s net zero aviation strategy. It

² HC Deb [10 June 2021](#) c1176

³ HC Deb [10 June 2021](#) c1176

⁴ HC Deb [10 June 2021](#) c1177

will consider the critical role that aviation plays in growing the UK's global reach and we will publish it by the end of the year.⁵

1.2

The contribution of Aviation, Travel and Tourism to the UK Economy

Aviation and the UK economy

The UK has the largest aviation network in Europe, and the third biggest in the world, following the USA and China.⁶ Around 2.2 million domestic and international flights either departed or landed in the UK in 2018, and almost 80% of inbound visitors reached the UK by air. Pre-pandemic, the UK Government estimated the aviation sector contributed at least £22 billion to GDP each year before the pandemic and supported around half a million jobs across the UK.⁷

The British population also fly a lot. Based on data from the International Air Transport Association (IATA), The Independent reported that more international flights were taken in 2018 by British people than any other nationality, including China and the USA⁸.

⁵ HC Deb [10 June 2021](#) c1178

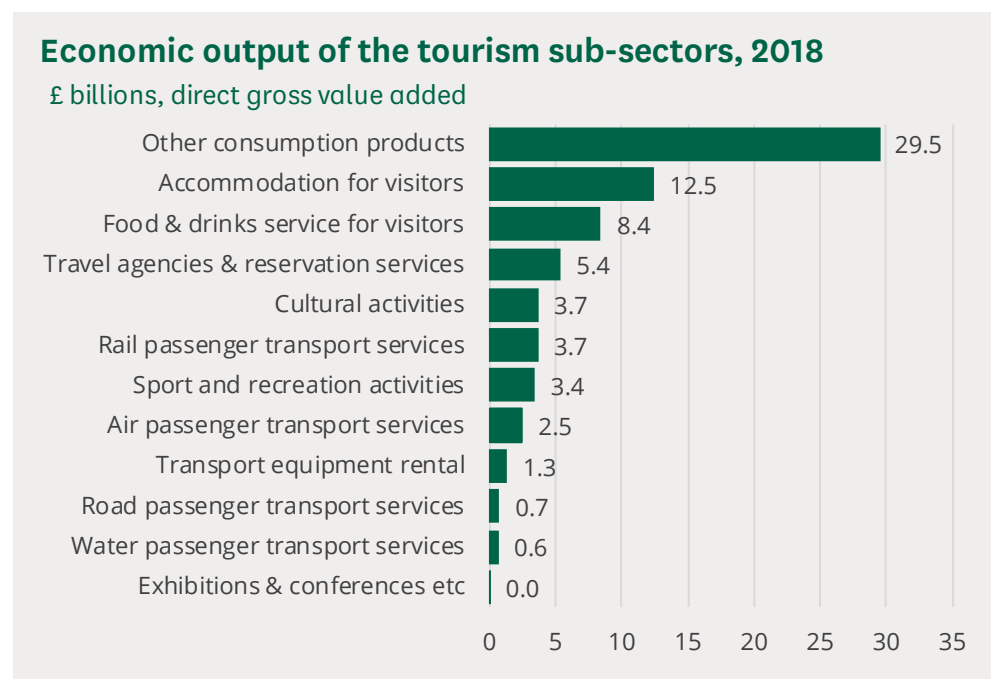
⁶ Department for Transport [Aviation 2050: The future for UK aviation](#), December 2018

⁷ House of Commons Transport Committee [The impact of the coronavirus pandemic on the aviation sector: Interim report: Government Response to the Committee's Fifth Report of Session 2019-21](#) May 2021

⁸ The Independent [More British people Flew Abroad Last Year Than Any Other Nationality. New Data Reveals](#) July 2019

Tourism and the UK economy

Tourism contributed £71.73 billion to the economy in 2018 (see Box 1 on calculating direct tourism impact).⁹ This was 3.8% of total economic output in the UK. The economic contribution of the industries that make up the tourism sector vary considerably, shown in the following chart.



Note: figures are in current prices (not adjusted for inflation)

Source: ONS, [Tourism Satellite Account 2018](#).

The industry called ‘other consumption products’ includes all economic activity due to tourism that occurs outside the traditional tourism industries. This includes car parking, costs associated with second home ownership, and the purchase by tourists of goods such as clothing.

In 2018, the other consumption products category contributed the most to tourism economic output: £29.5 billion. The accommodation sector had the next highest output at £12.5 billion. The air passenger transport industry contributed £2.5 billion.

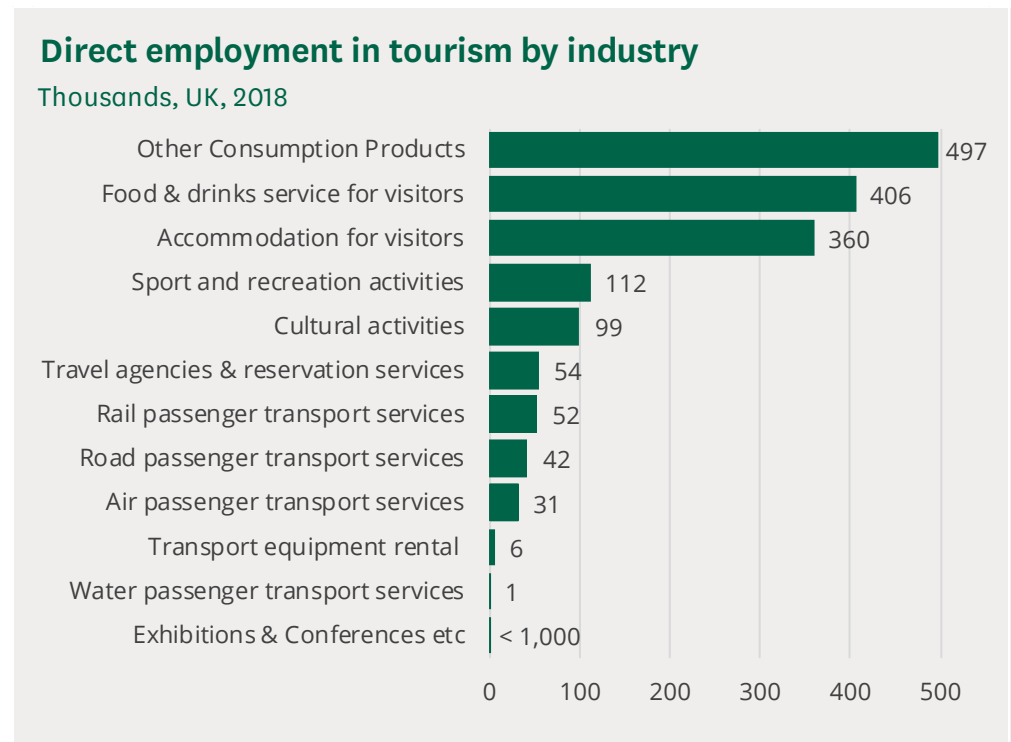
There were 1.6 million jobs directly supported by tourism in the UK in 2018, around 5% of total UK employment.¹⁰ The following chart shows direct employment in tourism in each of the tourism industries.

As with economic output, direct tourism employment was largest in the other consumption products industry, with an estimated 497,000 jobs in 2018. Food

⁹ Estimates of the economic contribution of tourism come from the ONS [Tourism Satellite Account 2018](#) (published in November 2020).

¹⁰ ONS, [Tourism Satellite Account 2018](#) (published in November 2020).

& beverage service (restaurants and bars etc) had the second highest tourism employment, with 406,000 jobs supported by tourism. There were an estimated 31,000 tourism jobs in the air passenger transport sector.



Source: ONS, [Tourism Satellite Account 2018](#)

Box 1: Calculating the economic contribution of tourism

Estimating the economic contribution of tourism is more complicated than for other industries. The tourism industry includes any business that provides services to tourists, but often these businesses also provide services to non-tourists as well. For example, a museum is a tourist attraction, but is also open to people from the local area.

The figures above estimate the economic output and employment supported directly by tourism, excluding contributions from local customers.

In order to estimate the economic importance of tourism, economists calculate the “tourism ratio” of an industry, which means the proportion of economic activity in that industry that is directly tourism-related. For example, the accommodation for visitors sector has a tourism ratio of 76%, whilst the sports and recreation activities industry has a tourism ratio of 24%. Air passenger transport has a tourism ratio of 45%.

Further information on the methodology behind the tourism economic estimates used here can be found in the ONS document, [Economic value of tourism: guidance](#).

Visitors to the UK

The tourism industry in the UK supports overseas visitors coming to the UK, UK residents visiting other parts of the UK (domestic tourists), and UK residents going abroad (for example, UK airports serve this kind of tourist).

In 2019, there were:

- 93.1 million visits by UK residents abroad.¹¹
- 40.9 million visits by overseas residents to the UK.¹²
- 122.8 million domestic overnight trips by UK residents to somewhere in Great Britain.¹³

Overseas tourists spent £28.4 billion on visits to the UK in 2019. Domestic tourists spent £24.7 billion. Statistics for 2020 are discussed below.

Visits to the UK in 2019		
	Overseas tourists	Domestic tourists
Number of visits, millions	40.9	122.8
Spending, £ billions	28.4	24.7

Sources: ONS, [Travel Trends](#), 2019; Visit Britain, [GB Tourism Survey: 2019 overview](#), [GB all trip purposes](#)

1.3

The Impact of the Covid-19 Pandemic

Aviation and Eurostar during the pandemic

The pandemic has had a huge impact on the aviation industry globally, with a recovery to 2019 levels of flying not expected for at least four years. The International Civil Aviation Organization (ICAO) has been tracking the global impact of Covid-19 and the associated travel restrictions on the aviation industry. In its latest report¹⁴, the ICAO estimates that in 2020, compared with 2019, Covid-19 resulted in:

¹¹ ONS, [Travel Trends](#), 2019

¹² Ibid

¹³ Visit Britain, [GB Tourism Survey: 2019 overview](#), [GB all trip purposes](#)

¹⁴ ICAO [Effects of Novel Coronavirus \(COVID-19\) on Civil Aviation: Economic Impact Analysis](#) June 2021

- Overall reduction of 50% of seats offered by airlines
- Overall reduction of 2,690 million passengers (-60%)
- Approx. USD 370 billion loss of gross passenger operating revenues of airlines

It estimates that the impact for year 2021 (preliminary estimates), compared to 2019 levels will be:

- Overall reduction of 34% to 38% of seats offered by airlines
- Overall reduction of 1,881 to 2,146 million passengers (-42% to -48%)
- Approx. USD 276 to 315 billion loss of gross passenger operating revenues of airlines

The International Airport Transport Association (IATA) meanwhile forecasts losses to the global airline industry of USD 118 billion in 2020 and USD 38 billion USD in 2021.¹⁵ Whereas previous major ‘demand shocks’ such as 9/11 and the 2009 recession caused passenger numbers to drop by around 5-20% and then recover within 6-18 months, IATA note that 14 months after the Covid-19 pandemic started, demand is still 60% below its ‘normal’ rate.

In the UK, seat capacity fell by around 92% in April 2020 (compared to April 2019) and by September 2020 was still 85% down on 2019 with high capacity summer months lost.¹⁶ In mid-2020, the IATA predicted losses of up to £20.1 billion in 2020.¹⁷ The Airport Operators Group (AOA), the trade body for airports, reported that its members were losing £83 million a week in 2020.¹⁸ Current travel restrictions mean that there is still a large reduction in UK flights compared to pre-pandemic activity. European wide air traffic control agency EUROCONTROL [reported](#) that on 9 June 2021, flights in and out of the UK were 73% lower than the same day in 2019.¹⁹ In January 2021, the International Air Transport Association (IATA) estimated that 860,000 jobs have either been lost or are being sustained by the Government’s ‘furlough’ scheme.²⁰

For Eurostar, the UK’s only international train operator, the pandemic has caused a 95% drop in passenger numbers.²¹ In May 2021 Eurostar negotiated a £250 million refinancing package from a consortium led by French-owned railway SNCF.²²

¹⁵ IATA, [Economic Performance of the Airline Industry](#), Nov 2020

¹⁶ Airlines UK, [UK economy loses £32m every day as result of no airbridge with the US](#), 21 September 2020,

¹⁷ As quoted in Transport Committee, Second Report of Session 2019–21, [The impact of the coronavirus pandemic on the aviation sector](#), 10 June 2020, para 13

¹⁸ AOA, [UK’s Airports Losing £83 Million A Week As A Result Of COVID-19](#), 21 Oct 2020

¹⁹ EUROCONTROL [COVID-19 Impact on European Aviation report](#) 10 June 2021

²⁰ International Air Transport Association (IATA) [PM Boris Johnson Must Include Air Transport in UK Economic Restart Plans](#) 18 February 2021

²¹ FT, [First Brexit, then Covid: can Eurostar get back on track?](#) March 2021

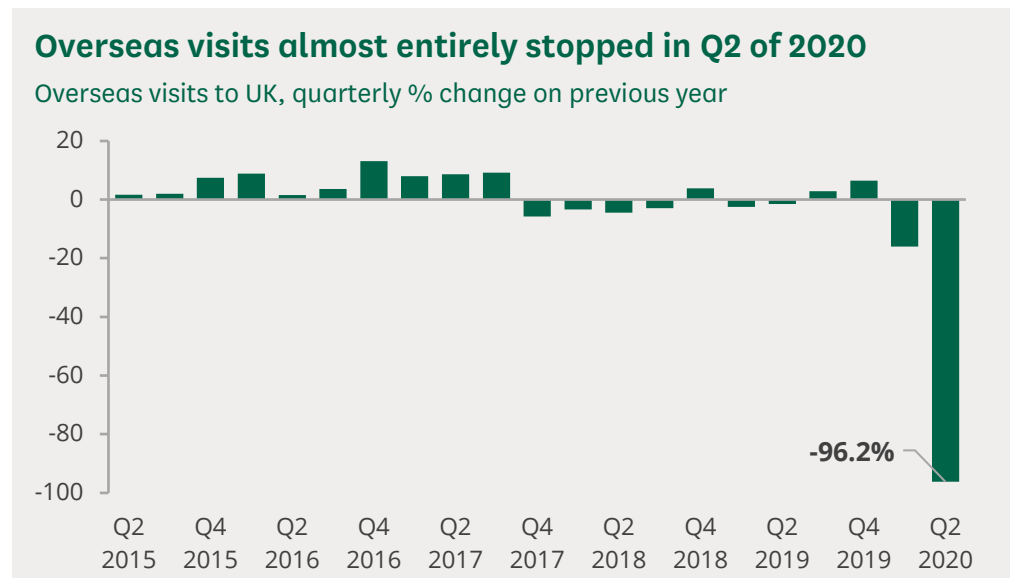
²² FT, [Eurostar lands bailout from investors and French state](#) 18 May 2021

Tourism during the pandemic

The coronavirus pandemic and lockdowns introduced have hit the tourism industry across the world. Tourism industries are one of the hardest hit sectors by the pandemic and may be one of the last to recover due to restrictions on international travel.

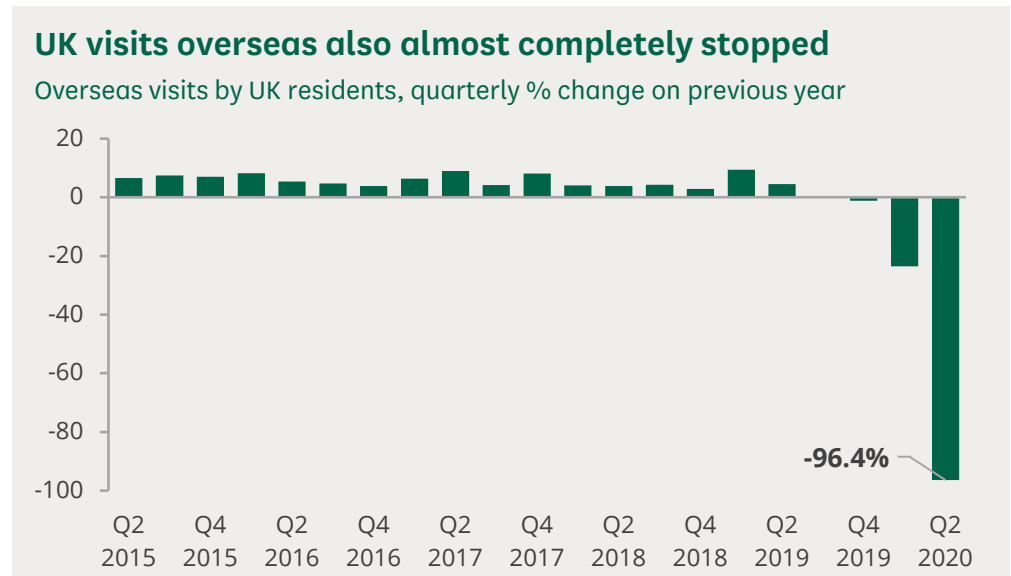
In December 2020, the Organisation for Economic Co-operation and Development (OECD) estimated that international tourism had fallen by 80% in 2020.²³ Domestic tourism, which accounts for around 75% of the tourism economy in OECD countries, is expected to recover more quickly.²⁴

Overseas travel to and from the UK slowed significantly during Quarter 1 (January to March) 2020, as the charts below show. Once full lockdown restrictions were in place during the second quarter of 2020, visitor numbers both from overseas to the UK and in the other direction dropped almost to zero.



²³ OECD, [Mitigating the impact of COVID-19 on tourism and supporting recovery](#), 16 December 2020

²⁴ OECD, [Tourism Policy Responses to the coronavirus \(COVID-19\)](#), 2 June 2020



Source: ONS, [Overseas travel and tourism, provisional: April to June 2020](#), 9 November 2020

Statistics are also available for the whole of 2020. These show that overseas residents made a total of 11.1 million visits to the UK in 2020, 73% lower than in 2019. UK visits abroad fell by 74%.²⁵

The decrease in visits has resulted in similar falls in visitor spending. Spending by overseas visitors in the UK was 97% lower in Q2 of 2020 than in Q2 2019; UK spending abroad fell by 98% in the same period.

International comparisons for visitor numbers and other tourism recovery metrics (such as hotel occupancy and bookings) can be explored at the United Nations World Tourism Organisation [Tourism Recovery Tracker](#).²⁶ Hotel occupancy in the UK was 43% in May 2021, higher than in Spain (34%), France (33%), Italy (28%) and Germany (17%).

The Government commissioned consultancy firm Oxford Economics to estimate the impact of the pandemic on the tourism and travel sector. Their report, published alongside the Tourism Recovery Plan (see section 1.5) estimated that the tourism sector's economic output fell by 64% between 2019 to 2020, from £75 billion to £27.2 billion leading to a 1.5% fall in UK GDP.²⁷

Impact on the labour market

The tourism industry has been hit particularly hard by the pandemic, as it is so dependent on travel. The number of people who reported their main job as

²⁵ ONS [Overseas travel and tourism : 2020](#) 24 May 2021

²⁶ On 24 June 2021 we removed data referring to international arrivals published on the UNWTO Tourism Recovery Tracker; the figures were not for comparable time periods.

²⁷ Oxford Economics, [UK Tourism Scenario Forecasts](#), March 2021 (published 11 June 2021), page 9.

being in travel and tourism industries in the third quarter of 2020 (July to September) was 10.8% lower than in the same period in 2019; employment in other industries rose by 0.1% in the same period.²⁸

Employment in accommodation for visitors had the worst impact, falling by 16.7% in Q3 2020 compared to Q3 2019. Employment in travel agencies was up by 17.1% in the same period, however.²⁹

The travel and tourism industries have also had relatively high rates of employees on full or partial furlough leave, using the Coronavirus Job Retention Scheme. The Office for National Statistics (ONS) estimated in January 2021, that 44.5% of the total travel and tourism workforce was on at least partial furlough, compared to 12.2% of the workforce in other industries.³⁰

Oxford Economics, in their UK Tourism Scenario Forecasts produced for the government estimated that 140,000 direct tourism and travel jobs were lost across the UK in 2020 as a result of the pandemic.³¹

Forecasts for recovery

As restrictions have started to be relaxed, it seems likely that visitor numbers will begin to recover. VisitBritain has been carrying out a tracking survey since May 2020 looking at UK attitudes and expectations of travel. As of the most recent release in May 2021, around half of UK adults expected to take more or the same number of holidays within the UK before the end of this year as they would have normally. Overseas trips are likely to take rather longer to recover, with less than a third of UK adults saying the same for holidays outside the UK.³²

VisitBritain also produces regular forecasts of visitor numbers. As of 7 May 2021, their forecast for inbound tourism in 2021 was for 11.3 million visits, 10% higher than in 2020 but still only 22% of the number of visits in 2019. They do not expect tourism to be anywhere near normal levels by the end of the year.³³

Alongside the Tourism Recovery Plan (see Section 1.5), the Government published forecasts it had commissioned to model the recovery of the travel and tourism sector.³⁴ The forecasts were produced by consultancy firm Oxford Economics in late March 2021. In their baseline (middle) scenario, Oxford Economics estimated that:

²⁸ ONS, [Coronavirus and the impact on the UK travel and tourism industry](#), 15 February 2021

²⁹ ONS, [Coronavirus and the impact on the UK travel and tourism industry](#), 15 February 2021

³⁰ ONS, [Coronavirus and the impact on the UK travel and tourism industry](#), 15 February 2021

³¹ Oxford Economics, [UK Tourism Scenario Forecasts](#), March 2021 (published 11 June 2021), page 10.

³² VisitBritain, [COVID-19 Consumer Sentiment Tracker](#), Wave 31, 27 May 2021

³³ VisitBritain, [2021 tourism forecast](#), 7 May 2021

³⁴ DCMS, [Tourism recovery plan](#), 11 June 2021.

- domestic travel would remain 46% below 2019 levels in 2021 and recover by 2023
- inbound tourism (international visits) were estimated to remain 73% lower than 2019 levels in 2021 and recover to 2019 levels in 2025.

There is considerable uncertainty regarding the forecasts and many factors on which they depend including the pace of the vaccination roll-out, restrictions on social distancing and the impact of the pandemic on consumer spending.

1.4 Government support for the sector

Support for aviation

The Government says it has spent £7 billion pounds in support for the aviation and tourism industries throughout the pandemic³⁵. This has come in the form of economy-wide measures, primarily the Covid Job Retention Scheme (or ‘furlough’ scheme) and Covid Corporate Finance Facility (CCFF), and sector specific support such as the Airport and Ground Operators Support Scheme.

At a hearing of the Transport Select Committee on 3 February 2020³⁶, the Transport Secretary said that the aviation sector has received approximately £7.2 billion in financial support:

- aviation workers have received £1-2 billion on furlough;
- aviation companies have received approximately £3 billion from the CCFF (Covid Corporate Financing Facility) scheme; and
- airlines have received £3.4 billion from UK Export Finance.

The following table shows businesses with loans currently outstanding under the CCFF as at 1 June 2020, including several airlines:

³⁵ DfT, [Report of the Global Travel Taskforce](#) April 2021

³⁶ See Q19 [Transport Committee Oral evidence: Responsibilities of the Secretary of State for Transport, HC 1169 3 February 2021](#)

Businesses with outstanding commercial paper held by the CCFF

£ million, as at 1 June 2021

1	Ryanair DAC	600
2	easyJet PLC	300
3	FirstGroup plc	300
4	London & Quadrant Housing Trust	300
5	Notting Hill Genesis	300
6	Petrofac Limited	300
7	SSP Financing Ltd	300
8	Stagecoach Group PLC	300
9	Wizz Air	300
10	Gatwick Airport Limited	275
11	Jet2 Plc	200
12	Football Association Limited	175
13	Thames Valley Housing Association	175
14	Tottenham Hotspur Stadium Limited	175
15	OPTIVO	150
16	Flight Centre UK Limited	115
17	Peabody Trust	100
18	London School of Economics & Political Science	80
19	University of Leicester	60
20	Aster Treasury PLC	50
21	AnSCO Arena Limited	45
22	Roehampton University	5

Source: Bank of England, [Results and usage data: Covid corporate financing facility](#), accessed 7 June 2021

Other governments have provided much larger sums of financial support for their aviation industries and, in some cases, have taken equity stakes in their national carriers. Germany's flagship airline, Lufthansa, has [received](#) just under €7 billion in support, while France's branch of the Air France-KLM group has received a €7 billion bailout plan, with a further €3 billion in support under discussion. Comparatively, Ryanair has received a £600m loan from the UK CCFF and IAG-British Airways has received a £300m loan from the CCFF at pre-crisis commercial interest rates. A further loan of £2 billion was granted to IAG by the UK Government at the end of 2020.³⁷ Some of the financial support provided by European governments has environmental conditions attached, such as commitments to reduce carbon emissions by airlines, or ending domestic flights where there are viable train options. The UK government has not stipulated such conditions to its financial support, despite calls to do so from MPs and campaign groups.³⁸

³⁷ Transport and Environment [European Bailout Tracker](#) April 2021

³⁸ [HC Deb 1 February 2021 c772](#); Greenpeace [Airline bailouts will not fly](#) 25 June 2020

In addition to these larger schemes, the government gave business rates relief, capped at £8million per airport, which was taken up by 22 of 25 eligible airports.³⁹ However, Heathrow Airport complained that this was a small amount compared to their annual business rate bill of around £120million.⁴⁰

In January 2021, the Airport and Ground Operators Support Scheme was launched to specifically help airports and ground handling operator which have fixed costs to cover (especially contracted services such as security and runway maintenance) but a drastically reduced income due to travel restrictions.⁴¹ On 25 May, the Aviation Minister, Robert Courts announced that around £87million had been spent through the scheme, as detailed in Table 1 below. In January 2021, the Airport and Ground Operators Support Scheme was launched to specifically help airports and ground handling operator which have fixed costs to cover (especially contracted services such as security and runway maintenance) but a drastically reduced income due to travel restrictions.⁴²

Airport and ground operations support scheme	
Commercial airports	£ 65.08 million
Ground Handling Operators	£21.85 million
Total	£86.93 million

Source: UIN HCWS54 [Airport and Ground Operations Support Scheme - Financial Assistance to the Aviation Industry](#), 25 May 2021

In non-financial support, the government has also extended the waiver of the '80:20' rule until the summer season. This rule usually requires 80% of flights to be made from/to UK airports for airlines to maintain their slots.⁴³

The UK Treasury is consulting on reducing Air Passenger Duty (APD) as a measure to help stimulate a recovery in the aviation industry, particularly for domestic flights. In its consultation document, the government acknowledges that this may increase aviation carbon emissions and seeks views on how to mitigate this.⁴⁴ Responses are currently open until 15 June 2021.

³⁹ See Q20 [Transport Committee Oral evidence: Responsibilities of the Secretary of State for Transport, HC 1169 3 February 2021](#)

⁴⁰ Heathrow Airport [Business rates relief response](#) November 2020

⁴¹ DfT [Government's multimillion-pound support scheme for airports opens today](#) January 2021

⁴² Ibid.

⁴³ See [Airport Slots](#) Commons Library Briefing Paper CBP-9062, 27 November 2020

⁴⁴ HM Treasury [Aviation tax reform: consultation](#) March 2021

Support for travel and tourism

In June 2021 the UK Government stated that “over £25 billion” of financial support had been provided to hospitality tourism and leisure businesses in the UK during the pandemic, including:⁴⁵

- £12 billion so far from the Coronavirus Job Retention (or furlough) Scheme;⁴⁶
- £5 billion from Bounce back loans
- £2.5 billion so far from the VAT cut.

Tourism businesses in the retail, hospitality and leisure sector in England may also have benefited from business rates relief and small business grants.⁴⁷

In addition to business support schemes available to all industries the Government has provided support specifically targeted at tourism industries including:

- **VAT** for hospitality, accommodation and attractions has temporarily been reduced to 5% from 20%. The temporary cut will run from 15 July 2020 to until 30 September 2021, after that reduced rate of 12.5% will apply until 31 March 2022.⁴⁸ The Library briefing [VAT on tourism](#) has more information.
- The **Eat Out to Help Out scheme** offered discount to diners to encourage them to eat out Monday-Wednesday during August 2020. A 50% discount of up to £10 per head to those eating in and was available at any participating restaurant, café etc. The [Library paper on the Scheme](#) has more information.
- A £10 million **Kick-starting Tourism Package** (July 2020) was made available to support communities that depend on tourism. Small businesses in tourist destinations in England can receive grants of up to £5,000 to help them adapt their businesses following the coronavirus pandemic.⁴⁹ This funding is delivered by Local Growth Hubs.
- Grants, repayable finance and capital investment are being provided to **national cultural institutions and organisations, and heritage sites in England** through the [Culture Recovery Fund](#).⁵⁰

⁴⁵ Tourism Recovery plan; see also [PQ HL427 \[Aviation: Coronavirus\], 4 June 2021](#).

⁴⁶ CJRS and Bounce Back Loans figures are for the accommodation & food and arts entertainment & recreation sector as the ‘closest proxy to the tourism sector’.

⁴⁷ See the Library briefing, [Coronavirus: support for businesses](#) section 10 (updated 18 June 2021).

⁴⁸ HMRC, [VAT: reduced rate for hospitality, holiday accommodation and attractions](#), updated 3 March 2021.

⁴⁹ MHCLG Press Release, [Government announces £10 million for small businesses to kickstart tourism](#), July 2020

⁵⁰ DCMS Press Release, [£1.57 billion investment to protect Britain’s world-class cultural, arts and heritage institutions](#), 5 July 2020

- £1.3 million of funding was provided, between April and June, for **Destination Management Organisations (DMOs)** at risk of closure.⁵¹ DMOs takes a lead role in managing and developing tourism in local areas.

The devolved administrations have also had separate grant schemes for tourism businesses, for example:

- The Welsh Government’s £180 million [Economic Resilience Fund package](#) to provide grants to tourism, hospitality and leisure businesses
- Scottish Government provided specific grant for to travel agents, tour guides and visitor attractions; see the Scottish Tourism Alliance webpage on [financial support to tourism businesses](#).

Travel agents

The Association of British Travel Agents (ABTA) has been calling for further specific support for the travel sector through its [Save Future Travel campaign](#), in particular sector-specific grants for travel agents.⁵² Travel agents are classified as non-essential retail businesses in ‘Strand One’ of the [Restart Grants](#), as they were able to open in Stage 2 of the Government’s Roadmap out of lockdown. Lower grant awards are available for businesses in Strand One relative to Strand Two, which includes hospitality, leisure, and personal care businesses.

The ABTA argues that although their businesses premises could open from 12 April they will not receive any new income “for many weeks at least” due to travel restrictions.⁵³ The ABTA argues that the Restart Grants are focused around whether the businesses premises can operate safely without considering the products their industry is trying to sell.

The industry is also calling for more flexibility in the Coronavirus Job Retention Scheme (CJRS), saying that many travel agents cannot get full benefit from the scheme because their staff need to work to issue refunds and rearrange bookings, limiting how many staff they can furlough.⁵⁴ The ABTA has raised concerns about lost summer income as restrictions continue, saying the situation for the sector was now “desperate” and called for a “complete step change” in the Government’s attitude to the sector.⁵⁵

⁵¹ DCMS Press Release. [Tourism Minister launches £1.3 million fund to support Destination Management Organisations](#), 7 April 2021.

⁵² ABTA press release, [What we now need from Government on the restart](#), 15 April 2021; [Travel firms ‘excluded’ from government support](#), *BBC News*, 8 March 2021.

⁵³ [ABTA highlights to Government industry’s growing frustration and anger on ‘illogical’ grant support](#), 8 March 2021

⁵⁴ Oral evidence to Treasury Committee: Economic impact of coronavirus, [HC 306, 7 June 2021](#), Q472;

⁵⁵ Oral evidence to Treasury Committee: Economic impact of coronavirus, [HC 306, 7 June 2021](#), Q472; ABTA, [Building up to the Travel Day of Action](#), 17 June 2021.

In response to a Parliamentary question on 21 May 2021 the Government stated that there were “currently no plans to change the eligibility criteria for the Restart Grant scheme”.⁵⁶ When asked whether the Government had assessed the value of business lost by the travel sector relative to the business support provided, the Government stated:

We are aware that the sector has been severely impacted by continued travel restrictions. The Government is continuing to engage with stakeholders - such as the Association of British Travel Agents, the Association of Independent Tour Operators and UKInbound - to monitor the impact of COVID-19 on the sector.

The Government has continued to support travel businesses and individuals during this period of restrictions - including through the extension of various government-backed loans, grants and the extended furlough and self-employed support schemes.⁵⁷

1.5 The Tourism Recovery Plan

On 11 June the Government published its [Tourism Recovery Plan](#). The Government committed to bring forward a plan for the sector in the [Global Travel Taskforce November 2020 report](#).

The Plan aims to help domestic tourism recover to pre-pandemic levels by 2022 and international tourism by 2023. It sets out a “framework for tourism policy” up to 2024, replacing the Tourism Sector Deal and the International Business Events Action Plan (both published in 2019). The Government states it will also develop a new Sustainable Tourism Plan later in 2021.

The first steps in the Plan address getting the tourism sector reopened again safely, including providing support to businesses in the sector in line with the 2021 Budget. The plan also outlines steps to stimulate demand for domestic tourism, with a focus on cities that have seen the slowest recovery. Initiatives include a new rail pass for domestic holidays, a National Lottery funded voucher scheme for tourist attractions and marketing campaigns.

The Government summarised how it intends to support the sector “build back better” from the pandemic once restrictions are lifted:

the Plan lays out significant levels of UK-wide investment already underway in tourism product and infrastructure, as well as new support due to come in over subsequent years, such as the £4.8 billion Levelling-Up Fund. A root and branch independent review led by Nick de Bois, assessing how best to structure and support tourism at a regional level is

⁵⁶ [PQ 908 \[Restart Grant Scheme: Travel Agents\], 21 May 2021.](#)

⁵⁷ [PQ 3846 \[Travel: Coronavirus\], 28 May 2021.](#)

also underway, having been launched in March. Other measures, such as an expanded advocacy and ambassadorial programme for business events, are also set out.

The Plan will be delivered in close partnership with the tourism sector and the devolved administrations and will take a whole of government approach. Mechanisms are being put in place to revisit the Plan at regular intervals, including a new inter-Ministerial group for Tourism, chaired by the Secretary of State for Digital, Culture, Media and Sport and supported by the Minister for Tourism.

Trade body UK Hospitality welcomed that the Government's plan had recognised "the key role hospitality and tourism plays in the UK" but said the plan needs to come with a "root and branch reform of business rates" and a permanently reduced rate of VAT to support the sector in the longer term.⁵⁸

Devolved administrations

Tourism policy is a devolved responsibility and each of the devolved administrations have their own tourism recovery strategies, see:

- Scottish Tourism Alliance, [Tourism Taskforce Recommendations](#); Scottish Government, [£25 million for tourism recovery](#), 24 March 2021.
- Welsh Government, [Let's Shape the Future](#), 22 March 2021.
- Northern Ireland Executive, [Tourism Recovery Action Plan](#)

1.6

Outstanding Issues for the sector

'Traffic-light' system for entry to the UK

At various stages of the pandemic there have been restrictions on international travel. International travel was also heavily restricted during the lockdowns in March-June 2020, November 2020 and from January 2021. Between 29 March and 16 May 2021, there was a specific legislative ban on international travel from the UK.⁵⁹ This meant that a 'reasonable excuse' or a work-related exemption was required to travel from the UK to anywhere beyond the Common Travel Area (CTA).

On 7 May 2021, the Government announced that this travel ban would end on 17 May, "meaning leisure travel from England will no longer be illegal". There is now a 'traffic-light' system for travel with countries being classified as red, amber or green with different restrictions on entry applying depending on that classification (See Box 2 below). Decisions on which countries are on which colour list are to be reviewed every three weeks, and informed by a risk

⁵⁸ UKHospitality, [UKHospitality welcomes announcement of Tourism Recovery Plan](#), 11 June 2021.

⁵⁹ [Health Protection \(Coronavirus, Restrictions\) \(Steps\) \(England\) Regulations 2021](#)

methodology a [risk assessment methodology](#) designed by the [Joint Biosecurity Centre \(JBC\)](#).

Under the risk assessment [methodology](#), all countries are assumed to be amber unless there is evidence to suggest they should be:

- green – presenting (with confidence) a low public health risk to the UK from all Covid-19 strains
- red – presenting a high public health risk to the UK from known Variants of Concern (VOC), known high-risk Variants under Investigation (VUI) or as a result of very high in-country/territory prevalence of Covid-19

Box 2: ‘Traffic Light’ Requirements: A summary

England and Wales have a ‘traffic light’ system of restrictions for international travel quarantine. People entering England must adhere to different rules depending on whether they have come from a ‘green’, ‘amber’ or ‘red’ country.

The main restrictions are that, upon arrival, those entering the UK from a red country are required to undergo managed hotel quarantine for ten days, and those entering from an amber country must quarantine at home for ten days. Those who enter from a green country do not need to quarantine. All travellers are required to complete a passenger locator form and take Covid-19 tests both before and after arrival. Other restrictions and exemptions apply.

For further information, see the Library briefing: [Coronavirus: International Travel FAQs for England](#).

Country of Departure / Transit	Passenger locator Form	Pre-arrival Test	Post-arrival test on Day 2	Post-arrival test of Day 8	Home Quarantine for 10 days	Hotel Quarantine for 10 days
Green	✓	✓	✓			
Amber	✓	✓	✓	✓	✓	
Red	✓	✓	✓	✓		✓

As of 4 June, there is a very limited number of countries on the green list. They are: Australia, Brunei, Falkland Islands, Faroe Islands, Gibraltar, Iceland, Israel and Jerusalem, New Zealand, Singapore, South Georgia and South

Sandwich Islands, St Helena, Ascension and Tristan da Cunha.⁶⁰ It was announced on 3 June that Portugal (including the Azores and Madeira) would be removed from the green list after being on it for just three weeks.⁶¹

Costs of quarantine and testing

For **all** travellers seeking (re-)entry into the UK, a pre-travel test is required. This should be taken in the three days prior to travel. Lateral Flow tests or NHS PCR tests are not permissible for international travel purposes. Pre-travel tests have to comply with certain medical criteria⁶² and the results must contain certain information (and be in English, French or Spanish only). They must be purchased from providers in the source country for a charge, which can vary both within and between countries. For instance, in Portugal they can cost between 50 to 150 euros for a test with a 24-hour turnaround.⁶³

Travellers seeking (re-)entry into the UK, if they have been in a red-list country in the previous ten days (even in transit) are required to enter hotel quarantine, subject to very limited exemptions⁶⁴. Hotel quarantine costs are currently at the rates in the table below.

Hotel Quarantine costs	
	Rate
Rate for 1 adult in 1 room for 10 days (11 nights)	£1,750
Additional rate for 1 adult (or child over 11)	£650
Additional rate for a child aged 5 to 11	£325

Source: Department of Health and Social Care [Booking and staying in a quarantine hotel if you've been in a red list country](#) June 2021

These prices include the costs of two tests taken on days 2 and 8 during quarantine.

Travellers seeking (re-)entry into the UK from an amber-list country are required to quarantine at home for ten days. They need to pay for two tests to be taken on day 2 and day 8. They can be purchased from private providers (who have to adhere to government testing criteria). The government has a [list](#) of such providers that travellers can choose from. Prices can vary depending on the type of test, the turnaround time for results, and whether the traveller opts for home-delivery or collection. Which? Magazine says the cheapest day 2 and day 8 package is available for £99 per person⁶⁵.

⁶⁰ DfT [Green list countries and territories](#) 3 June 2021

⁶¹ DfT [Portugal moved to amber list to guard public health against variants of concern following first traffic light review](#) 3 June 2021

⁶² [DfT Type of Test](#), 3 June 2021

⁶³ MyGuide Algarve [Covid tests in Algarve, Portugal. Where to test? How much do tests cost?](#) 3 June 2021

⁶⁴ DHSC [People who do not need to quarantine](#) 4 June 2021

⁶⁵ Which? [Where can I get a cheap COVID-19 test to travel?](#) 7 May 2021

If travellers opt for the ‘Test to Release’ scheme, they can pay extra to be tested on Day 5. If that test result is negative, then they can leave quarantine immediately, although they must still pay for and take the Day 2 and Day 8 tests as well. Again, Test to Release tests are offered by private providers⁶⁶, and costs vary. As an illustrative example, one provider ‘Better2Know’ offers a package of Day 2, Day 8 and Day 5 ‘Test to Release’ tests for £199 per person.⁶⁷

Travellers seeking (re-)entry into the UK from a green-list country do not need to quarantine, but still need to pay for a single test on Day 2 after arrival. These are also offered by private providers and can cost between around £40 to over £300, depending on the type of test, the turnaround time for results, and whether the traveller opts for home-delivery or collection.

Some airlines offer testing packages along with flights which can often be cheaper than the above options.

Many industry representatives have called for more countries to be added to the green list as soon as possible, and for the requirement for PCR tests to be replaced by cheaper lateral flow tests wherever possible.⁶⁸

Covid-status certification/‘Vaccine Passports’⁶⁹

At present, the testing and quarantine entry requirements apply regardless of whether those entering the UK have received any Covid-19 vaccine. The Government website on entering the UK clearly states that “You must follow these rules even if you have been vaccinated.”⁷⁰ There has been press speculation⁷¹ that the Government is considering easing restrictions for people who have had both vaccinations, so that they are not subject to quarantine following entry to the UK from amber countries.

The Government has consulted on the general use of ‘Covid-Status Certification’ (often called a ‘vaccine passport’) as a potential way to prove one’s vaccination status (or test status) and thus be granted easier access to domestic hospitality or large-scale cultural or sporting events, and for international travel. That consultation, led by the Cabinet Office, ran from 15 to 29 March 2021 and the government is now analysing the responses.⁷² An announcement on how Covid-Status Certification might be implemented for international travel is expected on 14 June, as part of a wider announcement

⁶⁶ DHSC [Choose a provider for your day 2 and day 8 tests](#) June 2021

⁶⁷ Better2Know [Covid-19 Test to Release for International Travel](#)

⁶⁸ Travel Weekly [Industry says ‘tepid’ green list announcement is ‘missed opportunity’](#) May 2021

⁶⁹ See also Sections 7.2-7.3 of [Coronavirus: Covid-19 vaccine roll-out. Frequently Asked Questions](#) Commons Library Briefing Paper CBP-9081, 18 May 2021 and [Debate on an e-petition relating to Covid-19 vaccine passports](#) Commons Library Debate Pack CDP 2021-0038 11 March, 2021

⁷⁰ DfT [Entering the UK](#) June 2021

⁷¹ The Telegraph [Return of holidays abroad for people who are fully vaccinated](#) 16 June 2021; The Guardian [Double-jabbed UK tourists could skip amber-list quarantine under proposals](#) 16 June 2021

⁷² Cabinet Office [COVID-Status Certification Review - Call for evidence - now closed](#) March 2021

on the easing of restrictions in Step 4 of the government's roadmap out of lockdown.⁷³

The NHS App⁷⁴, designed by NHSX, can now be used to show one's vaccination status, including the type of vaccine received, date and batch number, with an accompanying QR code. A paper 'Covid-Status Certification' alternative can also be downloaded through the NHS website.⁷⁵ It has been widely reported that it is unlikely that the Government will introduce vaccine passports as a legal requirement for domestic use but it is seen as very likely that they will be required for international travel.⁷⁶

In an oral evidence session with the Public Administration and Constitutional Affairs Committee (PACAC) on 27 May, Rt Hon Michael Gove MP, Chancellor of the Duchy of Lancaster, indicated that the digital infrastructure provided for by the app was in place, and that it has been based on the World Health Organisation (WHO)'s interim data standards for Covid vaccination⁷⁷. He said that several million people had downloaded the app, and that the next necessary step was to ensure mutual recognition of vaccination certification (digital or otherwise) with other countries, who may also seek to follow the WHO interim data standards.⁷⁸

For outbound travellers, some countries are now recognising the UK 'vaccine passport' for entry, including Poland, Croatia, Cyprus and, from 9 June, France⁷⁹. The EU has already stated that it will be open to all vaccinated visitors this summer. European Commission President Ursula von der Leyen confirmed:

This will enable free movement and the travel to the European Union. Because one thing is clear: All 27 member states will accept, unconditionally, all those who are vaccinated with vaccines that are approved by EMA.⁸⁰

Thus far, the EMA, the EU's medical regulatory body, has approved the Pfizer, AstraZeneca, Moderna and Johnson & Johnson jabs – which includes all the vaccinations being used in the UK vaccine programme.

Inbound passengers to the UK may carry different forms of certification, depending on the approach in their country. For the citizens in the EU, this

⁷³ See Q121 [Public Administration and Constitutional Affairs Committee Oral evidence Covid 19 Vaccine Certification, HC 42](#) 27 May 2021

⁷⁴ [NHS App](#)

⁷⁵ DHSC [Demonstrating your COVID-19 vaccination status when travelling abroad](#) May 2021

⁷⁶ The Guardian [Vaccine passports likely to be dropped as aid to lifting restrictions in England](#) 31 May 2021; The Telegraph [Exclusive: UK vaccine passport plans to be scrapped](#) 30 May 2021

⁷⁷ World Health Organisation [Interim guidance for developing a Smart Vaccination Certificate](#) 19 March 2021

⁷⁸ See Q78-87 [Public Administration and Constitutional Affairs Committee Oral evidence Covid 19 Vaccine Certification, HC 42](#) 27 May 2021

⁷⁹ The Guardian [France to allow UK tourists to enter if fully vaccinated](#) 4 July 2021

⁸⁰ The Telegraph [Mapped: The countries accepting vaccine passports this summer](#) 3 June 2021

might be the EU Digital Covid Certificate⁸¹. For other countries it might be a more universal scheme, such as the International Air Transport Association (IATA)'s 'TravelPass'⁸². The TravelPass enables passengers to research health requirements for a particular journey, makes it possible for passengers to locate testing centres, allows authorised labs and test centres to securely send test results and vaccination certificates to passengers and allows passengers to digitally manage their travel documentation through creating a digital passport, verifying that their test/vaccination meets requirements and providing them with the ability to share test or vaccination certificates with authorities to enable travel. IATA's Travel Pass was successfully [tried](#) on a 17 March Singapore Airlines flight to Heathrow. An IATA [poll](#) of travellers found that 89% agree with the need for global standards and 80% would like to use a mobile app to manage their travel credentials. In evidence to PACAC on the recognition of different certification, Michael Gove said that the aim was that:

“the individual countries or jurisdictions would agree mutually or plurilaterally or multilaterally to recognise each other's certification, much as they recognise the integrity of individual nations' systems when it comes to regulating, for example, other health protocols.”⁸³

Border Force Capacity

The DfT's Global Travel Taskforce recognised in its April 2021 report on the 'Safe Return of International Travel'⁸⁴ that Covid-related entry restrictions can create bottlenecks at busy airports, which not only create delays and discomfort for travellers, but can also prevent effective social distancing. In that report the government pledged to develop automatic validation of the Passenger Locator Form “so that it cannot be submitted [online] unless passenger can show that they have fulfilled requirements.” In the longer term, the Government also committed to increase the use of 'e-gates' to check completion of the Passenger Locator Form at busy airports, so to ensure compliance and reduce queuing:

Border Force will roll out e-gates integration across the largest airports by summer 2021 and all e-gate ports of entry by autumn 2021. We will continue to review capacity of the Managed Quarantine Service, NHS Test and Trace, and private testing.⁸⁵

Some MPs have argued in the Commons chamber that the UK Border Force is already struggling to cope with processing the existing checks⁸⁶, and that it may be stretched further once more countries are added to the green list and

⁸¹ European Commission [EU Digital COVID Certificate](#)

⁸² IATA [Travel Pass Initiative](#)

⁸³ See Q87 [Public Administration and Constitutional Affairs Committee Oral evidence Covid 19 Vaccine Certification, HC 42](#) 27 May 2021

⁸⁴ DfT [Global Travel Taskforce: safe return of international travel](#) 9 April 2021

⁸⁵ Ibid.

⁸⁶ [HC Deb 24 May 2021 c41WH](#)

passenger flows increase. In May, Heathrow airport re-opened Terminal 3 as a dedicated terminal for arrivals from red list countries, in order to separate these passengers from those entering from lower Covid-risk countries.⁸⁷

⁸⁷ BBC News [Heathrow Airport to open terminal for 'red list' arrivals](#) 21 May 2021

2 Parliamentary Material

2.1 Statements

[Airport and Ground Operations Support Scheme - Financial Assistance to the Aviation Industry](#)

25 May 2021 | House of Lords | HLWS51

2.2 Debates

[Aviation, Travel and Tourism Industries](#)

10 June 2021 | House of Commons

[Covid-19: International Travel](#)

24 May 2021 | Westminster Hall

[Financial Assistance to Industry](#)

24 May 2021 | House of Commons

[Vaccine Passports](#)

15 March 2021 | Westminster Hall

2.3 Parliamentary Questions

[Tourism and Travel: Coronavirus](#)

15 June 2021 | 16234

Asked by: Neale Hanvey MP

To ask the Chancellor of the Exchequer, what the total value is of the Barnett consequential made available to the Scottish Government arising from UK Government expenditure for the provision of support to the (a) tourism and (b) travel agencies sector in (i) grants, (ii) loans and (iii) tax breaks to assist in the recovery of those sectors from the covid-19 outbreak since the start of the covid-19 outbreak.

Answering member: Rt Hon Steve Barclay MP | Department: HM Treasury

As outlined in the Statement of Funding Policy, the Barnett formula determines changes to each devolved administration's funding with reference to changes in DEL funding for UK Government departments. The Barnett formula is not typically applied on a sector level and does not apply to UK-wide schemes such as the Coronavirus Job Retention Scheme.

In total, since the start of the Covid-19 pandemic the Scottish Government has benefitted from £14.5 billion of additional funding through the Barnett formula. It is for the Scottish Government to decide how to use this funding.

A full breakdown of the devolved administrations' block grant funding will be published shortly in this year's iteration of Block Grant Transparency.

[Travel: Coronavirus](#)

24 May 2021 | 6481

Asked by: Munira Wilson MP

To ask the Secretary of State for Health and Social Care, what plans are in place to support mandatory covid-19 testing costs for people who must travel abroad.

Answering member: Jo Churchill MP | Department: Department of Health and Social Care

NHS Test and Trace tests can be purchased at the market mid-point to ensure that tests are available at an appropriate cost. We also offer deferred payment plans and support for people who cannot afford to pay for the cost of managed quarantine and testing. In some circumstances this may be available to those who are not in receipt of income related benefits.

[Aviation: Coronavirus](#)

20 May 2021 | HL426

Asked by: Lord Bowness

To ask Her Majesty's Government what assessment they have made of (1) the social, and (2) the economic, impact of the restrictions on international travel introduced to address the COVID-19 pandemic on communities (1) directly dependant on aviation, and (2) dependant on manufacturing and supplies associated with the aviation industry.

Answering member: Baroness Vere of Norbiton | Department: Department for Transport

The Government recognises the challenging circumstances facing the aviation industry because of Covid-19 and firms experiencing difficulties can

draw upon the unprecedented package of measures announced by the Chancellor.

The Global Travel Taskforce report, published in April 2021, was created following extensive engagement with a wide range of stakeholders from the international travel and tourism industries to develop a risk-based framework that can facilitate the return of international travel while managing Variants of Concern.

The taskforce considered a full range of views from industry stakeholders to inform the final recommendations and we are grateful for their valuable contributions to the development of the report's recommendations. We will continue to draw on the latest and most robust evidence and analysis about the impact of Covid-19 as we look to facilitate the safe return of international travel whilst protecting public health.

Aviation: Coronavirus

20 May 2021 | HL427

Asked by: Lord Bowness

To ask Her Majesty's Government what assessment they have made of unemployment rates in (1) aviation communities, and (2) communities dependant on industries associated with aviation, since the start of the COVID-19 pandemic; and what specific support they have made available to such communities.

Answering member: Baroness Vere of Norbiton | Department: Department for Transport

The Department for Transport is committed to addressing the ongoing impact COVID-19 has had on the aviation sector. Aviation supported around half a million jobs across all regions of the UK before COVID-19, and since the start of the pandemic there have been tens of thousands of job cuts, mainly concentrated in the South East.

Businesses across the industry have drawn on economy wide measures including the Covid Job Retention Scheme and Covid Corporate Finance Facility, and sector specific support such as the Airport and Ground Operators Support Scheme. We estimate that by the end of September 2021 the air transport sector will have benefited from around £7bn of Government support since the start of the pandemic, with an estimated 50% of air transport sector employees currently furloughed.

Over £25bn has also been provided to the tourism, leisure and hospitality sectors in the form of grants, loans and tax breaks. The Government has extended business rates relief, introduced new Restart grants of up to £18,000, and has extended the cut in VAT for tourism and hospitality activities to 5% until the end of September.

[Travel: Coronavirus](#)

20 May 2021 | 4558

Asked by: Rt Hon Sir Mike Penning MP

To ask the Secretary of State for Health and Social Care, what steps he is taking to ensure that covid-19 tests are affordable to travellers returning from overseas.

Answering member: Jo Churchill MP | Department: Department of Health and Social Care

In the United Kingdom, all international arrivals travelling from outside the Common Travel Area are required to book a testing package before travelling to England to protect themselves and the public. Testing requirements and therefore the costs paid by international arrivals, are set according to the risk posed by travel from 'red', 'amber' and 'green' list countries.

Since requirements were introduced for international travel testing, the costs of travel testing have fallen significantly. The Government is committed to working with the travel industry and private testing providers to reduce the cost of travel testing whilst also ensuring travel is as safe as possible. NHS Test and Trace testing is priced at the mid-market level. GOV.UK shows a list of private providers to allow international arrivals to select providers based on cost, location and types of test on offer.

[Travel: Coronavirus](#)

20 May 2021 | 4724

Asked by: Navendu Mishra MP

To ask the Secretary of State for Health and Social Care, if he will introduce a cap on the amount private companies can charge people returning to the UK for covid-19 tests and results.

Answering member: Jo Churchill MP | Department: Department for Health and Social Care

We have no current plans to do so.

Since requirements were introduced for international travel testing, the costs of travel testing have fallen significantly. The Government is committed to working with the travel industry and private testing providers to reduce the cost whilst also ensuring travel is as safe as possible.

NHS Test and Trace tests are available at the market mid-point. A list of providers offering testing bundles for international arrivals is available at GOV.UK, allowing travellers to find tests at an appropriate price. We also

offer deferred payment plans and hardship support for people who cannot afford to pay for the cost of managed quarantine and testing. In some circumstances this may be available to those who are not in receipt of income related benefits.

[Aviation: Coronavirus](#)

20 May 2021 | HL427

Asked by: Lord Bowness

To ask Her Majesty's Government what assessment they have made of unemployment rates in (1) aviation communities, and (2) communities dependant on industries associated with aviation, since the start of the COVID-19 pandemic; and what specific support they have made available to such communities.

Answering member: Baroness Vere of Norbiton | Department: Department for Transport

The Department for Transport is committed to addressing the ongoing impact COVID-19 has had on the aviation sector. Aviation supported around half a million jobs across all regions of the UK before COVID-19, and since the start of the pandemic there have been tens of thousands of job cuts, mainly concentrated in the South East.

Businesses across the industry have drawn on economy wide measures including the Covid Job Retention Scheme and Covid Corporate Finance Facility, and sector specific support such as the Airport and Ground Operators Support Scheme. We estimate that by the end of September 2021 the air transport sector will have benefited from around £7bn of Government support since the start of the pandemic, with an estimated 50% of air transport sector employees currently furloughed.

Over £25bn has also been provided to the tourism, leisure and hospitality sectors in the form of grants, loans and tax breaks. The Government has extended business rates relief, introduced new Restart grants of up to £18,000, and has extended the cut in VAT for tourism and hospitality activities to 5% until the end of September.

[Aviation: Coronavirus](#)

20 May 2021 | HL426

Asked by: Lord Bowness

To ask Her Majesty's Government what assessment they have made of (1) the social, and (2) the economic, impact of the restrictions on international travel introduced to address the COVID-19 pandemic on communities (1) directly dependant on aviation, and (2) dependant on manufacturing and supplies associated with the aviation industry.

Answering member: Baroness Vere of Norbiton | Department: Department for Transport

The Government recognises the challenging circumstances facing the aviation industry because of Covid-19 and firms experiencing difficulties can draw upon the unprecedented package of measures announced by the Chancellor.

The Global Travel Taskforce report, published in April 2021, was created following extensive engagement with a wide range of stakeholders from the international travel and tourism industries to develop a risk-based framework that can facilitate the return of international travel while managing Variants of Concern.

The taskforce considered a full range of views from industry stakeholders to inform the final recommendations and we are grateful for their valuable contributions to the development of the report's recommendations. We will continue to draw on the latest and most robust evidence and analysis about the impact of Covid-19 as we look to facilitate the safe return of international travel whilst protecting public health.

[Tourism: Government Assistance](#)

13 May 2021 | 1160

Asked by: Sarah Olney MP

To ask the Secretary of State for Transport, what plans his Department has to support the tourism industry in the next three months.

Answering member: Robert Courts MP

The Government recognises the challenging circumstances facing the aviation industry and wider tourism sector because of Covid-19. Firms experiencing difficulties can draw upon the unprecedented package of measures announced by the Chancellor.

In total, we estimate that as of the end of April 2021 the air transport sector benefited from around £7bn of Government support since the start of the pandemic. The extension of Government-backed loans and furlough payments announced at the budget build on this and will help ensure this vital and vibrant part of the UK economy is ready to bounce back in the wake of the pandemic.

As set out in the Global Travel Taskforce report, the Government will publish a Tourism Recovery Plan, outlining the longer-term recovery of the sector. The Government will set out proposals soon, including plans for a marketing campaign to welcome visitors back to the UK as soon as it is safe to do so.

[Aviation Sector: Financial Support](#)

27 April 2021 | 914823

Asked by: Ruth Cadbury MP

What recent discussions he has had with the Secretary of State for Transport on providing sector-specific financial support to the aviation sector.

Answering member: Kemi Badenoch | Department: Treasury

We speak to our colleagues on a regular basis about a range of matters. The Department for Transport is in regular contact with the Treasury regarding the challenging circumstances facing the aviation sector as a result of covid-19.

Ruth Cadbury: Furlough ends in September, which is of no help to the aviation sector and airport communities, which will take months to recover even partially as we wait for the world to unlock. Many aviation businesses are on the edge financially, and they employ staff in safety-critical roles where there is a risk of skill fade if they cannot be supported. They are seeking longer-term support, as are communities such as ours in Hounslow, where tens of thousands of people depend on the airport for their livelihoods. Will the Treasury address the specific challenge of the aviation sector and airport communities well before the furlough scheme ends in September?

Kemi Badenoch: The Government recognise the challenging circumstances facing the aviation industry, which the hon. Member described. The industry can draw on the package of measures announced by the Chancellor, including not just the furlough scheme but schemes to raise capital, flexibilities with tax bills and employment support. The aerospace sector and aviation customers are being supported with over £11 billion made available through loan guarantees, support for exporters, the Bank of England's covid corporate financing facility and grants for research and development. In addition, the renewed airport and ground operations support scheme, which the Chancellor announced in his Budget, will provide support for eligible businesses in England with their fixed costs for a further six months up to the equivalent of their business rate liabilities for the first half of 2021-22.

[Aviation: Finance](#)

21 April 2021 | HL15153

Asked by: Lord Hay of Ballyore

To ask Her Majesty's Government what assessment they have made of current support available for (1) the aviation sector, and (2) its supply chain.

Answering member: Baroness Vere of Norbiton | Department: Department for Transport

The Government recognises the challenging circumstances facing the aviation industry as a result of Covid-19 and businesses across the sector can draw

upon the unprecedented package of measures announced by the Chancellor. We continue to take a flexible approach and keep all impacts and policies under review.

In total, we estimate that by the end of April 2021 the air transport sector (airlines, airports and related services) will have benefited from around £7 billion of Government support since the start of the pandemic. This includes support through loan guarantees, support for exporters, the Bank of England's Covid Corporate Financing Facility and the Coronavirus Job Retention Scheme. The extension of Government-backed loans and furlough payments announced at the budget build on this and will help ensure this vital and vibrant part of the UK economy is ready to bounce back in the wake of the pandemic.

[Aviation: Coronavirus](#)

15 April 2021 | 181440

Asked by: Ruth Jones MP

To ask the Secretary of State for Transport, what steps he is taking to ensure that the UK aviation sector makes a strong recovery once the domestic economy opens up as covid-19 restrictions are eased.

Answering member: Robert Courts MP | Department: Department for Transport

The report of the Global Travel Taskforce, published on 9 April, clearly sets out how, when the time is right, we will be able to restart international travel safely while managing the risk from imported cases and variants of concern. It has been created following extensive engagement with the international travel and tourism industries, and we are grateful for their valuable contributions to the development of the report's recommendations.

The government is also currently developing a strategic framework for the recovery of the aviation sector, which will focus on how the sector can build back better to deliver a world leading aviation sector for the UK. We expect to publish this framework later this year.

[Aviation: Coronavirus](#)

11 March 2021 | 167324

Asked by: Daisy Cooper MP

To ask the Secretary of State for Transport, on what date he plans to publish the aviation recovery plan; and whether it is his policy to make Government support for the aviation industry dependant on commitments to reduce carbon emissions.

Answering member: Robert Courts | Department: Department for Transport

On 22 February the Prime Minister announced that the Global Travel Taskforce will develop a framework to facilitate greater international travel, whilst managing the risk of COVID cases and new variants, which will report on 12 April.

The government is also currently developing a strategic framework for the aviation sector, which will focus on how the sector can build back better to deliver a world leading aviation sector for the UK. We expect to publish this framework later this year.

This will include a thorough consideration of the sector's contribution to the government's target of a net zero economy by 2050.

3

Press articles

The following is a selection of news and media articles relevant to this debate.

Please note: the Library is not responsible for either the views or the accuracy of external content

[Government 'owes it to travel' to support the sector](#)

Travel Weekly

22 June 2021

['Enough is enough': Tourism bosses call for green list expansion after Boris Johnson warns of 'difficult year'](#)

iNews

22 June 2021

[Scottish travel workers say industry has been 'banned' from operating](#)

BBC News

21 June 2021

[Airlines UK sets out four asks of government](#)

Travel Weekly

21 June 2021

[U.K. Travel Chiefs Set to Challenge Fourth Lockdown Warning](#)

Bloomberg

21 June 2021

[Airlines UK fear imminent collapse over travel restrictions](#)

Aerotime

11 June 2021

['Confusing and dangerous' amber list should be scrapped, say Labour](#)

The Independent

6 June 2021

[ABTA calls for financial support for travel agents](#)

Breaking Travel News

4 June 2021

[Iata calls on governments to remove quarantine restrictions](#)

Travel Weekly

3 June 2021

[Travel 'carnage' predicted as private Covid testing system 'struggles'](#)

Evening Standard

2 June 2021

[**Ryanair urges transport secretary to axe ‘nonsensical’ pcr testing for green list travellers**](#)

The Independent
1 June 2021

[**IATA: digitalisation of health credentials is needed to prevent ‘chaos’ at airports**](#)

Business Traveller
27 May 2021

[**Cardiff Airport CEO calls for UK government to provide targeted support to the industry**](#)

ITV
25 May 2021

[**EasyJet criticises UK government over ‘confusing’ travel messages**](#)

Financial Times
20 May 2021

[**Urgent calls to EXPAND ‘Green List’: Heathrow boss and airline chiefs warn ‘Amber List’ nations like Italy, Spain, France and Greece MUST be declared safe by summer or 500,000 jobs could be lost**](#)

Mail Online
17 May 2021

[**ABTA gears up for a legal battle over UK travel industry’s struggle**](#)

International travel & health insurance journal
13 May 2021

[**Tui to offer £20 Covid tests for travellers to green list countries**](#)

The Guardian
6 May 2021

4 Further Reading

4.1 Reports

[Coronavirus: International Travel FAQs for England](#) Commons Library Briefing Paper CBP-9203, 21 June 2021

[Coronavirus: Covid-19 vaccine roll-out. Frequently Asked Questions](#) Commons Library Briefing Paper CBP-9081, 18 May 2021

[Debate on an e-petition relating to Covid-19 vaccine passports](#) Commons Library Debate Pack CDP 2021-0038 11 March, 2021

House of Commons Transport Committee [The impact of the coronavirus pandemic on the aviation sector: Interim report Fifth Report of Session 2019–21](#) March 2021

International Air Travel Association (IATA) [COVID-19 An almost full recovery of air travel in prospect](#) May 2021

Scottish Parliament Information Centre, [Scottish tourism and COVID-19: what's the outlook for the sector?](#), 8 March 2021

Office for National Statistics (ONS) [Coronavirus and the impact on the UK travel and tourism industry](#) February 2021

OECD, [Rebuilding tourism for the future: COVID-19 policy responses and recovery](#), 14 December 2020.

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4.2 Websites

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IATA Covid-19 Media Kit <https://www.iata.org/en/pressroom/covid--19-media-kit/>

Airport Operators Association <https://www.aoa.org.uk/category/news/>

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