# OUTBOUND TRAVEL

A catalyst for jobs, growth and wellbeing

ABTA
The Travel Association

## FOREWORD

ABTA's latest report on the importance of UK travel demonstrates the vibrancy, resilience and fundamental strength of our industry – with outbound travel now contributing more than £52bn in GVA annually and supporting a total of 818,000 jobs across the UK[1].

The research also shows that outbound was the fastest growing part of the UK travel and tourism industry emerging from the pandemic – a testament to the priority that the British public continues to place on their annual holidays.

At a time of great geopolitical and trading uncertainty, we face an important moment for the travel industry and the wider UK economy. The UK government has been clear that the number one priority for this parliamentary term will be delivering economic growth. With that in mind, it's imperative to shine a light on an industry that has too often been a blind spot for successive governments.

This research is clear on the prize available, with projections showing that outbound travel can deliver 20% growth by 2030[2]. If this opportunity is realised, the sector would be worth £62bn in GVA each year to the UK economy and would support an additional 146,000 jobs across the sector and supply chains. But this is only part of the picture – outbound travel also plays a critical role in underpinning the success of other parts of the UK economy, notably the inbound and domestic tourism sectors which are worth a combined £114 billion in spending each year, and which rely upon the critical infrastructure that is sustained by outbound travel passengers.

ABTA is confident that travel can, and will, thrive – but it's important to be clear that this won't happen without government attention and support, and policymakers working with us to deliver the policy and tax frameworks that enable the future success of UK travel businesses.

This report outlines what policy support the UK travel industry needs to realise its potential success. It also highlights those barriers that risk holding UK travel businesses back. I urge policymakers to read this report and to work with the industry over the coming years to deliver the foundations necessary for the ongoing success of UK travel.

Mark Tanzer
**CHIEF EXECUTIVE**

1 ABTA/York Aviation, Outbound Travel – a catalyst for jobs, growth and wellbeing: June 2025 – note all data not directly referenced herein is from this report.
2 ABTA/York Aviation, International Travel: Powering the UK economy, October 2022.



## THE ECONOMIC AND EMPLOYMENT CONTRIBUTIONS OF OUTBOUND TRAVEL

### OUTBOUND TRAVEL

**£52bn** in GVA to the UK economy (**2.1%** of UK economic activity)

**£22bn** direct
**£17bn** indirect
**£12bn** induced

Supports **818,000** jobs

**370,000** direct
**262,000** indirect
**187,000** induced

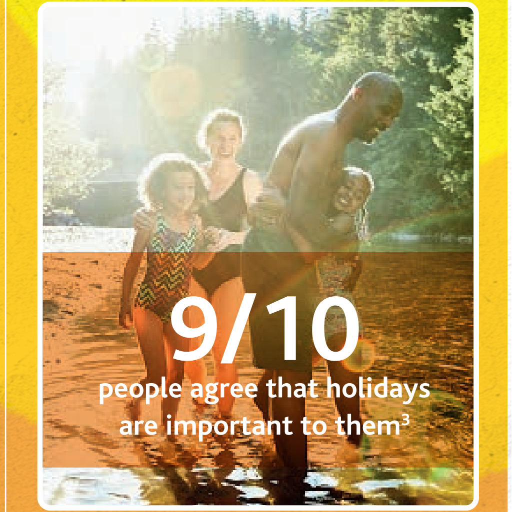
**THE INTERNATIONAL TRAVEL INDUSTRY**, COMBINING THE **OUTBOUND** AND **INBOUND** TRAVEL SECTORS, WHICH ARE INTERDEPENDENT AND INTRICATELY LINKED, CONTRIBUTES:

**£83bn** in GVA to the UK economy (**3.4%** of UK economic activity)

Supports **1.4m** jobs

International travel contributes **£17.1bn** to the exchequer

### THE IMPORTANCE OF HOLIDAYS





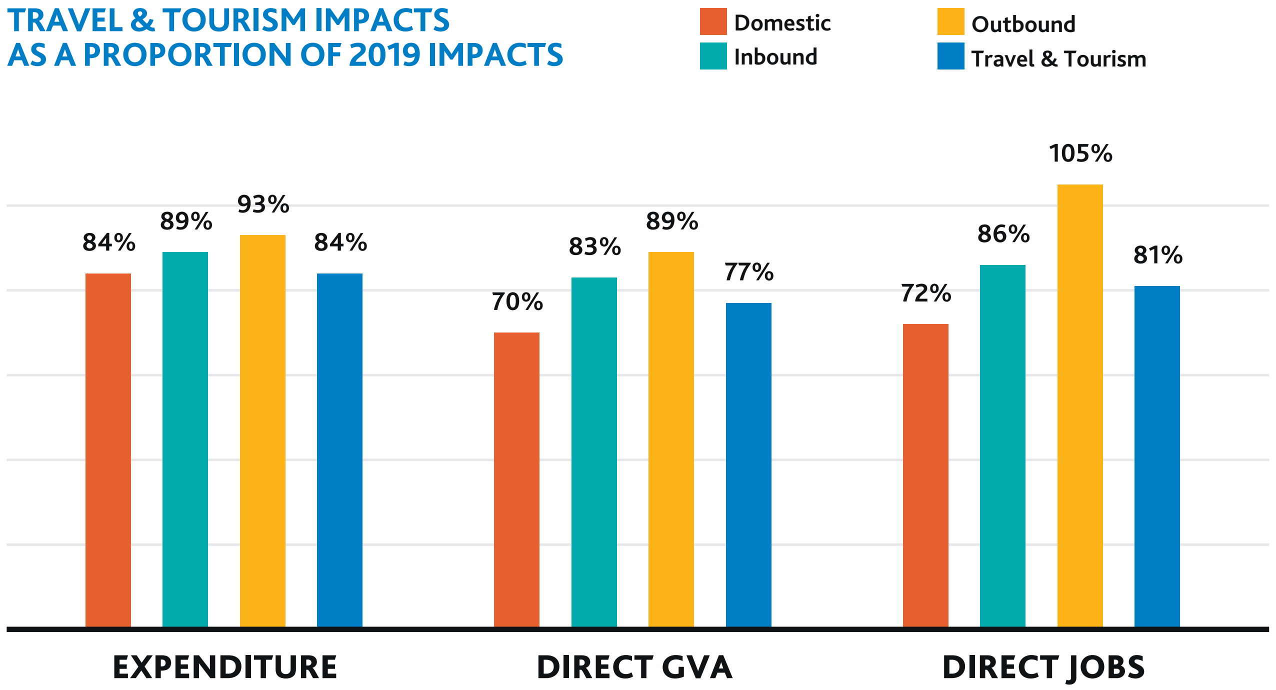

3 ABTA/Savanta, consumer sentiment research, February 2023.
4 ABTA, Holiday Habits 2024, please note this statistic represents outbound trips of people who travelled and not the UK population as a whole.
5 ABTA, Travel in 2023.

# OUTBOUND TRAVEL AS AN ENGINE DRIVING THE UK ECONOMY

**The outbound travel sector's performance has been one of remarkable resilience since international travel resumed post-pandemic.**

The sector was the fastest growing part of the UK travel industry emerging from the crisis, with GVA returning close to 2019 levels[6] and employment in outbound travel back above 2019 levels by 2023[7].

## TRAVEL & TOURISM IMPACTS AS A PROPORTION OF 2019 IMPACTS




Outbound travel contributes **£9.9bn** in tax annually to the UK exchequer

**£0.3bn** in production taxes.

**£0.9bn** in corporation taxes.

**£1.8bn** in income taxes and NICs.

**£4.9bn** in VAT.

**£2.0bn** in APD.

6 89% of GVA at 2023 prices compared to 2019.
7 105% of 2019 employment levels.



# THE GROWTH POTENTIAL OF OUTBOUND TRAVEL AND ITS ROLE IN SUPPORTING THE VISITOR ECONOMY

**The outbound travel sector will be a critical component in delivering the government's objective of enhanced economic growth.**

- Projected total GVA contribution of outbound travel by 2030: **£62bn**.
- Projected total employment supported by outbound travel by 2030: **964,000**.
- Outbound travel is expected to grow by **20%** by 2030 compared to 2023 levels.

Outbound travel also plays a critical role in supporting the infrastructure that underpins our inbound tourism sector – including, notably, many airports across the UK regions. As such, any strategy for the success of UK inbound tourism must pay close attention to the prosperity of the outbound sector and the close interdependence that exists between the two sectors of international travel.

## 2024 PASSENGER TRAFFIC PROPORTIONS AT UK AIRPORTS

| AIRPORT | OUTBOUND BUSINESS | INBOUND BUSINESS | OUTBOUND LEISURE | INBOUND LEISURE |
|---|---|---|---|---|
| Belfast International | 19% | 1% | 70% | 10% |
| Birmingham | 9% | 3% | 78% | 11% |
| Bristol | 11% | 3% | 75% | 12% |
| Cardiff | 12% | 3% | 74% | 12% |
| Edinburgh | 18% | 4% | 51% | 27% |
| East Midlands | 2% | 1% | 90% | 7% |
| Exeter | 16% | 2% | 75% | 7% |
| Glasgow | 20% | 2% | 62% | 16% |
| Leeds Bradford | 5% | 2% | 71% | 22% |
| Liverpool | 6% | 3% | 68% | 23% |
| London Southend | 6% | 3% | 68% | 24% |
| London Luton | 7% | 2% | 75% | 15% |
| Manchester | 6% | 3% | 78% | 12% |
| Newcastle | 10% | 4% | 72% | 13% |

*Figures do not calculate due to rounding.

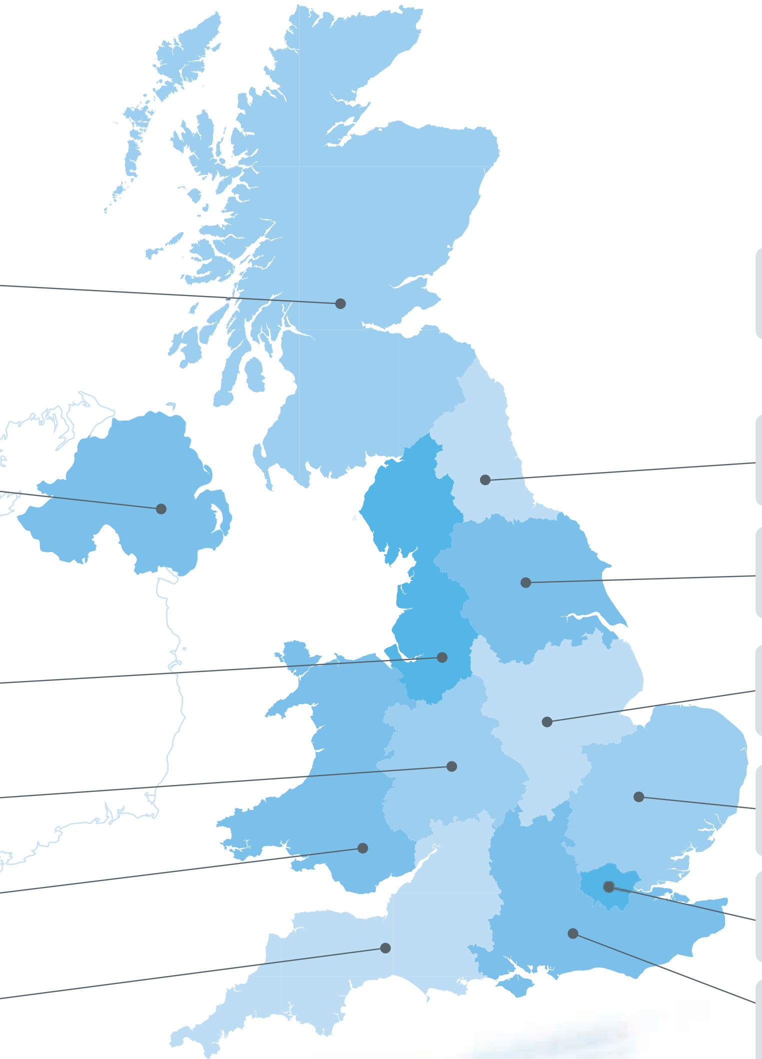
Source: York aviation analysis 2025, based on latest available CAA passenger surveys.

# THE REGIONAL SPREAD OF UK OUTBOUND TRAVEL – ECONOMIC CONTRIBUTION

**The UK outbound travel sector supports jobs and economic activity across all parts of the UK, which meets an important government objective – ensuring jobs and economic activity are spread throughout the country.**

In England, as a proportion of the local economies, outbound travel is most beneficial to the North East and North West (2.8% of regional GVA), as well as the West Midlands and Yorkshire and The Humber (both 2.6%). The industry also makes an important contribution in Northern Ireland (2.4%), Scotland (2.3%), and Wales (2.2%).

## GVA IMPACTS AS A PROPORTION OF REGIONAL GVA BY TRAVEL TYPE




* Figures do not calculate due to rounding.

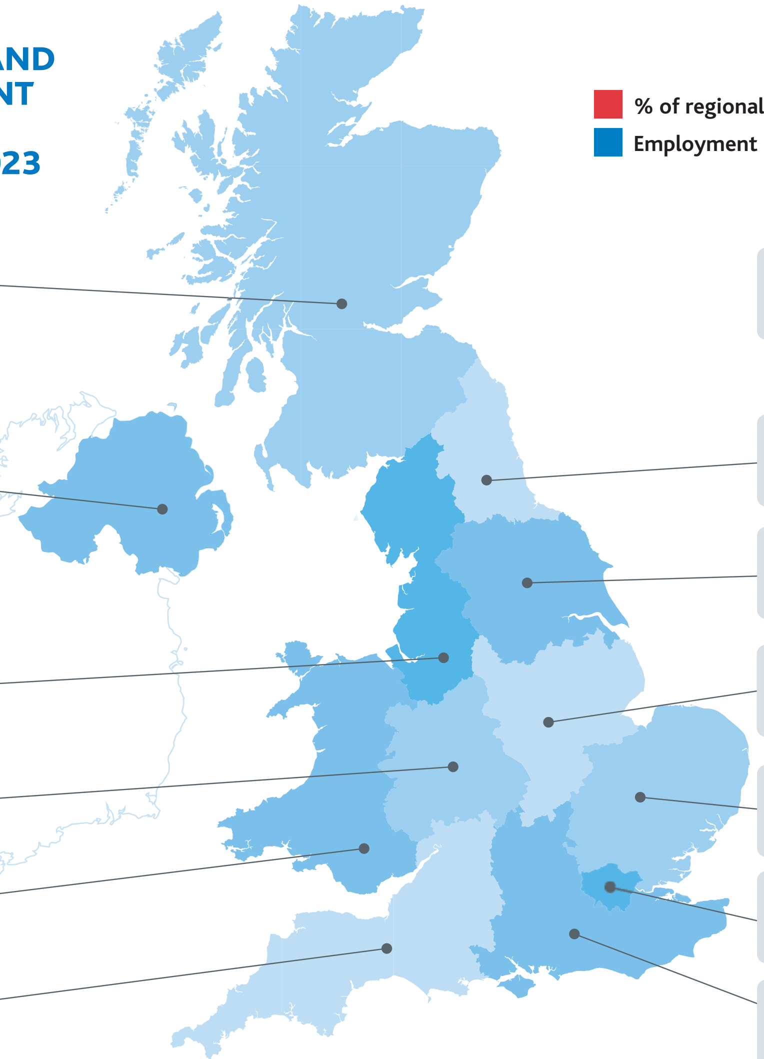



# THE REGIONAL SPREAD OF UK OUTBOUND TRAVEL – EMPLOYMENT CONTRIBUTION

**Travel businesses and businesses linked to the industry play an incredibly important role in providing jobs across the country.**

All regions and nations of the UK see an important share of local employment linked to the outbound travel industry. In England, outside of London (2.7%), this is particularly marked in the North West and East of England (both 2.6%), and both the North East and South East (both 2.5%). Meanwhile, outbound travel also plays an important employment role in Northern Ireland (2.1%), Scotland (2.4%) and Wales (2%).

## OUTBOUND TRAVEL AND TOURISM EMPLOYMENT BY WESTMINSTER CONSTITUENCY IN 2023




* Figures do not calculate due to rounding.

## ENSURE THE UK IS A LEADER IN SUSTAINABLE TRAVEL

For decades, the UK has been a world leader in organised travel with one of the most developed leisure and business travel markets in the world. But we are now at a critical juncture for the future of our industry – with economic and geopolitical turmoil and increasing scrutiny around the environmental impacts of travel. Future growth will require the sector to demonstrate we're on a path to Net Zero – and ABTA is a proud member of the Sustainable Aviation alliance. We firmly believe that travel remains a force for good in the world, but we know we must continually make the case. This requires action from industry, but also the support of policymakers to develop a long-term strategic plan. Priority areas include:

### 1 DELIVER A DOMESTIC SUSTAINABLE AVIATION FUELS (SAFs) INDUSTRY

Whilst the SAF mandate has been welcomed, progress is needed on implementing the revenue certainty mechanism (RCM) that will stimulate demand from fuel suppliers. Developing domestic supply and distribution networks will be critical to the upscaling and competitiveness of SAFs over the coming years.

### 2 INVEST IN NEW TECHNOLOGIES AND INNOVATION

The UK must maintain its position as a leading centre of aerospace research and development. It is welcome that the Aerospace Technology Institute has received funding support for future years, and this must be maintained. It's also important that the government supports the development of new fuels, including hydrogen, electric flights, and SAFs.

### 3 IMPROVE THE UK'S DOMESTIC TRANSPORT INFRASTRUCTURE

Investment in improving the UK's domestic infrastructure is critical to improving our economic productivity and driving growth. Successful schemes, such as the Elizabeth Line in London and the Manchester Metrolink extension, demonstrate the transformative potential of infrastructure in providing better domestic connectivity, reducing emissions, and improving surface access to our international gateways – whether ports, airports or rail stations.

### 4 PROGRESS AIRSPACE MODERNISATION

The UK's existing airspace regime dates back to the 1960s and is in need of urgent modernisation to improve efficiency, increase capacity, and deliver environmental benefits, including significant falls in carbon emissions. This will require cooperation with international counterparts, especially in Europe, to deliver improvements.

### 5 INCENTIVISE THE INSTALLATION OF SHORESIDE POWER AT UK PORTS

The UK cruise and maritime industry is committed to the Net Zero transition. Investment in shoreside power can play a meaningful role by reducing emissions in ports. If government, regulators and the industry work in close partnership, we are confident the UK can continue to enjoy the significant societal and economic benefits that travel brings, whilst putting in place concrete steps to transition to Net Zero.



POLICIES FOR SUCCESS – HOW GOVERNMENT CAN BACK THE UK TRAVEL INDUSTRY

## ENABLE UK TRAVEL BUSINESSES TO COMPETE IN A GLOBAL INDUSTRY

The performance of the UK travel industry is, to a large degree, dependent on the decisions of international businesses operating in a globally competitive market, with airlines, for example, able to adjust capacity at relatively short notice. Policymakers must make decisions with an eye on the competitive position of the UK travel industry vis-à-vis neighbouring countries, as well as ensuring a domestic regulatory framework that supports travel businesses. The industry must also be engaged to ensure a pathway for future talent, through academic, vocational and other entry routes.

### 1 ENSURE THAT FLYING REMAINS AFFORDABLE

The UK government must avoid the layering of taxation and fees on UK aviation, which will make airlines operating here uncompetitive in a global marketplace and ultimately place further costs on UK consumers. With Air Passenger Duty (APD) already amongst the highest departure taxes in the world – on track to raise more than £5bn annually by 27/28 – the implementation of the UK Emissions Trading Scheme (UK ETS), Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), and other carbon-related charges emerging makes it essential that policymakers are alert to the risk of damaging a sector that is critical to the UK's international connectivity and economic prosperity. ABTA also urges the government to look at anomalies in the current APD system, such as charging APD on children in premium economy seats.

### 2 MAKE OUR HIGH STREETS ATTRACTIVE FOR RETAILERS

Travel agents play an important role in the vibrancy of high streets up and down the country. It is therefore welcome that the UK government has confirmed a review of business rates. ABTA has long argued that our business rates system is outdated and disincentivises companies by making it more expensive to operate in-person premises. Any new system must seek to deliver a taxation arrangement that recognises the importance of in-person retailers and supports the regeneration of our high streets.

### 3 MAINTAIN EDUCATIONAL PATHWAYS INTO TRAVEL

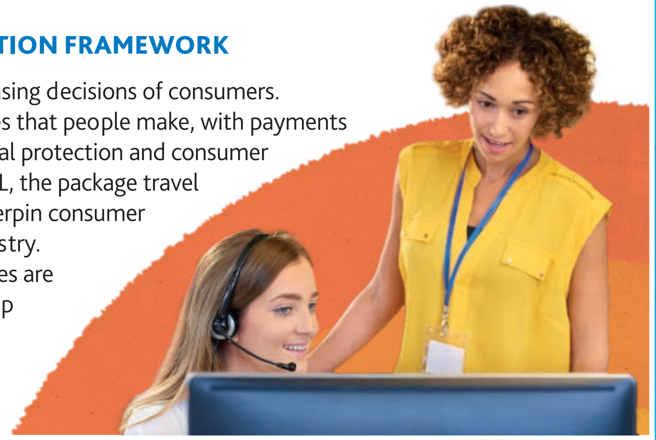
Over recent years, there has been considerable uncertainty over the future funding of travel and tourism-related courses at both level 3 (college courses) and in higher education. The sector values these courses and supports a variety of educational routes into our sector. It is important that skills bodies (e.g. Skills England) and government departments engage with industry to understand the needs of employers in the sector and to ensure that measurements used to evaluate educational pathways are relevant and appropriate to industry career paths.

### 4 REFORM APPRENTICESHIPS

The travel industry has and continues to invest in apprenticeships as a valued entry route into the industry, across a variety of different roles and functions. However, businesses frequently report that they are struggling to use the funding allocated under the existing apprenticeship system effectively. As the government embarks on reforms to the levy system, travel businesses require greater flexibility to use their funding allocations, including through the ability to access short courses and qualifications that can upskill their workforce and improve productivity.

### 5 PROVIDE A BALANCED CONSUMER PROTECTION FRAMEWORK

The UK travel industry relies upon the confident purchasing decisions of consumers. Holidays are often amongst the highest value purchases that people make, with payments often made several months ahead of travel. The financial protection and consumer rights framework that sits behind travel, including ATOL, the package travel regulations, and passenger rights legislation, helps underpin consumer confidence, and is highly valued and supported by industry. However, it is vital that the burdens placed on businesses are proportionate. Reforms must be delivered in partnership with the sector and must deliver a regulatory system that maintains confidence but also encourages growth.



## POLICIES FOR SUCCESS – CONTINUED

### ENHANCE UK-EU RELATIONS – REMOVING TRADE BARRIERS WITH OUR LARGEST TRAVEL MARKET

**The EU is by some distance the biggest outbound and inbound market for the UK international travel industry – with more than 66 million UK travellers visiting European countries in 2023[8] and more than 24 million visits by European citizens to the UK[9]. Measures that can be implemented to enhance travel and trade in both directions should be seen as aligning with the government's growth agenda.**

**1**

#### IMPROVE LABOUR MOBILITY

There has been a 69%[10] decline in UK nationals working in tourism roles for UK companies within the EU since Brexit. Many of the roles affected have typically been starter roles for those developing a career in our industry – such as reps, ski guides, chalet hosts, performers, etc. As a partial solution, ABTA has long called for a similar agreement with the EU to those that exist on youth mobility with other countries. We're clear that youth mobility is not freedom of movement; it is temporary in nature, capped in terms of visa numbers, and about facilitating cultural exchange whilst enhancing opportunities for young people. Consideration should also be given to a broader agreement for tourism workers – enabling them to move more easily between the UK and the EU for periods of less than a year.

**2**

#### COOPERATE ON ELECTRONIC BORDER ARRANGEMENTS

Both the UK and EU are introducing electronic border systems and pre-travel authorisation (similar to the US ESTA). These systems must be designed to operate in a way that facilitates seamless travel flows. Avoiding disruption for businesses and travellers requires active and ongoing cooperation between the relevant authorities of the UK and EU – including the Home Office, Border Force, Frontex, eu-LISA, DG HOME and EU Member States. In the longer term, ABTA continues to believe that mutual exemptions from travel authorisation systems should be explored.

**3**

#### FACILITATE SCHOOL TRAVEL

An unintended consequence of the UK's departure from the EU has been to make educational travel, in both directions, significantly more difficult. Problems associated with ID cards and collective passports have shown clearly that new border arrangements, including electronic travel authorisation systems, present significant hurdles to school travel organisers. ABTA supports mutual exemptions from border requirements for organised school and educational groups, in recognition of the significant benefits of school travel and the low risk presented by these travellers.

**4**

#### COOPERATE ON HEALTH AND SAFETY MATTERS

The UK's departure from the EU ended automatic access to key health networks like European Centre for Disease Prevention and Control (ECDC) and ELDSNet, which previously provided timely alerts on issues such as Legionnaires' disease and other outbreaks. With millions of people travelling between the UK and the EU each year, there are clear imperatives for the health and security agencies of the UK, the EU, and individual Member States to cooperate on public health matters. This must include systems that ensure fast and secure exchange of information relating to health and safety matters, accessible to operators and trade bodies throughout the UK and EU for the benefit of all travellers.

**5**

#### REMOVE BARRIERS TO TRADE AND IMPROVE THE TRADE AND COOPERATION AGREEMENT (TCA)

The TCA, signed between the UK and EU in 2019, includes a number of shortcomings that have made travelling and business operations between the UK and EU more difficult. Notably, ABTA urges that consideration be given to enhancing the existing mutual recognition of professional qualifications provisions to make it easier for qualified tourism personnel to operate in all jurisdictions. ABTA also calls for the review of existing cabotage rules for coach operators, and agreements to facilitate business trips more easily by removing unnecessary rules around ATA Carnets when travelling with certain equipment.


8 ONS, Travel Trends 2023, May 2024.
9 Visit Britain – based on ONS and IPS, May 2024.
10 ABTA/SBiT, Unlocking Travel's Potential, June 2023.



## WHY ALL TOURISM MATTERS

**ABTA believes all parts of the UK's tourism mix need to be recognised and valued by government – whether inbound, outbound or domestic – as major drivers of growth in the economy.**

Collectively, tourism contributes over £165bn a year to the UK economy and employs more than 3 million people throughout the UK.

Since the pandemic, a narrative has emerged suggesting that domestic and outbound travel are in direct competition. ABTA is clear that this is inaccurate. While it is true that domestic tourism saw a notable uplift during the pandemic, this was due to the severe restrictions placed on international travel. However, examining the period before the pandemic clearly shows that ordinarily, both sectors have, and can continue to, grow together.

In general, the factors that determine whether people take holidays – predominantly disposable income and consumer confidence – affect all types of tourism in similar ways. For example, looking back over the pre-pandemic period 2014-2019, holidays increased across the board over this period, with the number of people taking a holiday overall rising from 80% to 88%.

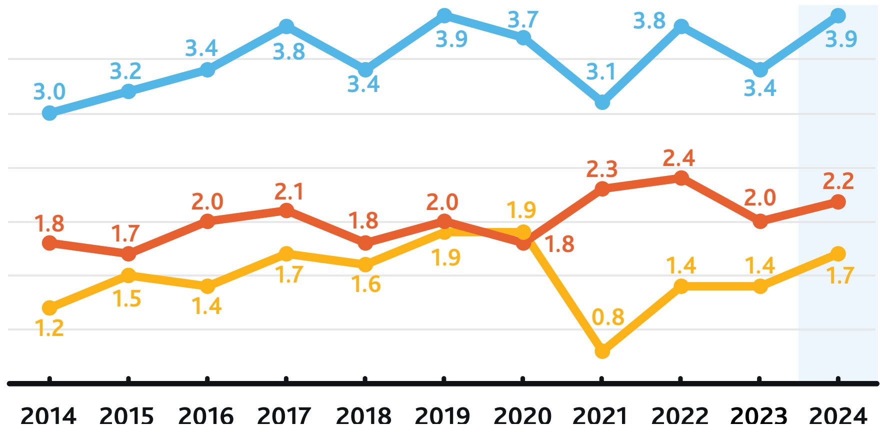
Although holidaymakers' destination choice is influenced by a number of factors such as convenience, culture and climate, it is not automatically the case that a rise in outbound tourism leads to a decline in domestic tourism. Indeed, the experience of 2014-2019 shows that both can thrive simultaneously.

Additionally, the interlinkages between inbound and outbound travel, in particular, as evidenced earlier in the UK's airport network (see page 5), make clear that the notion of reducing outbound tourism to benefit the UK visitor economy is inaccurate. In a similar vein to the importance of outbound for regional airports, passengers transferring or changing flights internally between airports within the UK for the purpose of onward leisure travel, both outbound and inbound will help sustain many domestic air routes, thus supporting domestic tourism and dispersal.

As the government focuses on the delivery of growth, the role of outbound as a catalyst for other parts of tourism must be recognised.

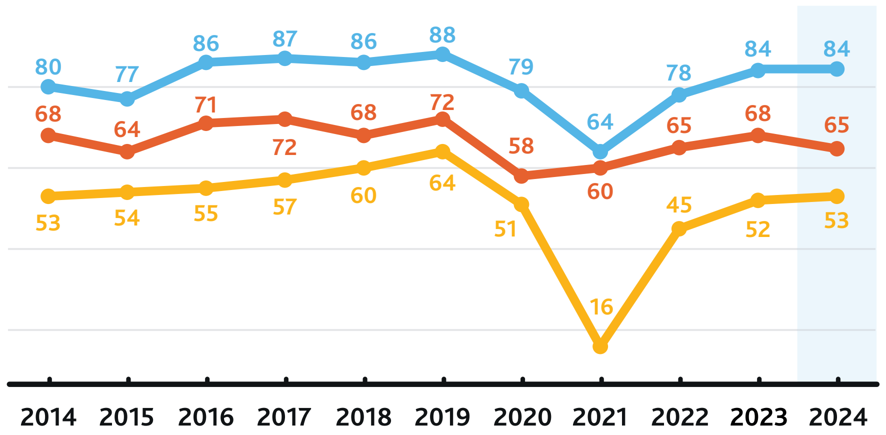
### AVERAGE NUMBER OF HOLIDAYS TAKEN IN THE PAST 12 MONTHS 2014 – 2024

All holidays
UK holidays
Holidays abroad




### PERCENTAGE OF PEOPLE TAKING HOLIDAYS IN THE PAST 12 MONTHS 2014 – 2024

All holidays
UK holidays
Holidays abroad



## ABOUT ABTA

ABTA is a trade association for UK travel agents, tour operators and the wider travel industry. We're the largest travel trade body, with over 4,300 travel brands in membership who have a combined annual UK turnover of over £40 billion. We work closely with our members to help raise and maintain standards and build a more sustainable travel industry, and provide travellers with advice, guidance and support.

Our members sign up to a code of conduct and commit to agreed service standards and fair trading. When you need clear travel information, and accurate and impartial advice relating to your trip, we're here for you. When you book with an ABTA member, reliable advice comes as standard. This means that booking with our members brings peace of mind.

ABTA also offers services to help you on your travels – ABTA Travel Insurance and ABTA Travel Money.

All this together means we help you travel with confidence.

www.abta.com.

## ABOUT YORK AVIATION

York Aviation is a specialist firm of air transport consultants providing a complete consultancy service for the airports business, including aviation policy advice, economic impact assessment, air traffic forecasting, and specialist advice on airport capacity assessment and planning. York Aviation is the leading provider of airport and travel-related socio-economic impact advice in the UK. Its clients include airport operators, airlines, financial institutions, government agencies, industry associations and regional authorities.

ABTA
Travel with confidence

## CONTACT US


**ABTA Ltd**
Post: 30 Park Street, London, SE1 9EQ
Tel: +44 (0)20 3117 0500

Email: publicaffairs@abta.co.uk
Web: abta.com
LinkedIn: ABTA