OUTBOUND TRAVEL

Driving jobs and growth across the UK



ABTA
The Travel Association

OUTBOUND TRAVEL – DRIVING JOBS AND GROWTH ACROSS THE UK

FOREWORD

The benefits of outbound travel, whether for work or pleasure, are well-known on an individual basis but policymakers, at all levels, have often failed to grasp the full contribution of the sector to the economic wellbeing of the UK.

This latest report on the importance of outbound travel to the UK economy, commissioned by ABTA from respected consultancy, York Aviation, shows the sector continuing to perform strongly. The overall economic contribution of outbound travel, measured in gross value added (GVA), has increased to a remarkable £57bn annually (up 9.6%). At the same time, the total number of jobs supported by the sector has increased to 865,000 (up 5.7%).

At a time when the UK government is focused on ensuring economic growth in all nations and regions of the UK, it's important to champion our story. As a proportion of overall economic activity, the main regional beneficiary of outbound travel is the North East of England (travel accounts for 2.6% of regional economic activity), closely followed by the North West, West Midlands, Yorkshire & The Humber, and East Midlands (all 2.4% of economic activity). Meanwhile, measuring for jobs, outbound travel accounts for over 2% of employment in every part of the country, with London, the North East, and North West, seeing the strongest performance at 2.5%.

The benefits of outbound travel are felt in every corner of the UK, with economic activity and jobs dispersed across the country. If the government is to achieve their growth ambitions, it is vitally important they recognise the potential of our sector to power their ambitions and deliver the jobs and growth we all want to see.

However, it is also important to acknowledge that this report is being published at a time when the industry is facing renewed, and significant, headwinds. Global conflicts have caused spikes in the price of energy, which has immediate consequences, forcing up the price of travel and increasing pressure on household budgets. Meanwhile, there are also important longer-term effects, for example, to the industry's decarbonisation efforts where the cost of energy is intricately linked to the production of next generation sustainable fuels. These headwinds place at risk the future growth that we, and policymakers, want to see delivered. This requires attention at the policy level.

Industry and government must work in partnership to ensure a pragmatic approach is adopted to policymaking, which prioritises deliverability and competitiveness. ABTA stands ready and willing to engage with policymakers across all parts of the UK to deliver the policy and taxation environment that is needed to ensure outbound travel can thrive.



Mark Tanzer
CHIEF EXECUTIVE

OUTBOUND TRAVEL

£57bn in GVA to the UK economy (**2.1%** of UK economic activity)

£25bn direct
£18bn indirect
£13bn induced

865,000 jobs supported by outbound travel (**2.4%** of jobs)[1]

413,000 direct
261,000 indirect
190,000 induced

THE INTERNATIONAL TRAVEL INDUSTRY, INCLUDING **INBOUND TRAVEL** TO THE UK, CONTRIBUTES:

£88.5bn in GVA (**3.2%** of economic activity)

Supports **1.4m** jobs (3.8% of employment)

Pays **£18.7bn** in tax annually

1. All figures in report are ABTA/York Aviation, Value of Outbound Travel 2026 unless otherwise stated. Figures may not calculate exactly due to rounding. 2. ABTA, Holiday Habits, 2025 3. ibid 4. ABTA, Travel in 2023 5. CLIA/Oxford Economics, 2024, relates to UK & Ireland cruise arrivals and departures

THE IMPORTANCE OF HOLIDAYS AND HOW THEY ARE BOOKED









OUTBOUND TRAVEL – DRIVING THE UK'S ECONOMIC PERFORMANCE



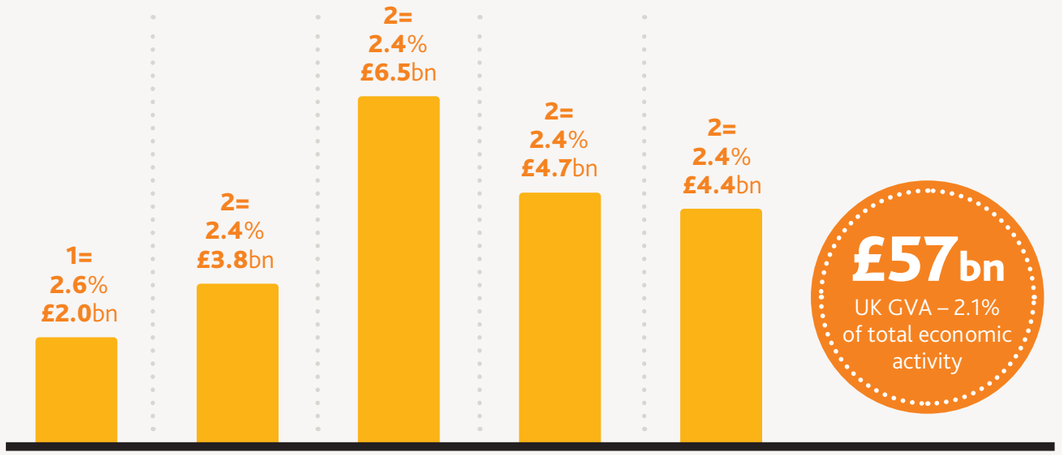
Since the pandemic, the outbound travel industry has played a critical role in the UK's economic recovery, providing increased employment and economic activity.

- **9.6%** increase in GVA since 2019
- **5.7%** increase in employment since 2019



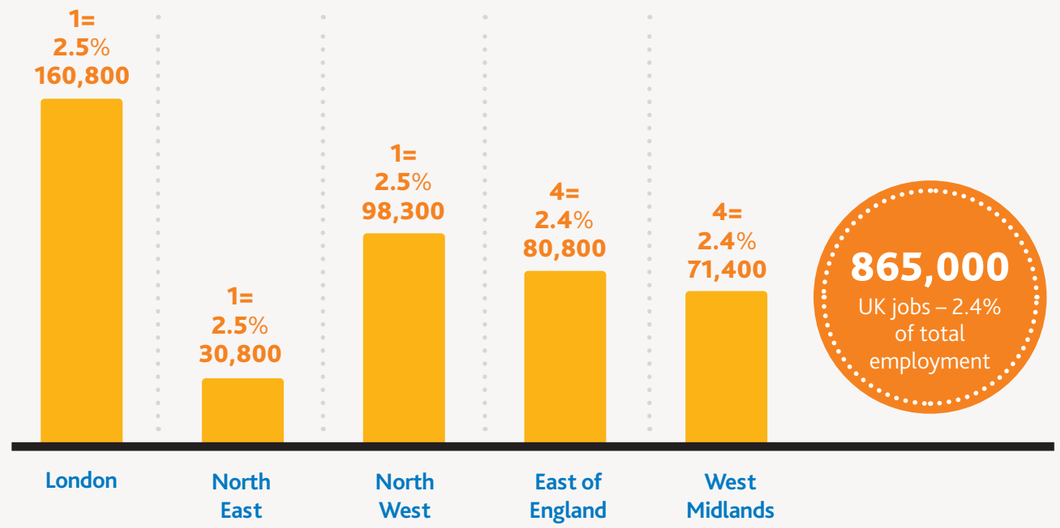
2025 TOP 5 REGIONS: OUTBOUND TRAVEL AS A SHARE OF REGIONAL GVA

RANK, PERCENTAGE SHARE & GVA[6]



2025 TOP 5 REGIONS: OUTBOUND TRAVEL AS A SHARE OF REGIONAL EMPLOYMENT

RANK, PERCENTAGE SHARE & NUMBER OF JOBS[7]





THE SECTOR ALSO MAKES A SIGNIFICANT CONTRIBUTION TO THE UK EXCHEQUER

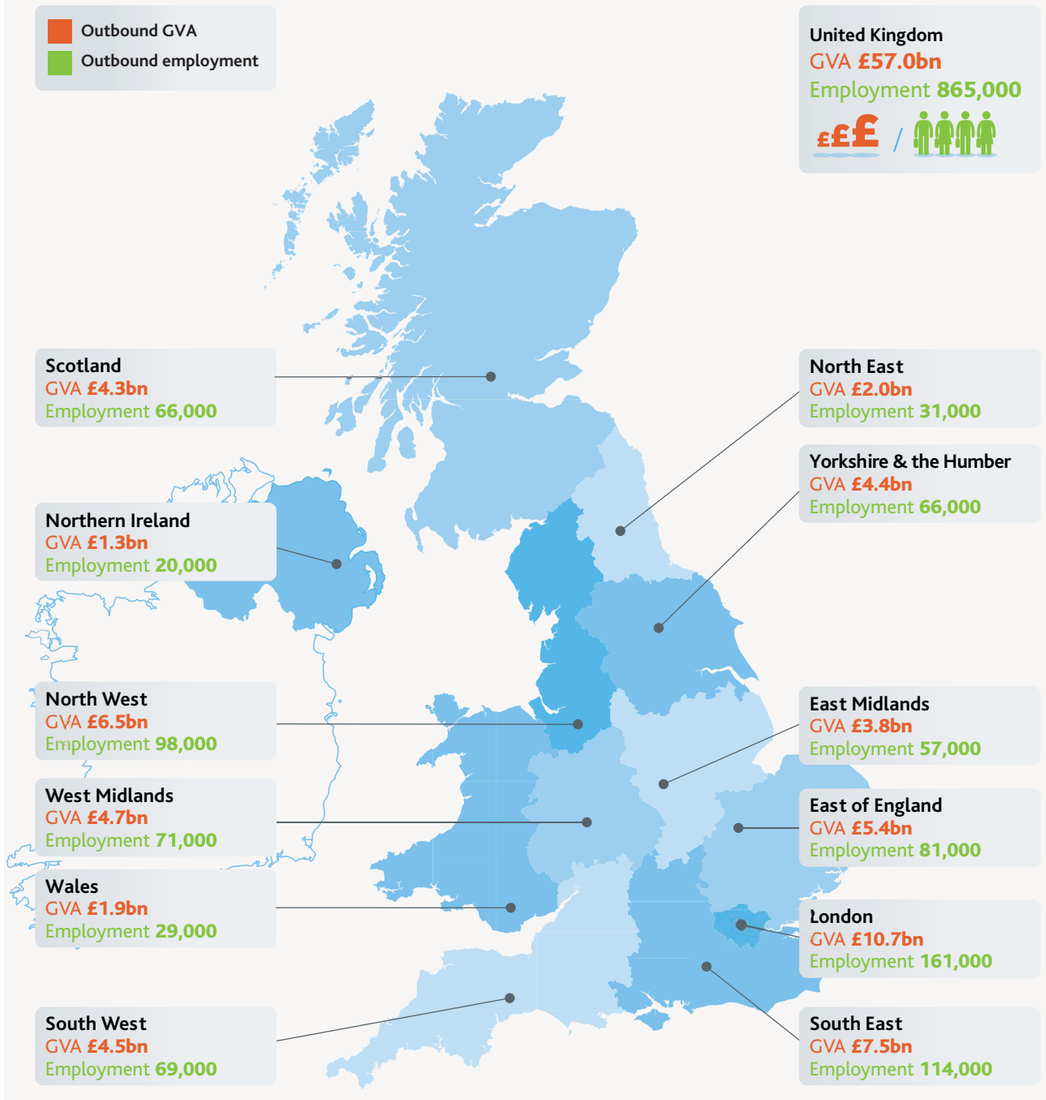
£11.3bn paid in tax each year attributed to the outbound travel sector

- **£1bn** in corporation taxes.
- **£2bn** in income taxes and NICs.
- **£5.9bn** in VAT.
- **£2.3bn** in APD.

6 ,7 Analysis by ABTA based on ABTA/York Aviation Value of Tourism reports 2025

GVA AND EMPLOYMENT IN THE NATIONS AND REGIONS

OUTBOUND TRAVEL GVA AND EMPLOYMENT BY NATION AND REGION IN 2025



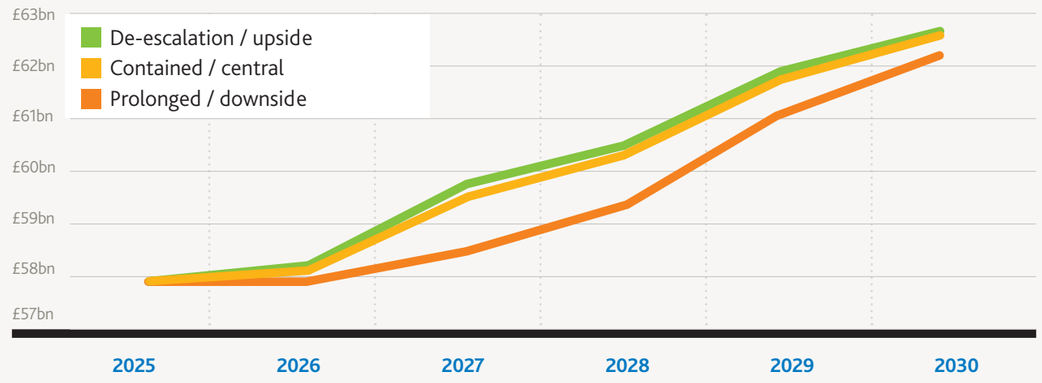
Outbound travel only, includes direct, indirect and induced impacts.
Figures may not sum due to rounding.
Source: York Aviation (2026).

GROWTH PROJECTIONS

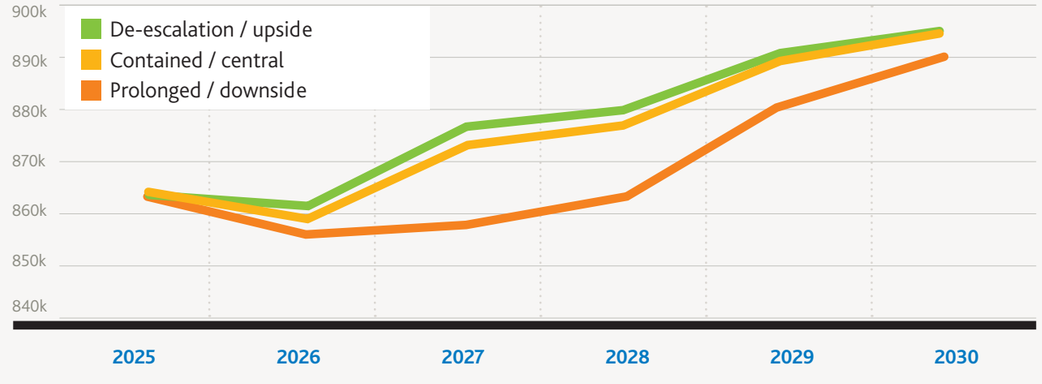


Due to ongoing global uncertainty, three scenarios have been modelled for the projected performance of the outbound sector to 2030, as measured by GVA and employment[9]. Notably, all three scenarios show a strong performance on each measure. This demonstrates the potential of the sector, but a partnership approach between government and industry will be needed given the headwinds the sector is facing.

OUTBOUND GVA – SET TO GROW TO BETWEEN £61.3 AND £61.7BN



OUTBOUND EMPLOYMENT – SET TO INCREASE TO 891,000-896,000 JOBS



8 ABTA/York Aviation, 2026 - The GVA scenarios use DfT modelling to make assumptions for future growth. Employment growth is expected to be lower than GVA due to productivity increases.

POLICY PILLARS – HOW GOVERNMENT CAN WORK WITH INDUSTRY TO BUILD A SUCCESSFUL FUTURE

To ensure the future success of the outbound travel industry, we need government to work with industry to put in place policy frameworks that will keep businesses competitive, ensure a pipeline of talent, and deliver an operating environment that lays the foundations for decades to come. Below, ABTA has identified three pillars that will underpin the future of our industry, and outlined some immediate policy challenges within each.

DELIVERING DECARBONISATION ALONGSIDE GROWTH



KEEP TRAVEL AFFORDABLE

As the industry decarbonises, the transition must be managed in a pragmatic way, which does not result in significant increases in the cost of travel. For example, the UK's Sustainable Aviation Fuel (SAF) mandate should be reviewed regularly and adapted, as necessary.



MODERNISE UK AIRSPACE

One of the most effective ways of reducing the sector's carbon footprint is to make tangible progress on long-overdue modernisation of UK airspace. This will also deliver significant benefits in terms of time savings and other efficiencies.



POWER THE UK CRUISE SECTOR'S TRANSITION

Shoreside power offers notable emissions reductions for the UK cruise sector but requires proactive cooperation and coordination between the industry and policymakers at all levels, not only for installation but to address energy costs.



With the industry facing rising energy and employment costs, as well as increasing regulatory burdens, it is essential government is focused on how it can support businesses to operate successfully and plan for the future.

CREATING A COMPETITIVE BUSINESS ENVIRONMENT



A FAIR TAX ON FLYING

Aviation is vital for the UK's travel and trading links globally, especially as an island nation. In an internationally competitive sector, such as aviation, taxes should be set at a level that ensures the industry contributes whilst enabling the UK to compete.



A BUSINESS RATES SYSTEM THAT SUPPORTS THE HIGH STREET

The current business rates system is broken; deterring businesses from operating high street premises. A review which supports the high street whilst avoiding double-taxation for those operating in both online and offline environments is essential.



A BALANCED REGULATORY FRAMEWORK AND FAIR REGULATORS

The success of the travel industry is built on consumer confidence, underpinned by proportionate consumer protection legislation (ATOL/ Package Travel Regulations). However, reviews must be balanced and not seek to load burdens on business. At the same time, industry regulators (e.g. CAA, CMA) must use their powers – including direct enforcement powers – proportionately, avoiding the creation of unnecessary cost.



POLICY PILLARS
CONTINUED

Travel offers huge benefits to individuals, and our sector is a fantastic and rewarding place to build a career. We want to work with policymakers to ensure the opportunity to travel, and to work in our industry, remains open to all.

EXTENDING OPPORTUNITIES FOR TRAVEL AND INDUSTRY CAREERS



ENABLE BETTER MOBILITY WITH EUROPE

Destinations within the EU are by some distance our largest outbound market. Both for travellers and staff it is essential the government works with partners to remove barriers to travel and build better relationships that extend opportunity.



MAINTAIN CLEAR AND EFFECTIVE PATHWAYS FOR CAREERS IN TRAVEL

Government must recognise the value of careers in our sector and work with us to reform and reshape apprenticeships, educational routes (Level 3), and vocational pathways into our sector.



SECURE THE BENEFITS OF SCHOOL TRAVEL FOR FUTURE GENERATIONS

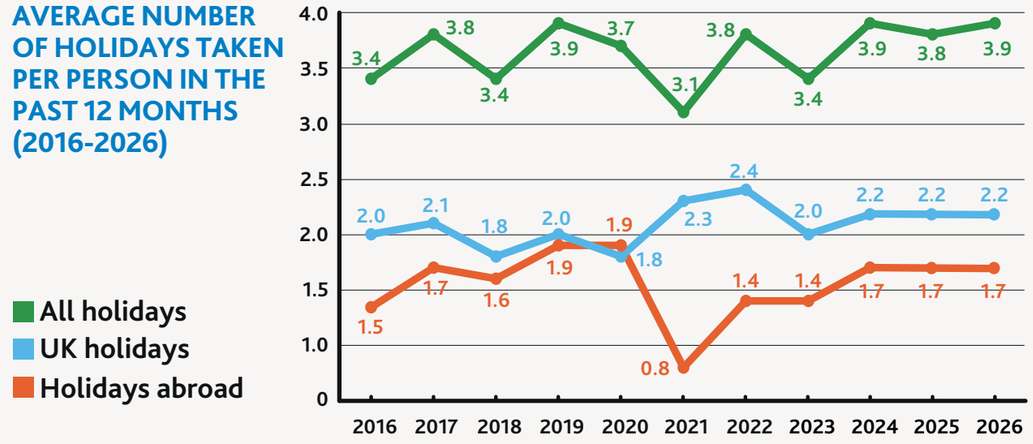
Educational travel is hugely beneficial for young people, offering learning experiences, language development, and cultural exchange. However, post-Brexit, new barriers have been erected making school trips to the EU more difficult. The government must prioritise this issue in talks with the EU and member states, and push for reciprocal arrangements to facilitate educational travel.



WHY ALL TRAVEL AND TOURISM MATTERS

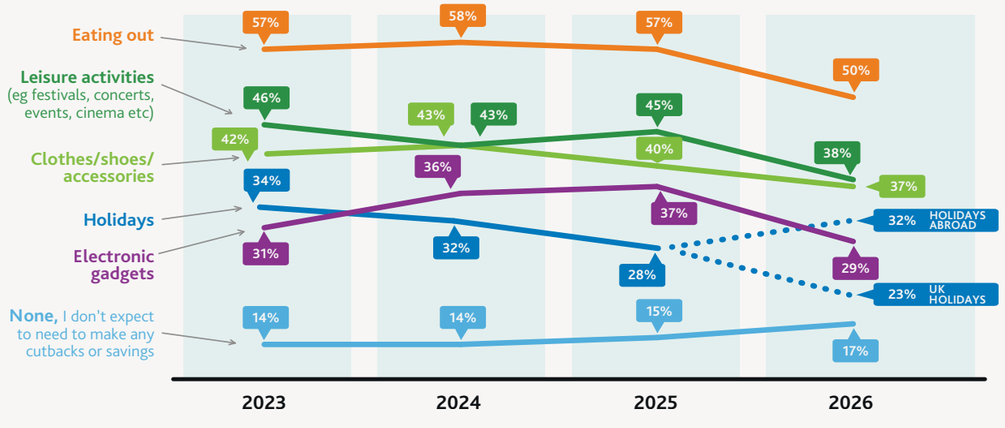
The collective contribution of all travel and tourism, inbound, outbound, and domestic, is worth £168bn in GVA each year to the UK economy, with 2.8mn jobs across the country. Data shows clearly that people value their holidays strongly but that the factors that determine whether people travel, such as disposable income and consumer confidence, affect all types of trips – regardless of destination. Meanwhile, the choice people make on where to holiday is also influenced by a range of factors, including culture, climate and convenience – and many people take more than one type of trip a year. It is overly simplistic to see domestic and outbound holidays as being in competition; all travel brings economic and social benefits, and all tourism matters.

AVERAGE NUMBER OF HOLIDAYS TAKEN PER PERSON IN THE PAST 12 MONTHS (2016-2026)



ABTA, Holiday Habits 25/26

ACTIVITIES WHERE PEOPLE PLAN TO REDUCE THEIR SPENDING TO COVER THE COST OF LIVING (2023-2026)



ABTA, Holiday Habits 25/26

ABOUT ABTA

ABTA is the largest travel trade association for UK travel agents, tour operators and the wider travel industry. Our members 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 – including ABTA Travel Insurance.

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.

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Travel with confidence

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