OECD Sees Short-Term Hardship for Tourist Industry after September 11th Attacks

The September 11th attacks and their aftermath have hit the tourist industry hard, compounding the economic downturn that was already under way, but long-term prospects for the industry remain positive, according to travel and tourism policy experts who met at the OECD last week.

The negative impact has been most visible in the United States and in those markets that depend on US visitors. Air traffic in the US is down sharply and transatlantic transport is estimated to have fallen by as much as 30% on some routes since the attacks. According to International Air Transport Association (IATA) figures, international travel was on a declining trend anyway in 2001, in line with the economic situation.

For its part the US Department of Commerce is forecasting a 13% drop in incoming international travel this year while domestic travel is expected to be 5% lower. A return to growth is expected for 2002.

Tourism within other regions, such as Europe, is expected to remain buoyant, if falling a little in line with the economic downturn. However, such optimism was stronger among government delegates to the meeting than by some of the industry representatives.

“Governments agreed that the overall impact on tourism is moderate, “ said Alain Dupeyras, responsible for tourism within the OECD’s Transport Division. “It is felt that a redistribution of tourist flows in the world, the resistance of large markets and the strong integration of regional tourism markets continue to maintain the industry,” he added.

Several countries at the OECD meeting reported candidly on the short-term challenges they now face. The French government, for instance, has set up a crisis management unit to monitor the economic and social impacts on everything from hotels to museums and car rental.

Despite the poor short term, experts at the meeting emphasised that tourism would remain a major growth area in OECD countries, which between them account for about two thirds of the global industry.

For tourism policy, the immediate priority is to restore consumer confidence and to consolidate the image of tourist destinations through promotion campaigns, experts said.

The experts also recommended that governments undertake detailed national assessments of the impact on their tourist industries, to monitor developments and pay particular attention to safety and security.

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