

#### **Weather**

- Strong winds disrupt ferry traffic to the UK in early November
- Flooding hits parts of Cumbria following rainfall totals that outstrip all previous records

#### **Transport news**

- Figures from the Civil Aviation Authority show that in September the volume of passengers on scheduled flights to/from the UK was 3.3% down on a year ago
- After 54 years Heathrow Terminal 2 closes – the building will be demolished
- From late March easyJet will fly from Helsinki to Manchester
- Japan Airlines receives an emergency loan in order that it can keep flying
- bmi to axe flights to Heathrow from Brussels, Amsterdam, Kiev, Venice, Palma, Tel Aviv and Aleppo and make 600 employees redundant
- British Airways and Iberia agree merger terms – however it is expected to be late 2010 before the deal is completed
- A Finnair pilots strike disrupts flights from Finland to the UK
- Euroferries will not now launch its high-speed ferry service from Boulogne to Ramsgate in November

#### **Domestic Economic News**

- Revised figures indicate that the UK shrank by 0.3% in the third quarter of 2009, slightly less than the previous estimate

#### **European Economic News**

- The French economy grew by 0.3% between the second and third quarters of 2009
- The Spanish economy remained in recession in the third quarter of 2009
- The German economy grew by 0.7% in the third quarter of 2009

#### **US Economic News**

- Revised figures indicate that the US economy grew at an annual rate of 2.8% in the third quarter, well down on the original 3.5% estimate

#### **Global Economic News**

- Japan's economy grew by 1.2% in the three months to September
- The Japanese government says deflation has returned for the first time since 2006
- Concerns mount over Dubai's ability to repay its \$85bn of debt as a government backed property investment group asks for more time to repay loans
- The OECD forecast that the average economic growth rate for its 30 member countries in 2010 will be 1.9%

#### **Tourism News**

- According to American Express two-thirds of European corporates have cut their travel budgets during 2009 with the average reduction (among those cutting spend) being 31%
- The German government says it is minded to cut the rate of VAT on hotel rooms from 19% to 7% from 1st January 2010
- Latest figures from TRI Hospitality Consulting show that in October London chain hotel occupancy stood at 85.1% (up from 83.6% a year earlier), with regional occupancy at 73.6% (down from 74.5% in October 2008). Room rates fell by less than 5% in London and by 8% in the provinces
- Figures from Global Refund show that in October sales to overseas visitors reclaiming tax increased by 45% thanks to a 28% increase in transactions and 14% increase in average spend

# Factors contributing to tourism trends in Britain, November 2009

