



Spain loses 1 million UK tourists on crisis and weak pound

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MADRID (Reuters) - One million Britons have abandoned Spain's bars and beaches in the last year after the pound dived against the euro and the financial crisis took hold, Spain's main tourism trade body said on Wednesday.

Spain, the world's second biggest tourist destination after France, relies on tourism for around 10 percent of its GDP or some 100 billion euros a year. It welcomed 16 million Britons, or 28 percent of all foreign arrivals in 2007.

But, in 2008 the pound weakened to near-parity with the euro -- a 22.4 percent fall -- and cost-conscious Brits looked to holiday in non-single currency destinations to the east.

"Spain has lost 1 million British tourists in 2008. The British are being turned more towards Turkey or Egypt," said Sebastian Escarrer, the chairman of trade body Exceltur and also chief executive of Spain's biggest hotel group, Sol Melia.

He said for the first time he could remember, no British tour operator was operating flights to Spain's Balearic islands of Mallorca, Menorca and Ibiza this winter.

Exceltur said Spain's tourism income would fall 5.7 percent this year as the global economic crisis deepened. Spain will earn 40.5 billion euros (36.5 billion pounds) from foreign tourists this year, Escarrer told reporters, down from 42.2 billion two years earlier, according to balance of payments data.

Earnings for the first 10 months of 2008 dropped by 4.1 percent. "Bad figures registered in November and the expected figures for December look like producing a bigger fall up to the end of the year," Exceltur said.

Exceltur, whose members include Spain's main airlines, hoteliers, travel agents and car hire companies said not only was demand falling among foreigners, but also from Spaniards.

It said the number of nights spent by Spaniards in Spanish hotels will fall 5 percent this year. It added that even among the best performers, hotels' key revenue per available room (RevPar) indicator had fallen between 5 and 7 percent over 2008.

(Reporting by Robert Hetz; Writing by Ben Harding; Editing by Katie Nguyen)