

HENRY SMITH MP



HOUSE OF COMMONS

LONDON SW1A 0AA

Rt Hon Rishi Sunak MP
Prime Minister
10 Downing Street
London SW1A 2AA

17th July 2023

Dear Prime Minister

We are writing to you as a group of cross-party parliamentarians urging you to take two key measures which will support the recovery of the UK aviation and travel sector and boost the UK economy.

The first of these measures is the introduction of arrivals duty-free in airports, international rail, and ferry terminals in Great Britain. On our departure from the EU, the Government introduced more generous duty-free personal allowances, but the absence of arrivals duty-free stores is incentivising British nationals to spend money abroad at the expense of British businesses.

We urge you to introduce duty-free for arriving passengers to the UK, which would boost British businesses by ensuring that passengers can make their purchases in the UK. If introduced, recent research predicts there would be a 20-30% passenger spending increase, the net result would be more jobs, more investment and more economic growth in communities in all parts of Great Britain.

The second of these measures is the reintroduction of tax-free shopping to international visitors, the removal of which is undermining our recovery from the pandemic and boosting inbound tourism to nations such as France and Germany. We know that visitors from key inbound markets such as China and the GCC are price sensitive and figures from this year show that we lag considerably behind our European neighbours in visitor numbers in part due to the lack of tax-free shopping.

At present, the consequences of removing tax-free shopping are being felt across the UK, with tourism, hospitality, retail and manufacturing all reporting that this policy is holding back their businesses and the UK economy.

As you will know, inbound tourism makes a significant contribution to our high streets, towns, cities, with high spending visitors from the Middle East and the USA a key part of the £29.1bn contribution it made to the UK economy in 2019. Similarly, as the Chinese economy has begun to open and allow its citizens to travel internationally, it is vital that we are as appealing as possible to these markets otherwise British business and tourism will lose out to our nearest competitors.

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Whilst our aviation and travel sectors are recovering from the challenges of the pandemic, the recovery of international visitors to the UK continues to be impacted by the removal of tax-free shopping and reinstating it will boost the UK economy and increase our standing as a world class destination for international visitors.

Taken together, these two measures can be important step forward in boosting our economy, supporting our world class visitor economy, and helping our aviation, travel and tourism sectors continue their recovery.

We urge you to introduce these measures as soon as possible to ensure that the UK benefits from the full economic contribution that a thriving aviation, travel, and tourism industry can bring.

Yours sincerely



Henry Smith

Member of Parliament for Crawley

Chair, All-Party Parliamentary Group for the Future of Aviation

Caroline Ansell, Member of Parliament for Eastbourne

Scott Benton, Member of Parliament for Blackpool South

Sir Peter Bottomley, Member of Parliament for Worthing West

Rt Hon Alun Cairns, Member of Parliament for Vale of Glamorgan

Robert Courts, Member of Parliament for Witney

Virginia Crosbie, Member of Parliament for Ynys Mon

Philip Davies, Member of Parliament for Shipley

Allan Dorans, Member of Parliament for Ayr, Carrick & Cumnock

Richard Drax, Member of Parliament for South Dorset

Margaret Ferrier, Member of Parliament for Rutherglen & Hamilton West

Chris Green, Member of Parliament for Bolton West

Wera Hobhouse, Member of Parliament for Bath

Christine Jardine, Member of Parliament for Edinburgh West

Pauline Latham, Member of Parliament for Mid Derbyshire

Jonathan Lord, Member of Parliament for Woking

Craig Mackinlay, Member of Parliament for South Thanet

Paul Maynard, Member of Parliament for Blackpool North & Cleveleys

Rt Hon John McDonnell, Member of Parliament for Hayes & Harlington

Conor McGinn, Member of Parliament for St Helens North

Anne Marie Morris, Member of Parliament for Newton Abbot

Sheryll Murray, Member of Parliament for South East Cornwall

Gavin Newlands, Member of Parliament for Paisley & Renfrewshire North

Ian Paisley, Member of Parliament for North Antrim

Rt Hon Dame Priti Patel, Member of Parliament for Witham

Mark Pawsey, Member of Parliament for Rugby

Andrew Percy, Member of Parliament for Brigg & Goole

Rt Hon Sir John Redwood, Member of Parliament for Wokingham

Andrew Rosindell, Member of Parliament for Romford

Virendra Sharma, Member of Parliament for Ealing, Southall

Greg Smith, Member of Parliament for Buckingham

Jamie Stone, Member of Parliament for Caithness, Sutherland & Easter Ross

Graham Stringer, Member of Parliament for Blackley & Broughton

Rt Hon Sir Desmond Swayne, Member of Parliament for New Forest West

Richard Thomson, Member of Parliament for Gordon

Rt Hon Kelly Tolhurst, Member of Parliament for Rochester & Strood

Dr Philippa Whitford, Member of Parliament for Central Ayrshire

Rt Hon Sammy Wilson, Member of Parliament for East Antrim

Lord Bowness

Baroness Eaton

Baroness Foster

Lord Geddes

Lord Goddard of Stockport

Lord Mendelsohn

Baroness Meyer

Lord Moylan

Lord Popat

Lord Truscott

Baroness Wheatcroft