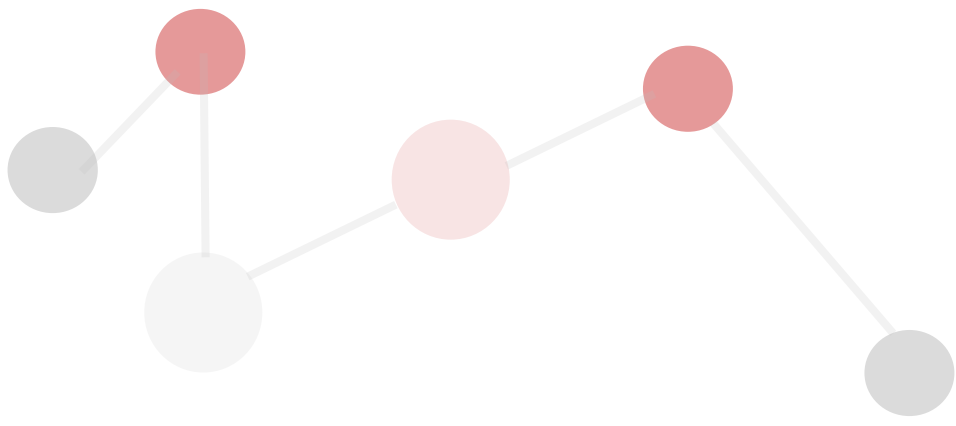


2016-17
NSW BUDGET
SUBMISSION

Future Economy Future Jobs



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Executive Summary

Tourism plays a critical role in the New South Wales (NSW) economy, supporting 90,875 businesses¹, directly and indirectly employing 272,000 people, or 4.4% of all jobs in NSW². Tourism consumption in NSW grew by 6.1% in 2013/14 to reach \$34.9 billion, which equated to 30.8% of total tourism consumption in Australia³. Since 2006-07, tourism consumption in NSW has increased by 28.2%, equal to an average growth rate of 3.6% per annum.

NSW leads the nation in terms of visitor numbers, visitor nights and visitor expenditure. Since the establishment of Destination NSW in 2011, the NSW Government has worked diligently to build a brand for Sydney and regional NSW. It has also developed a solid annual calendar of events headlined by Vivid Sydney, Sydney Festival, Sydney International Art Series, the NRL Telstra Premiership Grand Final, The Championships and the Tamworth Country Music Festival – just to name a few. The industry also applauds the NSW Government’s significant investment in tourism, major events and business events, which has raised the bar nationally for destination marketing funding.

The State is also in the midst of an infrastructure boom, with major visitor and transport projects across Sydney and regional NSW; including the International Convention Centre Sydney, the renewal of the Sydney Opera House, development of Barangaroo, Western Sydney Airport, WestConnex and the Newcastle urban transformation. While it is very encouraging to see an infrastructure reinvigoration in the State, it is imperative that efforts are focused on continuing to activate existing precincts and activating precincts that are being developed to dispel any perceptions of NSW being “closed during construction”. As much as it is important to communicate this domestically, it is even more important to send strong messages internationally about Sydney and NSW being open and active to ensure visitors do not postpone or worse still, cancel their trips.

The Tourism & Transport Forum Australia (TTF) is calling on the NSW Government to make serious investments in facilitating visitation and accessibility across the State, and particularly Sydney, by delivering a NSW Tourism and Transport Strategy, a dedicated visitor Opal product, working with the Federal Government to relax operating restrictions on Sydney Airport and increase cruise ship access to Garden Island, examining new rail links to the planned Western Sydney Airport and providing a whole-of-government approach to the activation of key visitor precincts. The NSW Government has an ambitious visitor expenditure target to meet by 2020 that must be matched by policy and funding commitments and a partnership approach between Government and industry.

¹ Tourism Businesses in Australia (June 2010-June 2013), Tourism Research Australia

² Tourism Research Australia (2015), State Tourism Satellite Accounts 2013-14

³ Tourism Research Australia (2015), State Tourism Satellite Accounts 2013-14

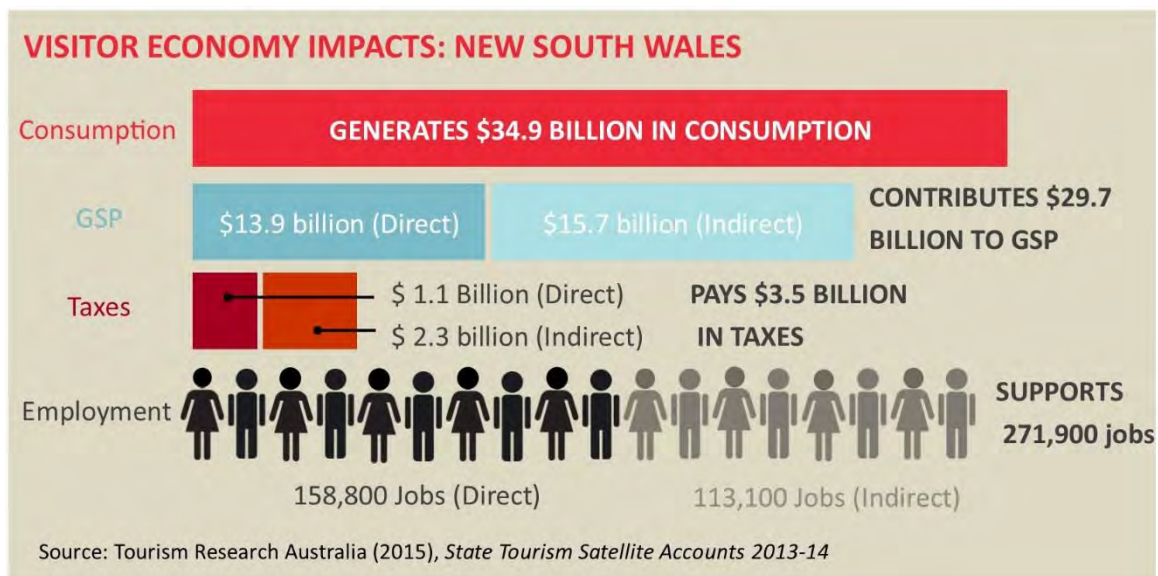
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Importance of the NSW visitor economy

Generating jobs and growth

Tourism is one of our future economy industries that has the potential to collectively add hundreds of billions of dollars to the Australian economy over the next 20 years⁴. Tourism has the capacity to be more than a mere backfill for the jobs vacuum left by declining mining investment and the perennial slowdown in manufacturing, and generate hundreds of millions of dollars in taxation revenue.

Like other future economy industries such as agribusiness, funds management, international education and technology-based services, tourism is well-positioned to take advantage of the incredible growth in demand from Asia's burgeoning middle to upper class.



Already a major contributor to the NSW economy, the visitor economy can make an even greater contribution to the State's future prosperity. Tourism plays a significant role in the NSW economy, driving growth and creating jobs across the State. The NSW visitor economy contributes 30.8% or \$34.9 billion of Australia's national tourism consumption⁵, and supports more than 90,875 businesses⁶.

⁴ Deloitte (2013) *'Positioning for prosperity? Catching the next wave'*

⁵ State Tourism Satellite Accounts, 2013-2014, Tourism Research Australia

⁶ Tourism Businesses in Australia (June 2010-June 2013), Tourism Research Australia



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Tourism supports more than 267,000 NSW jobs, 159,000 of these directly, and accounts for nearly 1 in every 23 jobs State-wide⁷. The industry also delivers significant revenues for the State Government, with the visitor economy generating \$3.5 billion in taxation revenue in 2013–14.

NSW is a national visitor economy leader on all fronts – visitor expenditure, visitor nights and visitor numbers. Overnight visitor expenditure in NSW totalled \$24.6 billion in 2015, representing a 30% market share of Australia’s total overnight visitor expenditure⁸.

Events and regional tourism are also key contributors to the State’s overall visitor economy. Domestic and international visitors to NSW destinations outside Sydney accounted for a considerable 78.4 million nights of accommodation in regional areas, or almost half of all visitor nights spent in the State. Event visitors spent around \$2.4 billion in NSW in the year ending December 2015 and spent 6.5 million visitor nights in NSW during the same period.

Opportunities and challenges for NSW

Sydney and NSW are in the midst of an infrastructure boom, with the anticipated opening of the International Convention Centre Sydney (ICC Sydney) in December 2016, commencement of the CBD and South East Light Rail in early 2019, the North West Rail Link completed by the end of 2019, the completion of Barangaroo, WestConnex and Sydney Metro in 2023, opening of the Western Sydney Airport in 2025, and progress on the Newcastle Urban Program – just to name a few.

The NSW Government also made considerable investments in tourism and transport in its 2015-16 Budget, delivering on a number of election commitments, which have raised the bar nationally for State funding in these sectors. The \$176 million funding for tourism marketing, business events and major events incorporated the additional \$127 million over four years that the NSW Government allocated to the sector as part of its election commitments and has especially been applauded by industry as a clear sign from the Government that it understands the economic development potential of tourism and events.

The challenge for the NSW Government is to ensure the continued activation of visitor precincts that are undergoing redevelopment to ensure that the State, and Sydney especially, is not perceived as “closed until construction is complete”. In the same vein, it is important to mitigate and respond to any commentary that may arise from visitors who have been impacted by any construction, ensuring that all commentary is monitored and moderated, highlighting the positives as we build tomorrow’s Sydney and NSW.

⁷ State Tourism Satellite Accounts, 2013-2014, Tourism Research Australia

⁸ National and International Visitor Surveys, YE December 2015, Tourism Research Australia

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For example, when 4,000 delegates for the International Bar Association Annual Conference and the 5,000 delegates for the International Chamber of Commerce World Chambers Federation World Chambers Congress both arrive in 2017, we need to consider what the visitor and transport experience will be for these delegates accommodated in hotels across Sydney.

Moving forward, the challenge for the NSW Government will be to effectively leverage all opportunities presented by new tourism and transport infrastructure. This should be done through effective, coordinated, whole-of-government master-planning that is led by a single government department or agency with the necessary oversight, responsibility, autonomy, financial backing and authority. The release of key documents such as the Visitor Economy Industry Action Plan update, the Regional Conferencing Strategy and the NSW Cruise Development Plan will further assist in this regard.

Liveable and Productive Cities, Accessible Regions

Efficient, affordable and sustainable public transport networks underpin the productivity of cities and urban environments. They also provide vital connections to regional areas, complementing our road networks.

TTF has three key transport policy goals:

1. Promoting investment by Government in transport infrastructure
2. Increasing the involvement of private operators in the delivery of public transport services
3. Improving the customer experience, particularly through the use of new technology.

Investing in public transport reduces the economic costs of congestion, increases social inclusion and delivers improved environmental outcomes⁹. Public transport also delivers an economic dividend in jobs growth. In research conducted for TTF, a case study analysis of the impact of a rail line to Macquarie Park in Sydney indicated that improved public transport access generated an additional \$1.49 billion in economic activity and an increase in the area's workforce of 32.5%¹⁰.

Public transport investment not only enhances the liveability of cities for its residents, it also makes cities more appealing to visitors. Efficient public transport systems with clear signage and simple fare structures are particularly important to attract visitors and to ensure they leave with a positive impression.

⁹ TTF and L.E.K Consulting (2010), *Meeting the Funding Challenges of Public Transport*

¹⁰ TTF and PwC (2014), *Better Public Transport, Better Productivity*



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Public transport services that can also connect with regions beyond urban centres can help disperse visitors more widely, spreading the benefits of the visitor economy beyond metropolitan destinations. TTF is therefore very supportive of the NSW Government finalising a Tourism and Transport Strategy for NSW – as committed to during the March 2015 election.

Industry has welcomed the change in the Federal Government's approach to modal neutrality, reversing the previous administration's bias towards roads funding and announcing its intention to become more involved in the planning of cities and the funding of public transport services. This has manifested itself initially in a \$90 million funding commitment towards stage two of the Gold Coast Light Rail. TTF encourages the NSW Government to take advantage of the Federal Government's new-found propensity to jointly fund public transport projects of national significance, by highlighting initiatives that are investment ready, such as the Parramatta Light Rail project. Given the importance of public transport to the liveability and productivity of the local economy, the NSW Government should also ensure it continues to deliver on timetable commitments on key infrastructure projects.

Towards 2020 and Beyond

In 2009, Governments at the Federal, State and Territory levels saw the potential to grow Australia's tourism industry and signed up to ambitious targets to double overnight expenditure¹¹. While each State and Territory has its own corresponding target, the NSW target is to double overnight visitor expenditure to \$36 billion by 2020.

The 2020 tourism target considered both supply and demand requirements. However, assessing the current capacity of infrastructure and the future infrastructure needs required to meet increased visitor demand will be even more vital as we move closer to the visitor number targets associated with the 2020 tourism goal. TTF supports the NSW Government undertaking a visitor infrastructure mapping exercise to consider both the hard and soft infrastructure that will be needed to meet these visitor targets.

While the aftermath of the GFC slowed progress towards the targets in the early phase, global travel has since more than rebounded and Australia is now reporting stronger growth. The latest data shows that over the year to December 2015, overnight visitor expenditure in Australia increased to \$94.5 billion. This includes domestic overnight expenditure increasing by 6.4% and international visitor expenditure increasing by 17.7%¹².

¹¹ http://www.tourism.australia.com/documents/corporate/2020_Tourism_Industry_Potential.pdf

¹² Tourism Research Australia (2016), *International and National Visitor Survey Results to December 2015*



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NSW continues to lead Australia in visitors, nights and expenditure. In 2015, NSW achieved its largest volume and highest growth in international visitor expenditure on record at \$8.4 billion, an increase of 19.2%, which outperformed the national average growth of 18.9%. NSW leads Victoria by \$1.9 billion and Queensland by \$3.5 billion in international visitor spending for the year. Domestic overnight visitors spent a record \$16.1 billion in NSW, an increase of \$780 million or 5.1% in 2015, and NSW leads Victoria by \$4 billion and Queensland by \$1.6 billion.

However, Victoria outpaced NSW (12.5% vs 9.6%) in terms of overnight visitor expenditure growth for the year ending December 2015, with its domestic overnight expenditure increasing by 4.7% and international visitor expenditure increasing by 30.4% (well above the national average). While not to stoke the fires of competition between the States, it is important for NSW to remain vigilant, innovative and creative in its approach to growing the visitor economy to maintain its number one position.

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Recommendations

TTF Recommendations – NSW Budget 2016-17

Grow demand for travel

Tourism marketing and events funding

- Maintain funding for Destination NSW in real terms in 2016-17
- Provide an update on the remaining actions in the NSW Visitor Economy Industry Action Plan

Business events funding

- Maintain funding for Business Events Sydney
- Finalise and release the NSW Regional Conferencing Strategy

Improve the retail experience for visitors

- Continue to encourage the Federal Government to commit to allowing private operators to manage the Tourist Refund Scheme

Boost visitor economy investment

Build cruise tourism capacity

- Work with the Federal Government to provide long-term access for large cruise ships to Garden Island and, importantly, allow the ability to process passengers through Customs at the facility
- Finalise and release the NSW Cruise Development Plan

Invest in nature-based tourism experiences

- Maintain funding commitments for the NSW Parks & Wildlife Service
- Invest in new and existing nature-based visitor infrastructure in partnership with the private sector, industry and Federal Government

Invest in sports infrastructure

- Maintain funding for key sporting infrastructure and events
- Plan for the ongoing activation of the Parramatta Stadium precinct during its redevelopment

Support active visitor precincts

- Adopt a whole-of-government strategy for the delivery and ongoing management of urban precincts
- Commit funding to the redevelopment of Circular Quay and empower the Greater Sydney Commission in overseeing the harbour foreshore and reviewing heritage sites in The Rocks
- Promote Parramatta Park as a major outdoor events venue
- Finalise and release the Western Sydney Visitor Economy and Events Strategy
- Support the Sydney Showground Concept Master Plan 2016
- Work with the City of Sydney and other land managers to implement a successful, consistent wayfinding system across Sydney
- Continue to develop opportunities as part of the Western Sydney Priority Growth Area

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Invest in cultural tourism

- Continue the master planning process for the Walsh Bay arts precinct
- Deliver on the commitment to fund projects in the first stage of Sydney Opera House's Renewal, and continue to support its Decade of Renewal
- Commit funding to complete the Art Gallery of NSW Sydney Modern project
- Commit funding and promote the masterplan process to build Parramatta's cultural tourism offer
- Deliver on the commitment to relocate the Museum of Applied Arts and Sciences to Western Sydney and its location within an activated arts, cultural and tourism precinct

Improve the visitor transport experience

Access to Sydney Airport and Western Sydney Airport

- Maintain existing funding and timeline for completion of the WestConnex project
- Continue to advocate to the Federal Government to relax the operating restrictions imposed on Sydney Airport
- Remove the station access fee at Sydney Airport stations
- Continue to examine new bus routes from all relevant parts of greater Sydney to the Airport
- Continue to examine new rail links to the new Western Sydney Airport

Connect transport with the visitor economy

- Develop a Tourism and Transport Strategy for NSW
- Increase frequency of weekend services to major visitor destination precincts
- Franchise Sydney's STA buses
- Maintain funding and timeframes for the construction of the Barangaroo Ferry Hub
- Complete the CBD and Parramatta light rail projects
- Extend the Eastern Suburbs rail line to Bondi Beach
- Improve the ferry and rivercat services between Parramatta and the CBD
- Invest in transport infrastructure

Visitor accessibility

- Extend the Opal card to private ferry operators, develop a dedicated Opal card for visitors to Sydney and incorporate foreign languages in Opal card machines
- Offer the Opal Card free of charge to business events delegates to alleviate road congestion and facilitate increased visitation beyond the CBD and into the regions
- Include basic passenger information at major bus and light rail stops and on-board

Rental car regulation harmonisation

- Engage the Federal Government to harmonise State and Territory taxes and regulation for the rental vehicle sector

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Grow demand for travel

Tourism marketing and events funding

Recommendations

- Maintain funding for Destination NSW in real terms in 2016-17
- Provide an update on the remaining actions in the NSW Visitor Economy Industry Action Plan

Destination NSW (DNSW) plays a critical role in generating visitation to the State through tourism marketing and major events. DNSW is also responsible for leading the delivery of the NSW Visitor Economy Industry Action Plan, which outlines the State's strategy for achieving its target of doubling overnight visitor expenditure to \$36.6 billion by 2020.

The Baird Government delivered a record budget for tourism in 2015-16, providing a \$176 million allocation to tourism, business events and major events. This funding lifted the bar nationally for State funding of the sector and was applauded by industry. The imperative in this year's budget is to ensure this funding is maintained in real terms. DNSW must continue to be sufficiently resourced so it can continue to build a compelling destination brand for Sydney and NSW, and compete with interstate and international destinations.

Increased investment in a destination's brand also has flow-on effects in attracting major events, business events, stimulating tourism investment, attraction and migration of skilled labour, and aviation capacity to the State. Ensuring funding is maintained for DNSW will provide further flexibility for investments in new and innovative campaigns in partnership with industry, giving it the autonomy and freedom to leverage emerging opportunities; such as those presented with Virtual Reality and digital platforms.

It is also important to develop and adequately fund tourism marketing and events initiatives that stimulate interest to travel to Sydney, such as through airline marketing partnerships, as well as improve dispersal rates outside the Sydney CBD to greater Sydney and regional NSW, targeted at intrastate, interstate and international visitors. These initiatives should also consider the entire visitor experience, including the transport links and services from Sydney CBD to greater Sydney and regional destinations, as well as the visitor products and experiences available outside the Sydney CBD.

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TTF is also calling for the NSW Government to review the remaining actions in the NSW Visitor Economy Industry Action Plan, in concert with industry. The Visitor Economy Industry Action Plan was released in December 2012 in response to the Visitor Economy Taskforce Final Report and outlines a whole-of-government approach in partnership with industry to achieving the State's 2020 overnight visitor expenditure target. At a tourism industry update held on 23 February 2015, the NSW Government announced that more than 75% of the actions set out in the Action Plan had been delivered in its first three years.

TTF is calling for the NSW Government to provide an update on the implementation of the Visitor Economy Industry Action Plan to date. As a number of the actions have been delivered and we have moved beyond the foundation years of the Tourism 2020 target, the NSW Government is also in a position to review the remaining actions in the Plan to ensure the State is still firmly on the trajectory to achieving its 2020 potential. This review should be undertaken with industry consultation and expedited to provide sufficient time between now and 2020 to deliver on key actions.

Business events funding

Recommendations

- Maintain funding for Business Events Sydney
- Finalise and release the NSW Regional Conferencing Strategy

The number of international conferences being held globally is increasing – rising by around five per cent on average per year over the past 10 years¹³. This has been coupled with an increase in delegate numbers, with attendance figures rising by an average of 4% each year in the last 10 years. The number of international meetings being held in the Asia-Pacific region has also increased by 63% since 2004 and delegate numbers by 49% over the same period.

Business events are a fundamental driver of visitation and a key contributor to the State's knowledge economy. Major international conventions and exhibitions position NSW as a global destination for investment and play an important role in driving increased trade, innovation and knowledge sharing across industries such as higher education, health sciences and biotechnology and advanced manufacturing – areas where Sydney and NSW hold a competitive advantage.

¹³ International Congress and Convention Association (ICCA): Global Experts in International Association Meetings



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They can also be a key tool in supporting the strategic policy objectives of Government by showcasing NSW's competitive advantages to a global audience.

From December 2016, NSW will be home to one of the premier integrated convention and exhibition centres in the Asia Pacific through the International Convention Centre Sydney (ICC Sydney) – becoming Australia's largest centre for business events. The ICC Sydney will provide an ideal platform to profile Sydney as a business events destination, yet the expanded facilities alone will not be enough to realise the true economic value of the investment. While Business Event Sydney has already secured 55,000 international association delegates for events to be held at ICC Sydney, it is important that it continues to be sufficiently funded to remain competitive with other bureaux in the region and secure the necessary pipeline of events for the new facility into the future.

Similarly, it is vital that the NSW Government continues to support venues beyond the ICC Sydney. Venues such as the Sydney Showground, Rosehill Gardens, Royal Randwick, Luna Park Sydney as well as regional venues provide invaluable event capacity, helping to further solidify NSW's position as a key events destination. For example, as Western Sydney's largest event centre, the Sydney Showground at Sydney Olympic Park has over 32,000 square metres of exhibition facilities across 35 hectares of land and is home of the largest ticketed event in Australia, the Sydney Royal Easter Show. The Government should look at ways it can better leverage event venues across the State, such as the Sydney Showground, as well as the type of support it can offer to spread the benefits of business events beyond Sydney.

Capturing key events beyond Sydney CBD

Given the importance of business events to the visitor economy in NSW, TTF is also calling for the NSW Government to expedite the delivery of the NSW Regional Conferencing Strategy in consultation with industry, and ensure that it captures key visitor and event destinations beyond the Sydney CBD.

The NSW Government undertook to develop a NSW Regional Conferencing Strategy in response to Action 36B of the NSW Visitor Economy Industry Action Plan. The Strategy was aimed at better enabling NSW to increase its share of the high-yield business events market. It was also meant to identify appropriate regional infrastructure and provide support to regional NSW to effectively target business event opportunities, including required promotional activities. It is imperative that Business Events Sydney is appropriately resourced to continue to support and promote venues across the State.

Investment in Business Events Sydney generates a significant return. Over the past five years events secured by Business Events Sydney have delivered around \$1 billion economic impact for NSW. The business events sector is highly competitive due to the potential return from high-yield delegates filling hotels and venues in long periods, while long lead times for winning major international business events require certainty in funding support.

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Successfully competing for international business events will require the continuation of a long term strategic approach, building local partnerships and continuing to develop Sydney's global reputation as an outstanding destination for business events. Funding for Business Events Sydney is vital so that it is able to leverage the new ICC Sydney and also to continue its support of venues beyond the Sydney CBD. The Government should maintain Business Events Sydney's funding to ensure that it continues to develop a full calendar of meetings, incentives, conferences and exhibitions for NSW.

Improve the retail experience for visitors

Recommendations

- Continue to encourage the Federal Government to commit to allowing private operators to manage the Tourist Refund Scheme

Australia's retail offering is a key attraction for international visitors, particularly those from the growing Asian visitor markets. It is also a key part of achieving the yield targets associated with growing overnight visitor expenditure. To increase competitiveness in this area, Australia needs to reform its Tourist Refund Scheme (TRS). The TRS is the program under which departing travellers can claim back either the Goods and Services Tax or the Wine Equalisation Tax on eligible purchases.

TTF is co-chair of the Tourism Shopping Reform Group, which has led the discussion on reform to the TRS. The current system, administered by the Australian Border Force at international airports, can be cumbersome and time consuming. This provides a negative impression of Australia to travellers as they depart, making them less likely to recommend Australia to their friends and also less likely for them to return. It has also emerged as a significant pressure point in passenger facilitation, with passengers stuck in queues at the TRS collection point made to run late for their flights.

There has been significant reform to the TRS process in recent years, notably with the introduction of online claim forms and through a revision of the rules for multiple purchases and the minimum claim amount. However, further reform is required. TTF believes that opening up the TRS to private providers would deliver benefits to Australian tourism. This includes promotion of Australia as a shopping destination in key source markets and an improved visitor experience leading to increased visitor spending. This is the model adopted very successfully by other destinations in the Asia Pacific region, such as Singapore, and used in more than 40 countries worldwide. TTF therefore encourages the NSW Government to continue to encourage the Federal Government to commit to allowing private operators to manage the TRS.

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Boost visitor economy investment

Build cruise tourism capacity

Recommendations

- Work with the Federal Government to provide long-term access for large cruise ships to Garden Island and, importantly, allow the ability to process passengers through Customs at the facility
- Finalise and release the NSW Cruise Development Plan

Australia has one of the world's fastest growing cruise markets, with passenger numbers increasing by 20% on average each year for the past 12 years. Ten years ago fewer than 200,000 Australians were taking a cruise holiday each year. Passenger numbers have since increased fivefold such that cruising's Tourism 2020 target of one million Australians cruising a year by 2020 was achieved last year – a full six years earlier than expected. The industry now has its eye on two million Australians cruising. Australia is also the global leader in terms of market penetration and fourth in the world for overall cruise passenger numbers.

The cruise sector is now estimated to generate more than \$3.6 billion in economic activity for the Australian economy each year, providing more than 8,943 jobs directly and a further 6,274 jobs indirectly and induced¹⁴. While NSW remains the dominant State accounting for 67% of the overall economic contribution of the cruise industry, its share has declined year on year (from 73% in 2013).

The benefits stemming from the cruise sector cascade to local shore tour providers and attractions, hotels, restaurants, taxis and transport operators as well as primary producers. Hundreds of pallets of goods, including large quantities of fruit and vegetables, beef, poultry and dairy are delivered with each ship turnaround.

The growth in cruising is also supporting regional Australia. In 2014/15, there were over 35 maiden port calls to a range of cities and regional towns. In 2015/16, it is anticipated that there will be more than 40 maiden port calls to regional destinations¹⁴.

Sydney is one of the world's most popular cruising destinations and is consequently the cruising gateway to Australia. Port congestion during cruise season peaks remains a problem, particularly at the Overseas Passenger Terminal in Sydney, which is at capacity for much of the summer season.

¹⁴ Cruise Lines International Association Australasia, *Cruise Tourism's Contribution to the Australian Economy 2014-15*



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This is because the worldwide trend towards larger cruise ships, with a growing number too big to sail under the Sydney Harbour Bridge, is placing serious pressure on the remaining berths. Indeed, within the next few years, the vast majority of new cruise ships constructed will not be able to fit under the Sydney Harbour Bridge and access the White Bay cruise terminal. The first new ship to be built specifically for the Australian market will be delivered in 2019 and will not be able to sail under the Sydney Harbour Bridge to White Bay's facilities.

To facilitate this anticipated growth and to mitigate the decline in the State's share of the overall economic contribution of the cruise industry as outlined above, the industry is looking for certainty to share the Garden Island Naval Base at peak periods during the cruise season, particularly when visiting international ships call in Sydney during their world cruises.

A critical component to deliver this long term objective is to process passengers through Customs facilities at Garden Island, rather than by ferrying visitors on small boats from Garden Island to White Bay cruise terminal to go through Customs. This would greatly improve the customer experience and increase the competitiveness of Sydney as a global cruise destination. The additional time given to visitors will also maximise the benefits of the cruise sector to Sydney's visitor economy.

Planning for growth

In reference to the NSW 10-year Cruise Development Plan, which was a supported action in the NSW Visitor Economy Industry Action Plan for delivery in year one (recommendation 12), TTF understands that the NSW Government is undertaking additional work in order to develop a long-term Cruise Development Plan. TTF is calling on the NSW Government to expedite the finalisation of this Plan and looks forward to its public release once complete.

The Plan is aimed at assisting in planning for the forecast growth in cruise ship calls and passenger numbers, to ensure that Sydney and NSW are well positioned to capture a larger share of the economic benefits from this forecast growth. In addition, the Plan will consider financial models to identify capacity needs as well as the level and timing of future Government funding of cruise sector infrastructure. It is paramount that the Plan is developed in concert with industry to ensure its relevance and effectiveness in adequately addressing the opportunities and challenges faced by the cruise industry. The Government also needs to ensure the Plan considers the impact of a range of overlapping decisions by various Federal and State agencies, providing end-to-end oversight.

The Plan will be important in assisting the NSW Government in better leveraging its \$87 million investment program in cruise infrastructure to ensure Sydney remains a high profile cruise destination. The investment program included the construction of a \$57 million domestic passenger terminal at White Bay which opened in 2013, a \$25 million Master Plan development for the Overseas Passenger Terminal (OPT) and the improvement of mooring solutions for large ships at the OPT.

Future Economy | Future Jobs

Invest in nature-based tourism experiences

Recommendations

- Maintain funding commitments for the NSW Parks & Wildlife Service
- Invest in new and existing nature-based visitor infrastructure in partnership with the private sector, industry and Federal Government

Visitors who engage in nature-based tourism tend to generate higher yield and stay longer: international nature-based visitors, for example, tend to spend around 15% more and stay 20% longer than the average international visitor¹⁵. With five of Australia's iconic National Landscapes situated within NSW, the State is well-positioned to capitalise on the economic benefits of nature-based tourism. Beyond this, tourism also contributes to broader environmental and social outcomes, providing funding sources and points of engagement for NSW's natural and indigenous heritage.

A study by Tourism Australia found consumers from some of Australia's key inbound markets viewed Australia's world-class beauty and natural environment as the third most important factor in selecting a holiday destination, behind only safety and value for money. However, capitalising on the potential benefits of nature-based tourism requires a supportive legislative framework and strategic public investment in critical visitor infrastructure.

The industry applauds the NSW Government for its significant investment in nature-based tourism in last year's Budget, including \$120 million over four years for the improvement of parklands in Western Sydney. In this year's Budget, TTF would like to see funding for NSW Parks & Wildlife Service (NPWS) maintained in real terms. The Government should also look at opportunities to leverage its investment in tourism marketing and nature-based tourism, by supporting greater liaison between Destination NSW and NPWS as well as alignment on nature-based activities targeted at interstate and international visitors.

State and Territory Governments, such as Tasmania, have identified the value of investing in promotion of their nature-based experiences and the benefit of leveraging their unique natural offerings as part of their destination marketing activities. NSW is in an enviable position, with unique natural experiences and products that span from Lightning Ridge, Byron Bay, Blue Mountains, Perisher Valley, the Hunter Valley, Jervis Bay and Broken Hill. While Sydney Harbour and its coastal attractions are the State's biggest visitor drawcard, there are multiple opportunities to add depth to NSW's destination promotion by marketing other, unique natural experiences across the State.

¹⁵ TTF (2015), *Nature-based Tourism in Australia*.



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Maintaining basic infrastructure and providing opportunities by developing new visitor experiences will support potential commercial partnerships with environmental, economic and social benefits for many regional and remote communities, continued visitor engagement in national parks and business opportunities for traditional owners. Given the need for consistent funding to ensure national parks are appropriately managed and visitor infrastructure is maintained and enhanced – as outlined in TTF’s National Tourism Agenda¹⁶ – funding for NPWS should be maintained in real terms across the forward estimates.

Given the importance of nature-based tourism to the visitor economy, the NSW Government should also look at developing visitor facilities, both new and existing, as well as supporting investment in new visitor products across the State to provide quality visitor experiences for both international and domestic visitors. New visitor products could include a variety of ‘on-park’ accommodation along multi-day walking tracks such as eco lodges and standing/safari camps.

Support for Master Plans

The Government should also look at opportunities to activate existing nature-based tourism precincts, such as the Botanic Gardens, Domain and Centennial Parklands, through support of their master plans. As events are a key driver of visitation, the NSW Government should consider investing in the activation of precincts through events as well as the development of facilities that are capable of attracting and hosting global events. Taking mountain biking as an example, there is an opportunity to further build on the success of such events as the XTERRA Asia-Pacific Championship and the Port to Port MTB. The Government could consider developments in regions that have a network of mountain bike tracks and aviation access, such as the Border Ranges National Park and Nightcap National Park on the NSW North Coast.

The NSW Government should also work closely with the Sydney Harbour Federation Trust to coordinate activation and optimise utilisation of Sydney’s harbour islands, particularly for events, and in light of the fact that visitors do not distinguish between who manages each harbour island. Improving visitor access to the islands through development and upgrading of visitor facilities such as jetties, wharves and general amenities would greatly enhance the visitor experience, and also make the islands more appealing as potential venues to event organisers.

¹⁶ Tourism & Transport Forum (2013) – *Australian Tourism: Backing our Strengths*

Future Economy | Future Jobs

Invest in sports infrastructure

Recommendations

- Maintain funding for key sporting infrastructure and events
- Plan for the ongoing activation of the Parramatta Stadium precinct during its redevelopment

Similar to nature-based visitors, international and domestic visitors who participate in sporting activities in NSW spend more and stay longer than the average traveller¹⁷. These visitors support the broader visitor economy while also providing an additional source of revenue to the State's sporting institutions, contributing to their ongoing financial viability. To grow this high-yielding segment of the visitor economy, investment in sports infrastructure is needed.

Providing quality and accessible sports infrastructure also facilitates the hosting of events. Events drive consumers' decision to travel, creating a timeframe in which they must act or miss out. Events also play a key role in raising the profile of a destination, generating significant economic returns for the State. As a sporting nation, Australians are willing to travel intra-and-interstate to attend sporting events. Major sporting events are the most common driver for Australians to travel overnight, followed by popular music concerts, festivals and food and wine events¹⁸.

Sporting events developed and secured by Destination NSW, such as the Major League Baseball, put the State on the world stage and provide financial and social outcomes for the economy. Major sporting events are key demand drivers, attracting high-yielding visitors who spend money on accommodation, attractions, transport, restaurants and retail during their stay. Appropriate infrastructure plays a key role in developing a strong events calendar and is paramount to staging events.

Other events such as The Championships at Royal Randwick, the Golden Slipper at Rosehill Gardens as well as the Australian Turf Club's Sydney Spring Carnival, provide a valuable contribution to the broader NSW visitor economy and are a key highlight on the NSW events calendar. For example, the Sydney Spring Carnival has grown 10% year on year in attendance and 20% in terms of revenue. Customer spending data¹⁹ reveals that each Sydney Racing Carnival attendee spends \$500 on retail in the 48 hours just prior to and on a race day. This equates to approximately \$75 million in local retail activity for each Sydney Racing Carnival, or an additional \$5 million in local economic activity from every 10,000 additional attendees.

¹⁷ Tourism Research Australia, International Visitor Survey (IVS) and National Visitor Survey (NVS), September 2015

¹⁸ Unpublished research conducted by Repucom for TTF (2015).

¹⁹ Provided by the Australian Turf Club's financial partner



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For the further benefit of the local economy, Carnivals occur when there are room nights available in Sydney, which assists in counteracting the peaks and troughs experienced by tourism operators, especially during the non-peak periods. The industry is supportive of the NSW Government exploring ways in which it can support and better leverage the economic value of other sporting events, such as the Sydney Spring Carnival.

The Government's plan to deliver the Sports and Cultural Fund from Restart NSW will provide a once-in-a-generation opportunity to deliver world class sports and cultural infrastructure to NSW. TTF supports the Government developing a strategy for investment in key stadia infrastructure, including ANZ Stadium and Moore Park. The NSW Government's commitment to rebuilding the Pirtek Stadium in Parramatta into a 30,000-seat venue is applauded by industry. The focus for Government now should be on maintaining the delivery timeframes for the Pirtek Stadium redevelopment, as well as considering the place-making opportunities that will come with a revamped Stadium, including through sports programming.

Indeed, to derive the greatest economic benefit from these investments, the Government should actively explore ways to better leverage the value of existing assets and precincts as well as optimising activation of new precincts to support year round visitation. Transport and visitor accessibility to a precinct should also be a key consideration in this regard. Demand-driving infrastructure, such as ANZ Stadium, Pirtek Stadium, and Randwick and Rosehill Racecourses, forms an essential part of the visitor economy, showcasing Sydney and the State's visitor offering to a domestic and international audience.

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Support active visitor precincts

Recommendations

- Adopt a whole-of-government strategy for the delivery and ongoing management of urban precincts
- Commit funding to the redevelopment of Circular Quay and empower the Greater Sydney Commission in overseeing the harbour foreshore and reviewing heritage sites in The Rocks
- Promote Parramatta Park as a major outdoor events venue
- Finalise and release the Western Sydney Visitor Economy and Events Strategy
- Support the Sydney Showground Concept Master Plan 2016
- Work with the City of Sydney and other land managers to implement a successful, consistent wayfinding system across Sydney
- Continue to develop opportunities as part of the Western Sydney Priority Growth Area

Whole of Government Strategy

Sydney's various precincts are an enormous drawcard for residents and visitors. Existing precincts like Circular Quay, Walsh Bay, and Darling Harbour and emerging precincts like the Western Harbour Super Precinct and the Bays Precinct are home to some of Sydney's most popular existing and upcoming visitor anchors. These include the ICC Sydney, Sydney Fish Market, Taronga Zoo, Sydney Theatre Company and the Sydney Opera House.

While precincts drive visitor demand, the potential of these precincts is often hampered by overlapping or unclear governance structures. Public authorities like the City of Sydney, UrbanGrowth NSW, Government Property NSW, Transport for NSW, NSW National Parks and Wildlife Service, and NSW Maritime all have jurisdiction over some of the city's greatest and most popular places to visit.

While this adds to the character of the city, it also makes the master planning, management, coordination and delivery of the visitor experience difficult. For example, the inconsistency of wayfinding infrastructure from Darling Harbour to Barangaroo and through Walsh Bay to Circular Quay impacts on the visitor experience, and will now impact even more so with the changes caused by major transport construction occurring in the Sydney, especially the CBD Light Rail. The Government should work with the City of Sydney, Destination NSW and land owners to implement a successful, consistent Sydney wayfinding system.

To create and deliver active and accessible precincts, a cohesive and integrated governance model is needed to coordinate land managers and stakeholders. Acknowledging the work of the Wielinga Committee and coordination around the Bays Precinct, the NSW Government needs to have a whole-of-government strategy for both the master planning, delivery and ongoing management of urban precincts to ensure they continue to be world-class destinations for residents and visitors alike.



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A number of precincts, such as the redevelopment of the Bays Precinct area (with a high priority to the Sydney Fish Market), also need to continue to be expedited through to completion by the NSW Government with input from industry.

Greater Sydney Commission

TTF also encourages the NSW Government to ensure the newly formed Greater Sydney Commission is adequately empowered and funded to oversee the entire harbour foreshore as well as review heritage sites in The Rocks. TTF's 'Built Heritage and the Visitor Economy' paper²⁰ found that aside from benefitting the visitor economy, the adaptive re-use of heritage assets can achieve a number of objectives for the public and government. The value of heritage assets often lies not in their preservation, but through appropriate adaptation and ongoing use by local communities and visitors.

Circular Quay redevelopment

The NSW Government's announced commitment to redevelop the ferry wharves at Circular Quay announced last year was welcomed by industry. TTF believes the Government should broaden its scope to consider the redevelopment of the whole Circular Quay precinct, especially given its iconic value for the visitor economy, and commit funding to the redevelopment in this year's Budget.

Western Sydney priority growth area

In 2015, the industry welcomed the Government's announcement of a new Western Sydney Priority Growth Area to guide new infrastructure investment, encourage the construction of new homes and to support jobs close to transport, including the new Western Sydney Airport, and coordinate services. Whilst acknowledging this initiative is in its early stages, TTF encourages the Government to continue to identify and develop opportunities in the area. This should include consideration of visitor economy opportunities, transport and accessibility to ensure the long-term success of the broader precinct, including the activation of road and rail around Western Sydney Airport.

Existing visitor experiences

As part of its focus on Western Sydney, the NSW Government should also look at opportunities to promote existing visitor experiences, such as Parramatta Park. In its Visitor Strategy²¹, Parramatta City Council identified Parramatta Park as one of its major outdoor venues for visitor activities, including the Australia Day event which attracts over 70,000 people. With master planning for Parramatta Park to consider the full visitor experience and adequate funding for its promotion as a multipurpose outdoor venue, the Park could attract new events and improve the visitor experience.

²⁰ Tourism & Transport Forum Australia, Built heritage and the visitor economy – the case for adaptive re-use of heritage assets unpublished report, 2016

²¹ Parramatta City Council, Visitor Strategy for Parramatta 2011 – 2016



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Western Sydney Visitor Economy and Events Strategy

The activation of Parramatta Park as an outdoor event venue should be considered within the NSW Government's Western Sydney Visitor Economy and Events Strategy²². The Strategy should also consider the broader opportunities that exist, including the promotion of Sydney Olympic Park; further visitor activation of Rosehill Racecourse; plans for the new Bungarribee Super Park and the recently announced Sydney Zoo; as well as other existing and upcoming developments.

The Strategy should actively identify all tourism, event and conferencing opportunities in Western Sydney in collaboration with industry, and encourage the Government to support activities that provide the greatest benefit to the precinct. TTF supports the finalisation of the Strategy in collaboration with industry, which will provide a framework with key actions to better guide tourism, events and conferencing development and coordinate stakeholders in a common direction.

It is paramount that the Strategy considers the broader visitor economy, encompassing tourism, events and conferencing, but also other sectors such as education, visitor infrastructure, transport, accessibility, and retail. TTF supports the Strategy being a holistic visitor economy strategy for Western Sydney that takes into account the entire precinct and its position as both a visitor destination in its own right, as well as a bridge between the Sydney CBD and Newcastle to the north, Blue Mountains to the west and Wollongong to the south. Western Sydney is a key economic and jobs driver for the State, and should be adequately supported by the NSW Government through its own strategy.

Sydney Showground Concept Master Plan

TTF also encourages the NSW Government to support the Sydney Showground Concept Master Plan 2016 and commit funding to the redevelopment of the Sydney Showground, supporting its position as a major visitor, tourism, hospitality and events base. In 2014, the Sydney Showground hosted 112 events and generated over 950,000 bed nights for event attendees, testament to its status and success as Sydney's second largest event precinct. Sydney Showground contributes \$616.7 million annually to the NSW economy from its events, supporting 4,762 full time job equivalents, with over 1.7 million people visiting the Sydney Showground site each year.

With the right Government support, the economic contribution from Sydney Showground as well as the broader Sydney Olympic Park precinct could be expanded. As well as being a timely upgrade of an Olympic legacy site, the Concept Master Plan also complements the Government's vision for Sydney Olympic Park as a cultural, sporting, leisure and tourism precinct, adding value to the light rail corridor.

²² The Strategy was announced in the 2014/15 Budget and was accompanied by an allocation of \$500,000 over two years for its development and implementation, in partnership with industry.

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Invest in cultural tourism

Recommendations

- Continue the master planning process for the Walsh Bay arts precinct
- Deliver on the commitment to fund projects in the first stage of Sydney Opera House's Renewal, and continue to support its Decade of Renewal
- Commit funding to complete the Art Gallery of NSW Sydney Modern project
- Commit funding and promote the masterplan process to build Parramatta's cultural tourism offer
- Deliver on the commitment to relocate the Museum of Applied Arts and Sciences to Western Sydney and its location within an activated cultural tourism precinct

Similar to international and domestic visitors who participate in sporting activities, visitors who participate in cultural and heritage activities in NSW spend more and stay longer than the average traveller²³. The creative and cultural sector is a significant part of the visitor economy as it not only provides a unique reason to travel in itself but also forms the daily tapestry and visitor offering of a destination, complementing other sectors of the visitor economy. This in turn helps to fill beds, restaurants, shops and transport seats, spreading the economic benefit beyond the creative and cultural sector. This is why culture and tourism go hand in hand – after all, Australia's most visited tourist attraction is also its most significant piece of cultural infrastructure.

Cultural and heritage tourism was undertaken by 65% of all international visitors to NSW in 2015 – with 71% of visitors from China and 67% of visitors from the United States of America participating in cultural and heritage activities²⁴.

Cultural and heritage visitors generate higher yield on average – spending more and staying longer. International visitors spent 24% more and stayed 24% longer in comparison to the average international visitor to Australia in 2015, while domestic overnight visitors spent 56% more and stayed 37% longer over the same period²⁵.

Cultural and heritage tourism has continued to grow in Australia, and NSW needs to better capture this growth. In terms of international cultural visitation, the Northern Territory, South Australia, Queensland, Tasmania and the ACT all outperformed NSW.

²³ Tourism Research Australia (2016), *International and National Visitor Survey results to December 2015*.

²⁴ Must have had at least one night stopover in NSW. TTF analysis of Tourism Research Australia (2016), *International Visitor Survey results to December 2015*.

²⁵ Tourism Research Australia (2016), *International and National Visitor Survey results to December 2015*.



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Looking at domestic overnight cultural visitation, visitors are more likely to go to the ACT, Tasmania, Northern Territory, Western Australia, Victoria and South Australia than NSW.

Beyond its economic and jobs contribution, the creative and cultural sector also has inherent importance in adding broader social and cultural value. Domestic and international visitors experiencing art and culture, and participating in the creative industries, has far-reaching educational, community and diplomatic benefits that extend beyond state and national borders. The sector plays an important role in facilitating dialogue and debate, which addresses the social issues and challenges of NSW's multicultural societies, both of today and the future.

NSW State cultural institutions are cultural tourism drawcards. The collecting institutions of the Art Gallery, Australian Museum, Museum of Applied Arts and Sciences and the State Library manage significant cultural heritage collections valued at over \$5 billion and provide services and programs throughout the State. The world-heritage listed Sydney Opera House is a global icon that attracts over 8.2 million visitors from Australia and around the world each year.

However, while the current value and importance of the creative and cultural sector in NSW is impressive, it could be much greater, especially in terms of its economic and employment outcomes. TTF therefore supports appropriate investment and planning by the NSW Government of key cultural tourism infrastructure projects and precincts, including Walsh Bay, the Bays Precinct, the Art Gallery of NSW's Sydney Modern project, renewal Sydney Opera House, the Sydney Living Museums projects and relocation of the Museum of Applied Arts and Sciences to Western Sydney. TTF also encourages the NSW Government to better recognise and leverage the visitor economy contribution of other cultural institutions based in Sydney, such as the Australian National Maritime Museum and the Museum of Contemporary Art Australia.

Walsh Bay Arts Precinct

The NSW Government's 2015-16 Budget committed \$316 million to cultural and arts infrastructure. The industry was pleased with the Government's \$139.6 million commitment for the Walsh Bay Arts Precinct, including \$11 million over two years for planning, design and approvals. TTF is supportive of the Government continuing to progress the renewal of the Walsh Bay arts precinct. The Walsh Bay redevelopment will enhance Sydney's reputation as an innovative, culturally competitive city within the Asia Pacific region, and should therefore continue to be expedited by the NSW Government.



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Sydney Opera House Renewal

One of the great buildings of the 20th century, the Sydney Opera House receives more than 8.2 million visitors each year, with 1.45 million attending one of the 2,500 events and performances, and some 350,000 taking a guided tour of the building. With 11 theatre bars, six restaurants, two retail stores, a functions marquee and various public spaces within the precinct as well as approximately 2.5 million dining and retail annual transactions, the Opera House is a significant economic contributor.

According to a 2013 Deloitte Access Economics report, the Opera House contributes \$775 million to the national economy every year and has a cultural and iconic value to Australia of \$4.6 billion. Internationally, the Opera House brand carries remarkable iconic and tourism significance with more than half of visitors from China, the USA, UK and New Zealand citing the Opera House as their main reason for visiting Sydney²⁶.

The Sydney Opera House has played a transformative role in the life of this country. Over four decades, its contribution to Australian culture, economy and tourism has grown dramatically. At the same time, the environment in which it operates has evolved in ways that were impossible to predict when it was built. Technology, in particular, has advanced at great speed, and with it the needs and expectations of all who visit and perform at the Opera House. In addition, important infrastructure has reached the end of its operational life.

In 2014-15, the NSW Government provided \$13.7 million for the development of a systematic blueprint to “transform the Opera House” and commence planning for priority projects. With this funding, the Opera House developed a staged suite of projects to ensure the building remains as vital and integral to Australian life and culture in the 21st century as it was in the 20th.

The first stage of Renewal includes a new Welcome Centre on the Lower Concourse, which was completed in December 2015, and the Theatre Machinery Project to upgrade critical equipment and systems in the Joan Sutherland Theatre, which the Opera House is self-funding with a \$44 million investment over two years.

The NSW Government has also reserved \$202 million from Rebuilding NSW for a suite of Stage 1 Renewal projects, subject to developing a robust business case and funding approvals. Projects within the Stage 1 Renewal Package include upgrades to the entry point and foyers, a new Creative Learning Centre, a new function centre to replace the temporary function marquee, and upgrades to the Concert Hall. TTF encourages the NSW Government to commit funding to these projects in the 2016-17 Budget as well as over the forward estimates, to ensure the Sydney Opera House continues to be an icon befitting of its central place in the NSW visitor economy.

²⁶ Visitors surveyed for the 2013 Deloitte Access Economics report



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Sydney Modern

TTF commends the NSW Government for progressing the Art Gallery of NSW (AGNSW) Sydney Modern project with an additional \$4 million allocation in last year's Budget for design and planning. TTF is now calling on the NSW Government to commit the funding required to complete the Sydney Modern Project; in light of both the announcement of the successful architect and to meet the construction timeframe to coincide with the 150th Anniversary of the Gallery's founding in 2021.

The Sydney Modern Project will double the size of the AGNSW. The AGNSW is currently about half the size of each of the National Gallery of Victoria in Melbourne, the National Gallery of Australia in Canberra, and Queensland Art Gallery and Gallery of Modern Art in Brisbane. The AGNSW's relatively small size has meant that on a number of occasions it has been unable to accept offers to host art exhibitions that were subsequently taken up by other State galleries.

In 2007, the AGNSW was the most visited art museum in Australia and 28th most visited in the world. However, a sustained period of underinvestment in the institution, aggravated by considerable expansion and investment by peer art museums has seen a dramatic decline in the Gallery's visitation dropping to fourth domestically, and globally dropped out of the top 50.

The industry therefore supports the Sydney Modern Project, which will increase the AGNSW's floor space to exhibit more of its treasure trove of art works to the public and better attract high yielding cultural visitors. The Project will also strive to grow the Gallery's visitation from 1.2 million currently to over 2 million. The Gallery has the nation's most significant permanent collection of Australian and Indigenous art, which in many cases cannot be displayed or is constrained in the way it is presented. Less than 5% of the Gallery's total collection (valued at \$1.3 billion and a significant State asset) is on display at any one time. This is a considerable waste. Cultural tourism is a key focus for Governments and institutions across Australia, and internationally, and the Gallery needs to evolve to stay competitive in the face of increased domestic and global competition.

The Sydney Modern Project will also provide a vastly enhanced Indigenous art presence for Sydney, NSW and Australia. There is significant visitor interest in engaging with Australia's Indigenous culture and heritage, however there are currently limited opportunities to do so. Sydney should strive to provide visitors and locals with Indigenous experiences that reflect its position as Australia's key international gateway.

The Sydney Modern Project will provide not only an enhanced visitor experience, but help activate the Botanic Gardens as well as connect Circular Quay through to Woolloomooloo. This will form opportunities to better connect and activate the precinct, for example through major events such as Vivid Sydney. It will also provide a new visitor offering for Sydney that takes advantage of the Woolloomooloo precinct as well as Garden Island.



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Utilising the Gallery's prime site for business events, private events and meeting spaces will also enable the Gallery to generate an alternate revenue stream, reducing its reliance on Government funding and better enabling it to purchase and exhibit great art works for visitors and locals.

Western Sydney's Cultural Precinct

Parramatta's identity and distinctiveness, its culture, heritage, contemporary make-up, and its people are attributes that visitors recognise. Together with its central location, services and transport facilities, these characteristics provide a foundation to define and position Parramatta as a key visitor destination.

The NSW Government, in partnership with Parramatta City Council, should also consider the planning and funding of the transformation and activation of the Parramatta River Foreshore, new and upgraded theatre facilities as well as the promotion of Parramatta's cultural and heritage tourism offering. The Riverside Theatre provides three live performance venues and hosts over 700 performances a year, including theatre, dance, and opera. It is one of the venues for the Sydney Festival, conveniently located near the Parramatta River and Church Street dining precinct. This could also be considered as part of the Western Sydney Visitor Economy and Events Strategy being developed by the NSW Government.

The culture and heritage of Aboriginal people of Parramatta is also central to Parramatta's story and identity, both of which hold national significance. There lies ample opportunity in Parramatta to develop experiences for the community and visitors to learn about Aboriginal culture and the history of the city and region. It is recommended a strong Aboriginal and Indigenous focus should form part of the masterplan process to build Parramatta's cultural tourism offer.

TTF is also supportive of the Government's proposed relocation of the Museum of Applied Arts and Sciences (Powerhouse Museum) to Western Sydney, and the \$10 million over two years committed in last year's Budget for this initiative. TTF would like to see the Government continue to expedite this project as well as a timetable commitment for its delivery. The Powerhouse Museum's new location will be an anchor within a new activated arts, cultural and tourism precinct in Western Sydney.

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Improve the visitor transport experience

Access to Sydney Airport and Western Sydney Airport

Recommendations

- Maintain existing funding and timeline for completion of the WestConnex project
- Continue to advocate to the Federal Government to relax the operating restrictions imposed on Sydney Airport
- Remove the station access fee at Sydney Airport stations
- Continue to examine new bus routes from all relevant parts of greater Sydney to Sydney Airport
- Continue to examine new rail links to the Western Sydney Airport

WestConnex Project

TTF supports the construction of WestConnex to manage the growth of Sydney's international gateways – Port Botany and Sydney Airport – and to provide better access to the city for western Sydney residents and businesses. Completion of the M4 East extension and M5 East upgrade to form a ring around the airport and port precinct will stem the decline in landside accessibility and improve the productivity of the precinct.

It is critical for the NSW Government to ensure the WestConnex project is delivered on time by maintaining existing funding and works program over the forward estimates. This will not only significantly improve the visitor experience but also provide industry with the certainty required to invest in the precinct.

Operating Restrictions at Sydney Airport

Outdated regulatory restrictions on operations at Sydney Airport result in the inefficient use of one of Australia's major transport infrastructure assets and detract from the Airport's status as Australia's key international gateway.

Increasing the movement cap at Sydney Airport from 80 to 90 flights per hour would create additional aviation capacity and improve the airport's ability to return to normal operations following adverse weather events. This would boost inbound tourism to Australia, create jobs in the tourism industry and significantly reduce disruption to airlines and passengers on both domestic and international routes.

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Similarly, aligning the Sydney Airport Curfew Regulations 1995 with the Sydney Airport Curfew Act 1995 would allow additional international flights to operate during the curfew shoulder periods, again boosting inbound tourism and creating jobs.

TTF encourages the NSW Government to continue to advocate to the Federal Government to relax the outdated and artificial operating constraints on Sydney Airport.

Sydney Airport Accessibility

Sydney Airport is the primary gateway to Australia for international visitors – with around two-in-five international visitors arriving initially at Sydney Airport²⁷. Journeys between the Airport and the city centre are often a visitor's first and last experience of NSW and Australia. When promoting a destination, first impressions count. For international visitors landing in Sydney after a long flight, comfort and ease of use of transport services will shape their perception of the city as a destination. This is why many international airports around the world are serviced by state of the art transport infrastructure, whether it is public transport or road networks.

Sydney Airport is served by a frequent and relatively fast rail link that connects the two airport stations with the Sydney CBD and the rest of the NSW rail network. Despite high transport demand and relatively good service levels, rail mode share among those travelling to the Airport is low. Total public transport mode share is less than 20%²⁸. This is particularly low compared to other comparable international airports around the world such as London Heathrow, Paris CDG, Zurich, Copenhagen or Hong Kong (which all have a public transport mode share between 30 and 60%)²⁹.

This is primarily the result of the high cost of using the Airport Rail Link. Users of the international and domestic terminal stations must pay a fee of \$12.60 per adult in addition to the standard one-way, single fare of \$3.80, totalling \$16.40 for a one-way fare to or from the CBD. Per kilometre, this is one of the world's most expensive fares for a CBD-to-airport rail journey²². As a result, the vast majority of airport users still travel by car, contributing to rising road congestion around the Airport.

Removing the Station Access Fee to bring fares for the Airport Link in-line with the Sydney Train network is an important initiative for reducing road congestion as well as improving the visitor experience for Airport users. The NSW Government should fund the removal of the Station Access Fee for the two Airport stations to incentivise travellers to access the Airport via rail, thereby helping to alleviate congestion on the road network around the broader precinct.

²⁷ ABS (2016), *Overseas Arrivals and Departures, to December 2015*.

²⁸ *Unlocking the full potential of Sydney's airport rail link*, TTF, January 2013

²⁹ TTF, *Tourism on the Move: The need for an integrated NSW tourism and transport policy*, May 2015

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The contract between the NSW Government and Airport Link Company also affects public bus service levels. A compensation clause exists within the contract that forces the NSW Government to compensate the Airport Link Company if public services to the airport are increased³⁰. Due to this expense the NSW Government has been reluctant to significantly expand bus services. Accordingly, latent demand for additional bus services remains unmet and mode share has stagnated.

Sydney Airport's Master Plan includes the construction of a major new transport interchange at the Airport, which will provide the opportunity to establish new bus routes. A review of this compensation clause would make the most of the planned infrastructure at Sydney Airport and reduce congestion around the Airport precinct.

To improve modal shift and provide greater ground transport options for passengers, Sydney Airport plans to construct a bus interchange facility by 2018 as part of its five-year ground transport plan. To achieve the modal shift from private car to public transport among travellers to the Airport, additional bus routes will be needed. The NSW Government has a target of increasing the public transport options for the Airport's 29,000 workers and the 150,000 people travelling to the Airport every day.

TTF welcomes the news that two new bus routes will be added to the existing route 400. A link to Chatswood via the City links two important CBDs to the airport, while the new service to Miranda will help transport 34% of the Airport's workers who live in the St George-Sutherland Shire area. Additionally, TTF welcomes the increase in frequency for the route 400 service.

The Airport is proposing the construction of a new bus terminal and interchange at its site and TTF encourages the State Government to continue working with Sydney Airport Corporation Limited to ensure additional bus services reach all relevant parts of greater Sydney. Further to public transport options, it is also important the ground transport plan considers all modes of transport to the Airport, including taxis, hire cars, rental vehicles, coaches and private cars.

Western Sydney Airport Accessibility

TTF also commends State and Federal Government investments in the road network servicing the proposed Western Sydney Airport site, as well as the reservation of a rail corridor and station boxes in Stage 1 planning. To become a truly modern airport and facilitate connectivity with the Parramatta and Sydney CBDs, the Western Sydney Airport should be equipped with fast and reliable rail and road transport access. TTF encourages State and Federal Government to determine a funding model to deliver a rail link in a timely fashion without damaging the cost competitiveness of the Western Sydney Airport.

³⁰ *Economic Regulation of Airport Services Report*, Productivity Commission 2012

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In planning the transport accessibility to the Western Sydney Airport, Governments should consider the findings of the scoping study currently being undertaken into rail connectivity to the Airport and broader Greater Sydney region, including the potential for a very fast rail link.

The State and Federal Government have committed \$3.5 billion to a road package for Western Sydney to support the operations of the new Airport. TTF strongly believes that rail access to the Airport and the broader region is also important to the successful operation of the Western Sydney Airport and additional growth and investment in the region.

Connect transport with the visitor economy

Recommendations

- Develop a Tourism and Transport Strategy for NSW
- Increase frequency of weekend services to major visitor destination precincts
- Franchise Sydney's STA buses
- Maintain funding and timeframes for the construction of the Barangaroo Ferry Hub
- Complete the CBD and Parramatta light rail projects
- Extend the Eastern Suburbs rail line to Bondi Beach
- Improve the ferry and rivercat services between Parramatta and the CBD
- Invest in transport infrastructure

Tourism and Transport Strategy for NSW

The transport network plays a crucial role in the visitor economy. A public transport network that is legible, affordable and easy to use will contribute significantly to the overall experience of a visitor to Sydney and NSW. Conversely, a poor experience with public transport can negatively impact on a visitor's perception of the destination. The world's great public transport networks are well known because of their positive impact on visitors – the London Underground, the Paris Metro, and high-speed rail in countries like France and Japan are all selling points for their countries in their own right.

While transport authorities understandably focus on the needs of domestic commuters, the role of public transport in our cities and regions for visitors must also be a core part of their operations. In many jurisdictions, transport operators can do better and learn from world's-best practice.



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TTF therefore believes that State Governments should develop specific tourism and transport policies that outline mechanisms to improve the experience of visitors on public transport networks. Such policies should consider the customer experience through the lens of international or interstate visitors who may face language or “local knowledge” barriers and have no familiarity with a particular transport system. As NSW continues to look to attract visitors from the burgeoning Asian middle to upper class, the need to create a system which is legible and intuitive for both visitors and locals will increase in importance.

TTF is calling for the development of a tourism and transport policy that integrates the activities of relevant departments and tourism agencies. The announcement during the 2015 State election that the NSW Government, through Transport for NSW, will develop such a policy is an important step forward and is applauded by TTF.

Ensuring that the tourism and transport policy considers the impact of a range of overlapping decisions by various Government agencies, providing whole-of-Government oversight, is particularly important. This includes transport projects being undertaken by UrbanGrowth NSW, such as the Central to Eveleigh Urban Transformation, which will have a significant impact on the visitor economy.

In most Australian and international jurisdictions, the Central Station provides a modern all-weather transport interchange where visitors congregate to be picked up by day and overnight bus tour operators as well as express coaches. Sydney’s Central Station is not only the southern entry to the city, but is also in the heart of one of the city’s visitor accommodation precincts.

There is an opportunity for the creative redevelopment of Sydney’s Central Station to address the capacity, shelter and amenity needs of tour and transport operators, and their customers, improving the overall visitor experience. This is particularly important given the accessibility changes that will result from the construction and completion of the light rail. The NSW Government should look at examples of other transport interchanges, for example Spencer Street in Melbourne, Wellington Street in Perth and Roma Street in Brisbane, as well as consult with industry in considering Central Station’s redevelopment.

Late Night and Weekend Transport

Sydney’s public transport network is very much focused on weekday commuter needs. Weekend and late night public transport services do not provide a satisfactory level of service and are often unable to respond to demand for both workers and visitors. Similarly, the issue of service connection and interchanges between private and public transport options is exacerbated during off-peak times. With weekend patronage up 12% following the roll out of the Opal card, there is a strong case for improving weekend public transport services, particularly on high-demand services like Sydney Harbour Ferries.



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Service frequency significantly drops on weekends, bus lanes are replaced by parking lanes, and services often end earlier in the evening. Poor public transport patronage leads to road congestion on weekends, with some arterial roads experiencing their peak traffic volumes on Saturdays. Sydney's public transport services must reflect changes in transport demand. Services to key tourism and weekend event sites can be enhanced through higher frequency and priority measures. These weekend destinations include northern and eastern suburbs beaches, Moore Park and Sydney Olympic Park. Businesses would also likely remain open longer on week nights and weekends if there were safe public transport options for their staff to commute home.

The City of Sydney's OPEN Sydney strategic document includes a series of actions aiming to support the night-time economy and improving safety for those travelling after dark. TTF strongly supports these initiatives which acknowledge the importance of Sydney's night-time economy. A safe and dynamic night life with a wide range of entertainment and hospitality venues and events is integral to the promotion of a city as a visitor destination. Activating Sydney during the light rail construction is also vital to support businesses and promote Sydney as open, active and vibrant.

While new transport options are now available, good public transport and taxi access late at night is paramount for a safe and thriving night time economy. The City's own research found that crowds on George Street on Saturday night between midnight and 1am were the same as the evening peak at Martin Place. Late-night transport services currently do not match this demand. The University of Sydney found 58% of people surveyed were not satisfied with public transport in Sydney at night and wanted more bus and rail services³¹.

Connecting entertainment and cultural precincts to the main public transport hubs should be a priority. Increased bus frequencies and potentially extended hours of operation of rail services should be investigated on routes servicing entertainment and visitor precincts, such as the Rocks, Circular Quay, Kings Cross, and Darling Harbour. Better weekend and late night public transport services would better promote Sydney as a visitor destination for both domestic and international visitors, and reflect Sydney's status as a global destination.

³¹ City of Sydney – *OPEN Sydney, Future directions for Sydney at night, strategy and Action Plan 2013-2030*.

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Bus Franchising

According to the TTF report, 'On the Buses'³², the franchising of Government-run bus services in Sydney, Brisbane, Canberra, Hobart and Newcastle could generate \$1 billion in savings over five years that could be used to further improve public transport services. The report assesses the financial and service benefits to government and commuters of competitive contracting of bus routes to experienced private operators.

The management of bus networks is an area of transport policy in which the private sector has proven that it can deliver quality services at better value for taxpayers' money – that is the benchmark by which we should be deciding on the best operator of our bus networks. Franchising is a great model for State and Territory Governments to embrace for their bus networks – it keeps the infrastructure including the buses and depots in public hands but contracts out the operation of these assets to experienced private operators for the period of the contract.

The experience in other Australian and international jurisdictions is that franchising delivers better results. Melbourne, Perth, Adelaide and Darwin have bus networks that are completely managed by private operators and not the Government. While Sydney is halfway there with a hybrid system of private and publicly operated buses, TTF's report makes the clear case that private operators should be given the chance to competitively bid for the four contracts being run by Sydney Buses. L.E.K. analysis indicates that there is the potential for up to half a billion dollars in savings over five years if Sydney Buses was run by a private operator.

Barangaroo Ferry Hub

Barangaroo is one of the largest urban renewal areas in Australia and is expected to accommodate 25,000 workers and 2,500 residents. In addition to this demand, the transport network will need to cater for an estimated 33,000 daily visitors to the area. The parkland, cultural venues, casino, hospitality and retail venues and architecture planned for the precinct will transform Barangaroo into a new major destination on the harbour foreshore.

With many visitor attractions around the harbour, ferry services are critical to visitors. TTF strongly supports the construction of the Barangaroo ferry hub and commends the Government for its commitment to starting construction. The ferry hub will also alleviate the pressure on Circular Quay, which is operating close to capacity.

³² Tourism & Transport Forum Australia and LEK Consulting, On the Buses: The Benefits of Private Sector Involvement in the Delivery of Bus Services, February 2016



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Importantly, the new wharves should not only support Government-run ferry services but also cater for private ferry operators who run both regular services and harbour cruises. Sydney Harbour is one of NSW's most valuable assets when it comes to visitors.

Private ferry operators remain one of the best ways to promote this asset and are essential to Sydney's tourism industry. Berth space allocation at the new Barangaroo ferry hub should reflect the important role of private ferry operators. The NSW Government should consult with the industry and secure the required berth space for them to expand their tourism offering.

Light Rail Projects

TTF also commends the NSW Government on progressing further planning for the Western Sydney Light Rail project with a \$19 million funding allocation in the 2015-16 Budget as part of its \$1 billion commitment for the project.

Industry also welcomed the NSW Government's announcement in December 2015 of a two-pronged route for the Western Sydney light rail network centred on the Parramatta CBD. Western Sydney needs more public transport options and if the Government is serious about growing Parramatta as a genuine CBD for the west, it must have the integrated transport network to match the Sydney CBD.

If we also want to promote Western Sydney as a tourist destination, our visitors must be able to get to key attractions quickly and efficiently – and importantly, enjoyably – to draw people out to experience the delights and offering of Sydney's greater west. For over 100 years, public transport has been designed to get people from the outer suburbs to the Sydney CBD for work and finally we are starting to see that concept being broken down and a new focus on building up Western Sydney as a genuine, independent economy by improving intra-city connectivity.

Light rail centred on the Parramatta CBD opens many options for urban renewal, such as throughout the Camelia precinct and improving the public transport connection to the sporting and tourism hub at Olympic Park. While Sydney Olympic Park is a fantastic site during major events when the dormant public transport network comes alive to transport people to the site from across the city but during the usual working day it's not the easiest site to access. Light rail will change that by providing a direct link between Parramatta, Sydney Olympic Park and Strathfield, which will significantly improve daily public access to the Park and surrounding precincts.

The construction of the light rail to Carlingford is an important first step towards linking Parramatta to the jobs powerhouse at Macquarie Park. However, it needs to be followed up quickly with the missing piece. There is a strong economic case for linking the two employment hubs at Parramatta and Macquarie Park together through light rail. TTF would like to see a concrete commitment from the NSW Government to deliver this missing piece to ensure this route reaches its full potential.

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Transport to Bondi Beach

Bondi Beach is one of Australia's most popular visitor destinations for both domestic and international travellers. Of all international visitors who travelled to Sydney, 42% visited Bondi. Bondi Beach is also a major events location including the iconic City2Surf race, Sculpture by the Sea and New Year's Eve celebrations. Each of these events brings tens of thousands of visitors to Bondi's coast.

However, the transport network is not coping with Bondi's popularity. Bus services between Bondi Beach and Bondi Junction are at capacity during peak hours and weekends, regularly unable to accommodate all passengers waiting at bus stops whether they are residents or visitors. Roads between Bondi Junction and Bondi Beach already experience daily traffic congestion on weekdays and weekends and existing bus services are caught in the midst.

Adding clearways to Bondi Road and Old South Head Road to speed up bus services is challenging due to undesirable impacts on traffic, parking and Bondi Road's shopping strip. More services alone would also be problematic with CBD streets having limited spare capacity for additional services from the Eastern Suburbs.

With limited opportunities to enhance bus services, TTF believes there is a strong case for extending the Eastern Suburbs rail line to Bondi Beach. The existing line provides a quick and reliable link between the CBD and Bondi Junction but is currently underutilised despite its high potential. Its peak hour services are among the few on Sydney's rail network with spare capacity. Removing the forced rail to bus interchange at Bondi Junction and increasing the catchment of the line to Bondi Beach would unlock the potential of the existing infrastructure, reduce travel times, and ease bus and traffic congestion in the CBD and Eastern Suburbs.

The extension of the Eastern Suburbs line to Bondi Beach would improve access to one of Sydney's most important tourism assets and enhance the visitor experience. Importantly, it would also improve the daily trip for commuters and encourage a shift from private vehicle to public transport in an area deeply affected by traffic congestion. TTF recommends the NSW Government investigate the extension of the Eastern Suburbs rail line.

Rivercat and Ferry Services between Parramatta and CBD

TTF commends the NSW Government for undertaking the \$50 million ferry fleet replacement program. The reduction in numbers of classes of ferry will significantly reduce maintenance and staff training costs. Many of the ferries are also in need of replacement to improve comfort and reliability for commuters. The industry welcomed the NSW Government's \$12 million allocation in last year's Budget for the acquisition of the new First Fleet style ferries, including \$2 million for four new Parramatta River ferry vessels.



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TTF supports the NSW Government's continued work in improving the reliability and frequency of ferry and rivercat services between Parramatta and the Sydney CBD, and encourages the Government to further investigate the replacement of the current fleet with more agile vessels.

Investment in Transport Infrastructure

In addition to new projects, the NSW Government should consider the status and performance of existing transport projects and the need to support their expansion. The Government should identify opportunities to support services that are experiencing significant congestion issues during peak periods to assist them in managing their current and future infrastructure needs. The NSW Government should work with industry to identify priority transport projects to support, such as the need for additional vehicles and required stabling as part of the Sydney Light Rail construction project.

Beyond Parramatta, NSW is home to some of the nation's most popular regional destinations including the Blue Mountains, Hunter Valley, Dubbo and the Australian Alps. In the year ending December 2015, regional NSW received 19.5 million domestic overnight visitors, or 69% of domestic overnight visitors in NSW, in addition to a further 635,000 international visitors or 16% of all international visitors to the State³³.

The natural environment is a key drawcard for NSW's regions and will play a key role in reaching the Tourism 2020 target of doubling overnight expenditure. The NSW Government should ensure this is not curtailed by constraints of visitor access to regional centres. The development of road and rail infrastructure, as well as regional aviation access, is fundamental to the dispersal of visitors throughout NSW. Improvement in the quality and regularity of regional transport links will increase the attractiveness of these destinations, increasing visitation and yield.

Improving highway infrastructure is also critical to encouraging dispersal by providing easier access to regional locations. Complementing road infrastructure, investment should also be made in upgrades to rail infrastructure and country trains, providing visitors with a cost-effective option to access NSW's regions. As the Government looks to upgrade road and rail infrastructure in NSW, consideration should be given to projects which will encourage visitor dispersal as this will deliver major benefits for the State's visitor economy and its regions.

³³ Destination NSW (2014) Travel to Regional NSW, Year ended September 2014

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Visitor accessibility

Recommendations

- Extend the Opal card to private ferry operators, develop a dedicated Opal card for visitors to Sydney and incorporate foreign languages in Opal card machines
- Offer the Opal Card free of charge to business events delegates to alleviate road congestion and facilitate increased visitation beyond the CBD and into the regions
- Include basic passenger information at major bus and light rail stops and on-board

Smartcard ticketing simplifies public transport by allowing people to make a journey without the complication of purchasing single tickets or understanding different fare structures. TTF commends the NSW Government for successfully rolling out the Opal card ticketing system to all transport modes. It is now time for the NSW Government to consider extending the benefits of the Opal card to the visitor market.

Domestic destinations such as Adelaide and Brisbane and overseas destinations such as Hong Kong, Singapore, Stockholm and London have smartcard ticketing options specifically designed for visitors, which also integrates information and sometimes access to visitor and cultural attractions.

While the Opal card is a significant improvement over the previous paper-based ticketing system, the NSW Government should now start looking at ways it can be further optimised for visitors.

Under the current system, visitors are required to purchase an Opal card and manually add value to the card. With little understanding of the fare structure or their transport needs for the duration of their stay in NSW, visitors find it difficult to estimate how much money to add to the card. Visitors need a product that is designed to be extremely simple to use and buy.

Streamlining processes to make it easier for visitors to use public transport will assist in improving the visitor experience and ease of their travel. NSW should, at a minimum, have a dedicated Opal card for visitors to encourage visitor use of public transport. A tourist Opal card should be sold at a price which allows unlimited travel on Sydney's public transport for set periods, for example one, three or five days. The tourist Opal card should be available for purchase at tourism information centres, airports and in major hotels and hostels or at visitor attractions in addition to convenience stores and train stations. Plans for a more sophisticated system of integrated ticketing should be pursued, allowing visitors to access both attractions and transport on the one card.



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The possibility to order the card online and get it delivered before visitors leave their home country should also be considered. At present, visitors landing at Sydney Airport have to purchase the Opal card from the domestic or international terminal train station. When landing in Sydney after a long flight, the process of finding out how to get an Opal card can deter travellers from using public transport to reach their final destination. The ability to order the Opal card from overseas would facilitate the planning of the visitor's stay in NSW.

Travel agents could also be able to provide their customers with an Opal card before their trip to Australia, eliminating one cumbersome task for the customer. This is already occurring in London and Brisbane, and would be particularly useful in fast growing Asian markets such as China where 48% of visitors to Australia use a travel agent to book their trip³⁴.

Unlike many cities around the world, existing ticket machines at train stations do not meet the needs of visitors with limited English language skills. With the roll out of the Opal card there is an opportunity to fix this gap in customer service. The new Opal top-up machines should include multilingual options. Transport for NSW should work with Destination NSW to identify which languages should be available on the top-up machines.

Extending Opal to Private Ferry Operators

Now that the Opal card has been rolled out to all public transport modes, the NSW Government should consider expanding its coverage to include private ferry operators contracted by the NSW Government to deliver regular services. Visitors typically do not differentiate whether mass transport services are operated by the public or private sectors, and therefore giving the Opal card the broadest possible coverage will act to enhance the visitor experience and therefore its value for consumers. It is important existing contractual obligations and limitations are taken into account during implementation in order to encourage a fair and competitive environment for all operators.

Exploring Opal Card Capability

The industry also encourages a commitment from the NSW Government to explore how the Opal card technology can be used either by the Government or private operators such as tourism attractions, hotels, natural attractions and cultural institutions, to enhance the offering of an Opal visitor product. TTF is of the understanding that the Opal technology has broad capabilities. TTF is therefore supportive of the NSW Government exploring these broader capabilities, in consultation with industry, for the benefit of streamlining the visitor experience in Sydney.

³⁴ TNS Omni data as featured in the PwC report: *Distribution in Australia's international markets: Situational Analysis*, March 2013.



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As an example of this broader capability, specific Opal cards for major events such as conventions and exhibitions should be developed. Sydney is competing with other national and international cities to host major events and business events. Major business events are important to the visitor economy. According to the Business Events Council of Australia, international conference delegates can spend up to almost six times more (on an expenditure per day basis) than the leisure visitor (\$554 per day versus \$94 per day). Business events also foster business investment and the exchange of new information and ideas, as well as profiling Australian know-how to the world. Business events contributed more than \$28 billion to the Australian economy in 2014³⁵. This is expected to increase by a further 10% to \$31 billion by 2020. ICC Sydney alone is anticipated to generate an estimated \$5 billion in economic benefit for NSW over 25 years or a minimum of \$200 million per year.

The availability of a transport smartcard for delegates and attendees for the duration of an event would significantly improve Sydney's offering in what is a very competitive market. Such temporary, event-specific cards are under consideration in Queensland where a dedicated G20 GoCard was distributed to attendees and media delegates to facilitate their stay in Brisbane and promote the event.

The convenience proffered by a delegate Opal Card, while enhancing the overall Sydney experience for delegates, would make public transport convenient, maximise its use, promote the system and allow delegates more time to boost economic impact during their visit.

Passenger Information

Digital information has already taken over physical timetables and public transport maps among commuters and local residents. The trend is likely to extend to visitors particularly as free Wi-Fi coverage expands. With this in mind, official transport information websites such as the trip planner website should be available in several languages.

The information contained within the Opal card website is already translated into ten foreign languages through customer guides available for download on the website. However, visitors needing translation assistance on the trip planner website are still expected to call translating and interpreting services. This barrier must be overcome with multilingual options on the website.

Similarly, when sharing real-time information with smartphone app developers, Transport for NSW should encourage the use of foreign languages most used by visitors. Transport for NSW should also work with local visitor attractions and hotels to include the trip planner tool on their websites.

³⁵ Ernst & Young (2015), *The Value of Business Events to Australia*



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While translating web and app content from English to foreign languages is a good first step, it should be noted that visitors may not need the same information that is available on the standard resident-based transport apps.

Smartphone apps are great opportunities to promote tourist destinations, give access to simplified network maps and explain fare options and potential discounts. A 'visitor transport app' could also include information about transport services operated by the private sector such as tourist shuttles, private ferry routes, airport shuttles or taxi rank locations. Destination NSW has developed a Sydney app, which is available in English and Mandarin. There is an opportunity to augment this by a multilingual transport app targeting visitors.

However, while most residents and commuters access transport services information such as routes and times of departure via smartphone apps and websites, many visitors still rely on maps and paper brochures. This is partly due to the high cost of roaming data for visitors. Until free Wi-Fi services are more broadly available, physical communication tools will be required.

Provision of Free Wi-Fi

Ideally, when travelling to a first world country, visitors expect to find internet access. On their arrival, travellers need to locate their hotel, or they might want to check their email or be active on social media. When travelling between visitor attractions, internet access helps in finding transport information and encourages visitors to upload pictures or comments about their vacations on social media, which is an efficient way to promote the city internationally at no cost. However, using 3G or 4G with a foreign phone service is usually very expensive and deters most travellers from using the internet. Providing free Wi-Fi on public transport and at key transport and visitor hubs, would greatly improve the visitor experience.

Currently only Sydney Ferries and the platforms of Circular Quay and Central Station offer free Wi-Fi to public transport passengers. Other State Governments, for example Gold Coast rail services, are actively considering the provision of free Wi-Fi. The NSW Government should also actively investigate the roll out of free Wi-Fi services. This is especially relevant on the Airport line, but should also be rolled out to other public transport services with a high proportion of visitors, such as regional train services.

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Rental car regulation harmonisation

Recommendations

- Engage the Federal Government to harmonise State and Territory taxes and regulation for the rental vehicle sector

The rental vehicle industry abides by eight different State and Territory regulatory and tax regimes – with only Tasmania recognising rental vehicles within their own regulatory framework. Regulatory guidance and legislative instruments have been created without a clear national policy objective and lack the simplicity and flexibility required for a healthy operating environment.

For operators, this has stymied industry growth, hindered innovation, reduced workforce efficiency, made it difficult to determine the compliance task, created a significant administrative burden, and led to cost inefficiencies. For regulatory agencies, it has fashioned a significant knowledge gap, limited national data on the size, value and economic contribution of the industry, and created cost inefficiencies.

TTF calls for regulation and tax reform to ensure the industry has a framework that allows it to invest in the innovation required to drive the sector forward.