

2015-16 Australian Capital Territory Budget Analysis

June 2015

BACKING OUR STRENGTHS – TTF'S ACT POLICY AGENDA

Tourism is a key driver of the ACT economy, contributing around \$1.6 billion in Gross State Product and supporting an estimated 14,700 jobs.

In its tourism and transport pre-budget submission, TTF recommended that the Barr Government:

Growing demand for travel

- Increase funding for Visit Canberra
- Increase funding for Territory Venues and Events
- Continue the Special Event Fund initiative
- Leverage value of the international business event markets
- Continue funding the ACT's international marketing campaign to support new direct international flights into Canberra

Boosting visitor economy investment

- Allocate resources to progress planning of the City to the Lake development
- Maximise existing facilities to ensure ACT's reputation as a major sporting and business event destination

Improve public transport services

- Consider options for franchising ACTION buses
- Build stage 1 of Capital Metro in partnership with the private sector
- Continue planning for further light rail network extensions
- Engage the federal government to harmonise taxes/regulation for the rental vehicle sector.

BUDGET HIGHLIGHTS

The Barr Government has shown its commitment to the visitor economy in this year's budget by providing an additional includes \$1.6 million for VisitCanberra over two years to continue support for cooperative marketing campaigns and build destination marketing partnerships, bringing the total to \$14.1 million. There is also additional funding for aviation attraction and trade and investment activities.

Infrastructure investment has also been a big focus of the Barr Government with, among other initiatives, an additional \$4.66 million for planning and management of the ACT's natural assets.

The ACT Government is delivering \$198.92 million into public and active transport for Canberra. Combined with the \$375 million capital contribution to the Capital Metro project after construction is complete and light rail has commenced, this is one of the biggest investments ever made in the ACT's public transport network.

KEY BUDGET FACTS AT A GLANCE

	2013-14 Actual	2014-15 Estimate	2015-16 Forecast	2016-17 Projections	2017-18 Projections	2018-19 Projections
Surplus (deficit) (\$ million)	-	(597)	(408)	(116)	(51)	50
Real Gross State Product (%)	0.7	1.25	1.5	-	-	-
Employment (%)	-0.2	-0.25	0.75	-	-	-
Net debt (\$ million)	-	1.347	2.426	2.849	3.130	2.867

VISITOR ECONOMY AND TRANSPORT BUDGET MEASURES

BUDGET MEASURE	ANALYSIS
GROWING DEMAND FOR TRAVEL	
Tourism marketing	<i>\$14.1 million in 2015-16</i> Funding for VisitCanberra includes \$1.6 million over two years to continue support for cooperative marketing campaigns and build destination marketing partnerships.
Venues funding	<i>\$2.39 million in 2015-16</i> This represents a \$600,000 reduction in funding for the promotion and management of major events at venues including GIO Stadium, Exhibition Park in Canberra, Manuka Oval, Stromlo Forest Park and the Canberra Business Event Centre.
Events funding	<i>\$6.88 million in 2015-16</i> This is a \$1.26 million decrease for Events ACT, which manages and delivers major events such as Floriade, Floriade NightFest, the Enlighten Festival, New Year's Eve, Australia Day, Canberra Festival and the Canberra Nara Candle Festival.
Special Event Fund	<i>\$2 million over two years</i>
Aviation attraction	<i>Additional \$1.6 million over two years</i> This extra funding will go towards attracting international flights to Canberra Airport, as part of the Cooperative Airline Stimulus Fund, which supports international and domestic marketing to attract tourists.
Innovation, Trade and Investment	<i>\$16.02 million in 2015-16</i>

	Increase of \$4.9 million from last year's budget allocation, which will go towards a range of activities including delivery of the Skilled and Business Migration Program and programs, initiatives and business policy advice that promote the economic development of the broader capital region.
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BOOSTING INVESTMENT IN VISITOR INFRASTRUCTURE

Business Events Infrastructure	<i>\$5.3 million over two years</i> Funding will go towards the refurbishment of the National Convention Centre. There is also a provision of \$8 million to bring the Australia Forum project to procurement status.
Sports infrastructure	<i>\$200,000 in 2015-16</i> Funding will go towards feasibility and investigation of works for the development of a new Canberra Stadium.
Cultural tourism	<i>\$8.38 million in 2015-16</i> Funding for Cultural Facilities Corporation has decreased slightly on last year's budget. The Corporation manages a number of the ACT's major cultural assets, comprising the Canberra Theatre Centre, the Canberra Museum and Gallery and the ACT Historic Places.
Nature-based tourism	<i>\$78.85 million in 2015-16</i> This is a \$4.66 million funding boost for planning and management of the ACT's parks, reserves, open space system and plantations, including associated community infrastructure.

INVESTING IN TRANSPORT

Urban Renewal projects	<i>\$16.62 million in 2015-16</i> This includes: <ul style="list-style-type: none"> • Investment in the first stage of light rail, with funding for the detailed design, procurement and contract management of the construction of Capital Metro. • \$10.1 million in funding to construct a waterfront precinct in West Basin - a central component of the City to the Lake project. Construction of the first stage of the waterfront is scheduled to commence in late 2015.
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Roads and Sustainable Transport	<p><i>\$198.92 million in 2015-16</i></p> <p>This represents close to an additional \$2 million for the management of the ACT's road and associated assets, including the provision of ACTION bus services.</p>
Transport for Canberra	<p><i>\$17.2 million in 2015-16</i></p> <p>This funding will go towards supporting operational capacity.</p>
Nightrider services continuation	<p><i>\$264,000 over two years starting 2015-16</i></p>
Transport reform	<p><i>\$2.3 million in 2015-16</i></p> <p>This funding will be put towards transport reform initiatives, including:</p> <ul style="list-style-type: none"> • Ensuring the integration of bus and rail • Establishing a collaborative framework across Australian cities on active travel • A whole-of-government peak oil strategy • Targeted road corridor efficiency trial
Constitution Avenue Upgrade	<p><i>\$8 million in 2015-16</i></p> <p>This is a reallocation from the \$10 million committed and unspent in 2014-15.</p>