

2016-17 Western Australian Budget

Thursday, 12 May 2016

TTF'S WESTERN AUSTRALIAN BUDGET AGENDA

In the lead up to the Western Australian Budget, TTF released a comprehensive [submission](#) outlining key budgetary and policy recommendations related to tourism, transport and aviation.

KEY RECOMMENDATIONS:

1. Grow Demand for Travel

- Establish a new baseline of funding for Tourism Western Australia and reverse the agency's projected budget decline
- Maintain recurrent funding in real terms for Events and restore funding to Tourism WA to attract business events

2. Increase the connectivity and liveability of cities and regions

- Work with the Federal Government and private sector to fully fund MAX light rail
- Invest in ongoing activation and place-making for the Elizabeth Quay precinct

3. Improve the visitor experience

- Support reforms to allow private sector operators to deliver the Tourist Refund Scheme

BUDGET HIGHLIGHTS

The Government has committed to increasing funding for destination marketing and major events and has allocated additional funds for the Perth Convention Bureau so that it can continue to attract business events in a highly competitive Asia-Pacific market. TTF has advocated for the Government to increase funding for destination marketing and the attraction of major and business events as key pillars of growing demand for travel to WA.

Major transport projects such as the Forrestfield-Airport link are moving ahead in addition to planning for the MAX Light Rail to recommence in 2016-17.

The Government has also committed to investing \$1.8 billion in roads and public transport in 2016-17, with a further \$5.9 billion to be invested in transport infrastructure over the remainder of the forward estimates period.

KEY BUDGET FACTS AT A GLANCE

	2014-15 Actual	2015-16 Budget	2016-17 Budget	2017-18 Forecast	2018-19 Forecast	2019-20 Forecast
Surplus (deficit) (\$ billion)	(431)	(2,037)	(3,914)	(1,893)	(197)	1,086
Real Gross State Product (%)	3.5	1.0	1.25	2.5	2.5	3.0
Unemployment (%)	5.4	6.25	6.75	6.5	6.25	5.75

VISITOR ECONOMY AND TRANSPORT BUDGET MEASURES

BUDGET MEASURE	ANALYSIS
GROWING DEMAND FOR TRAVEL	
Tourism Marketing	<p>\$93.2 million in 2016-17</p> <p>While this represents an increase of \$4.2 million in 2016-17, funding for destination marketing by Tourism WA is forecast to decline over the forward estimates and reach below 2014-15 levels by 2018-19.</p> <p>Government will provide an additional \$16.9 million over four years (2016-17 to 2019-20) for Destination Marketing purposes.</p>
Events	<p>\$136.43 million over four years</p> <p>Additional funding of \$19 million has been provided to Tourism WA over three years (2016-17 to 2018-19) for securing major events for the new Perth Stadium.</p> <p>Targets for the direct economic impact of major events sponsorship has increased in 2016-17 from 2015-16 levels, from \$35.1 million to \$55 million.</p>
Tourism Investment and Infrastructure	<p>\$41.7 million over four years</p> <p>Tourism investment and infrastructure allocation is forecast to decline over the forward estimates, dropping to \$5.9 million in 2019-20 from \$15.9 million in 2016-17.</p>
Perth Convention Bureau	<p>Additional funding of \$10.7 million over four years</p> <p>Tourism WA has received additional funding since the 2015-16 Budget for the Perth Convention Bureau, a reinstatement of \$3.15 million and the addition of \$7.55 million over forward estimates.</p>
Cultural tourism	<p>\$61.9 million in 2016-17</p>

	<p>This represents a \$2 million decrease in funding from the Culture and the Arts portfolio 2015-16.</p> <p>The Western Australian Museum (WAM) will close in June 2016 with the New Perth Museum scheduled to open in 2020. This has been earmarked as a gateway to Western Australia for national and international audiences.</p>
<i>Nature-based tourism</i>	<p><i>\$299.1 million in 2016-17</i></p> <p>This represents a \$5 million increase in funding for the Department of Parks and Wildlife in 2016-17.</p> <p>A new Kalbarri Skywalk and National Park Tourist Infrastructure project will commence with a \$20 million total project budget providing new sealed roads to the Loop and Z Bend tourist sites and two new lookout structures overlooking the Murchison River gorge in Kalbarri National Park.</p>

INCREASING THE CONNECTIVITY AND LIVEABILITY OF CITIES AND REGIONS

<i>MAX Light Rail</i>	<p><i>\$427 million over three years</i></p> <p>Starting in 2017-18, \$427 million has been allocated for the \$1.9 billion MAX Light Rail project. Planning work is scheduled to recommence in 2016-17, after the project was deferred for completion in 2022.</p> <p>MAX is Perth's proposed 22 kilometre light rail network that will run from Mirrabooka in the north to the CBD, before splitting into two branches to Victoria Park Transfer Station in the east and to QEII Medical Centre in the west. The proposed route, which links major education, retail and leisure centres is one of Perth's busiest public transport corridors but currently has no mass-capacity transport options.</p>
<i>Forrestfield-Airport Link</i>	<p><i>\$2 billion over four years</i></p> <p>\$104 million will be spent in 2016-17 on finalising project planning and procurement activities and land acquisitions as well as the commencement of civil works and tunnel boring. \$490 million has been provided by the Commonwealth Government to help fund the project.</p> <p>This project will open a new rail corridor to Perth's eastern suburbs and connect the city to Perth Airport by rail. The project is expected to be completed in 2020.</p>
<i>Ellenbrook Bus Rapid Transit</i>	<p><i>\$49 million over two years</i></p>

	<p>A total of \$49 million will be invested in 2016-17 and 2017-18 to construct a 9 kilometre dedicated bus route from Ellenbrook to Marshall Road near Reid Highway, with the aim of reducing congestion on Lord Street.</p>
Dual carriageway on Armadale Road	<p>\$145 million over four years</p> <p>\$145 million will be invested over four years to construct a 7 kilometre dual carriageway on Armadale Road between Anstey and Tapper Roads.</p>
Urban Rail Resilience Package	<p>\$24.1 million over four years</p> <p>\$24.1 million will be invested to improve the safety and reliability of the urban passenger network. This investment represents the completion of Stage 1 (\$31.1 million in total) and the commencement of Stage 2 (\$18.7 million) of the rail resilience package.</p>
Perth Freight Link	<p>\$1.5 billion over four years</p> <p>This project will provide a dedicated east-west connection, and will deliver a strategic freight link in the Perth Urban Transport Corridor. It is estimated this project will have 2,400 direct employed workers while creating an estimated 10,000 additional employment opportunities indirectly.</p> <p>The \$326 million Perth Freight Link tunnel construction has also been confirmed, with \$260.8 million of Commonwealth Government funding.</p>
Sports infrastructure	<p>Projects include:</p> <ul style="list-style-type: none"> • \$4.3 million has been allocated to finalise the redevelopment of HBF Arena in Joondalup, bringing total investment at the facility to \$20 million. • \$156.6 million is estimated to be expended in 2016-17 on the \$336.2 million transport package to service the Perth Stadium. Works are completed on the construction of the Victoria Park Drive bridge and contracts have been awarded and construction is underway for the Swan River Pedestrian bridge and associated infrastructure.