

2018-19  
NSW  
PRE-BUDGET  
SUBMISSION

# FUTURE ECONOMY FUTURE JOBS



# Future Economy | Future Jobs

## Executive Summary

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The 2018-19 NSW State Budget presents an opportunity for the NSW Government to future-proof the tourism and transport sectors. Targeted investment in tourism and transport infrastructure will ensure that NSW remains a great place to live and to visit. The Tourism & Transport Forum Australia (TTF) encourages the NSW Government to consider the following tourism and transport priorities as part of the 2018-19 State Budget:

### **1. Maintain funding for Destination NSW**

Tourism is crucial to NSW, generating \$38.1 billion in spend as well as accounting for 3% of the NSW economy and supporting employment for more than 261,000 people across the state.<sup>1</sup> Destination NSW plays a critical role in generating visitation to NSW through tourism marketing and major events.

TTF acknowledges the significant \$193 million in funding Destination NSW received in 2017/18. But NSW cannot be complacent and this must be maintained, in real terms, over the forward estimates. Competition between States continues to increase, with other jurisdictions also lifting their tourism body funding. Any reduction in funding for Destination NSW will put the State's current strong position at risk.

The refurbishment of the ICC and its successful opening must be supported by continued financial investment for attracting world-class conferences. Specialised tourism sub-sectors, such as nature-based tourism experiences and cultural and heritage institutions, also need continued support to attract the higher-than-average spending tourists who enjoy these types of attractions. Successful dispersion of the tourism dollar also depends on continued investment in the promotion of regional tourism opportunities.

### **2. Invest in tourism infrastructure**

Destination marketing needs to be supported by continued investment in nature-based and cultural/heritage infrastructure. According to NSW National Parks and Wildlife Service (NPWS) research in 2016, park visitation was estimated at a total of 51.77 million visits, accrued from 42.49 million adult and 9.28 million child visits. This was an increase of 31.3% on 2014 results.

NSW's destination brand is greatly enhanced by its natural beauty and incredible destinations such as the Blue Mountains, Byron Bay, the Hunter Valley, Jervis Bay and Lightning Ridge. TTF research shows that nature-based visitors stay longer and spend more. International visitors spend around 15 per cent more and stay 20 per cent longer, while domestic visitors tend to spend around 40 per cent more and

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<sup>1</sup> Tourism Research Australia (2017) *State Tourism Satellite Accounts, 2015/16*



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also stay 40 per cent longer. On this basis, it is important that the NSW Government maintains funding for NSW Parks & Wildlife Services to support visitor infrastructure and to promote new visitor experiences. This includes working with the private sector to develop more accommodation options around parks, TTF also recommends that the NSW Government work with the private sector to develop visitor facilities and accommodation in and around national parks to grow domestic and international visitation.

Cultural events and exhibitions are critical demand drivers for the NSW visitor economy. One of the defining characteristics of a modern city is that it places a strong value on arts, culture and heritage. The NSW Government is to be commended for its announcement last year that it will provide \$244 million to complete the Art Gallery of NSW Sydney Modern project. This investment, along with the Sydney Theatre Company's \$60 million Wharf Renewal Project and the incredible growth of cultural festivities such as Vivid will help to increase the 12 million cultural and heritage visitors NSW welcomes each year. To support the continued growth of cultural and heritage tourism, TTF recommends that the NSW Government to maintain funding for key cultural tourism infrastructure projects and precincts including the Sydney Living Museums. Additionally, TTF urges the NSW Government to allocate funding to plan and deliver a new world-class museum for Parramatta.

### **3. Support NSW cruise shipping**

Sydney remains one of the world's most popular cruising destinations, but port congestion during peak seasons is impacting on future growth of the sector. TTF urges the NSW Government to work with the Australian Government to provide long-term access for large cruise ships to Garden Island and allow for the ability to process passengers through Customs at Garden Island. TTF also encourages the continued development of the NSW Cruise Development Plan which will provide long term certainty around planning and investment for the cruise industry.

### **4. Invest in critical transport infrastructure projects**

Targeted investment in road and public transport infrastructure projects is critical to ensure NSW can meet the challenge of future population growth, particularly in Western Sydney. The NSW Government is to be commended for its track-record in delivering long-overdue transport projects and for the substantial investment in additional bus, ferry and train services.

But continued investment is critical. Infrastructure Australia estimates that without greater investment in integrated and higher capacity transport infrastructure the cost of congestion in Greater Sydney will increase from \$5.5 billion in 2011 to \$14.7 billion by 2031.

TTF recommends the following projects are given high priority and immediately funded:



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**Western Sydney Airport Rail Link** - Western Sydney Airport will turbo-charge economic growth in the region and provide an additional gateway for tourists. While there are benefits to the proposed North-South link, TTF strongly urges the NSW Government to consider an East-West Link from the airport to Greater Parramatta through to the Sydney CBD as the preferred rail network option, as it would establish a connection between Greater Sydney's 'three cities'.

**Parramatta Light Rail Stage 2** - The NSW Government should fast-track funding for Stage 2 of the project, linking Camellia to Strathfield via Sydney Olympic Park. This critical link, in conjunction with the proposed Sydney Metro West, will ensure Sydney Olympic Park is able to reach its full potential as the heart of Western Sydney and as a world-class entertainment and employment precinct.

**Sydney Metro West** - Sydney Metro West is listed by Infrastructure Australia as a *high priority initiative* and will provide greater connectivity between Parramatta and the Sydney CBD, effectively doubling the rail capacity of the Parramatta to Sydney corridor.

**Regional Rail Services** - Rail journeys from regional areas of NSW to Sydney are unviable for many commuters and visitors. Similarly, inter-city services between Wollongong and Sydney, Newcastle and Sydney and Canberra and Sydney can take longer than a private vehicle trip.

To support growth in our regions and to encourage regional dispersal within the tourism sector, it is critical that the NSW Government provides greater investment to improve regional rail infrastructure and services.

**Improve transport access to Sydney Airport** - Journeys between Sydney Airport and the CBD are often a visitor's first and last experience of Australia. It is critical that visitors and locals alike can access Sydney Airport in a timely manner. To complement recent additional rail services to the CBD, TTF recommends that the NSW Government also increase bus services to the airport to support areas currently without direct rail access.