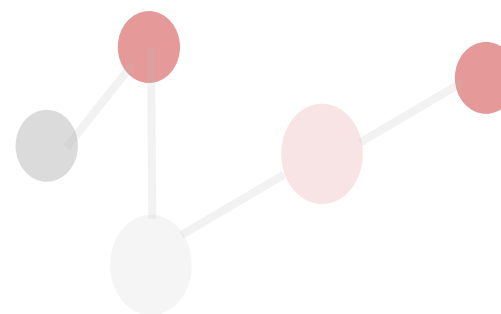


2019-20
NSW
BUDGET
SUBMISSION

FUTURE ECONOMY FUTURE JOBS



Future Economy | Future Jobs

Executive Summary

Tourism & Transport Forum Australia (TTF) is the peak industry association for the tourism, transport and aviation sectors, representing major corporates and organisations across NSW.

Tourism, transport and aviation are all sectors critical to the NSW economy and should be closely integrated when it comes to government and opposition policy development.

TTF welcomes the opportunity to highlight the key priorities for these sectors for consideration and inclusion within the 2019-20 NSW Budget.

Tourism employs 171,000 people across NSW, contributes \$17.3 billion in direct Gross State Product (GSP) to the NSW economy and generates \$40.5 billion of consumption spending across the State.

Further, there are 238,000 employed in transport related roles across the State, which has been investing significantly in its transport systems to keep pace with strong population and visitor growth.

TTF congratulates the NSW Government on its recent re-election, however policymakers must not rest on their laurels and must continue to work closely with the private sector to harness the latest technology and build and improve upon key infrastructure to make destinations easier to visit and move around in, for locals and visitors alike.

Targeted investments will ensure cities, towns and regions across NSW are able to meet the mobility challenges of the future which will allow them to further develop as tourist drawcards.

This first NSW Budget following the election in March is an opportunity to renew support for tourism, transport and aviation so that these job creating sectors are able to keep pushing the State's visitor economy forward.

Margy Osmond
Chief Executive
Tourism & Transport Forum

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Budget Recommendations

1. Sustained destination marketing funding

Destination marketing and major event acquisition agencies like *Destination NSW* play a fundamental role in a State's economy. They allow jurisdictions to unify their efforts and strengthen their competitive position to attract international, interstate and intra-state visitation and thus enable ongoing economy-wide benefits.

TTF research report *Supercharging Australia's Future* found that for every additional 1000 visitors to NSW, the tourism industry could be expected, on average, to generate 2.9 tourism related jobs, \$37,300 in tax contributions, \$336,100 in GSP contributions and \$421,500 in tourism consumption.

With these figures in mind and as competition between both international and interstate markets for the tourism dollar continues to increase, *Destination NSW* must be able to rely on sustainable, multiyear funding. The 2019/20 Budget must commit to **at least \$193 million in funding each year, for a minimum of four years** for *Destination NSW* which would enable increased destination marketing activities, both internationally and nationally. This would allow for further broadening of appeal across inbound new inbound markets and would enable increased funding for events to regional NSW in addition to attracting large business conferences and significant cultural and sporting events to NSW.

2. Increased support for business events and conferences

Destination NSW invests in Business Events Sydney's (BESydney's) work with government, industry and academia to attract the world's most significant international business events to NSW which generate tourism direct expenditure as well as trade, investment and talent attraction outcomes for the NSW Government and industry. With some 13,000 association meetings now circling the globe each year, and 2018 the best year on record for largescale incentive meetings out of Asia, it is important that the State continues to invest to ensure Sydney remains competitive.

The NSW Government has made significant and successful investments in event related infrastructure in the State, particularly with respect to Sydney's International Convention Centre which opened in 2016. The Government must now ensure that the State has adequate additional business event venues.

TTF encourages strategic NSW Government investment in the plans of the Royal Agricultural Society of NSW (RAS) to expand its current event centre at Sydney Olympic Park in Western Sydney by provision of a new convention facility. Leveraging off the existing world class exhibition facilities at the State-owned venue will enable NSW to deliver this much needed facility for approximately one third of the cost of a fully functioning new convention & exhibition centre and will double the large-scale business event capacity of NSW. Based on forecasts provided by the RAS this investment could increase economic impact to the State by some \$350 million per annum once fully operational and also enable increased annual investment into State Agriculture by the RAS.

TTF also supports the NSW Government's proposal for a globally competitive innovation and technology hub to be developed in the Central to Eveleigh corridor of inner Sydney and to be known as the *Sydney Innovation and Technology Precinct*. In addition to attracting bright new talent to Sydney, the project will boost the visitor economy in this emerging area of Sydney.

3. Regional visitor infrastructure and nature-based tourism funding

Approximately 43 cents of every tourist dollar goes to regional NSW and there has been significant growth in regional and nature-based tourism. If regional NSW is to fully realise the benefits of tourism, including nature-based tourism, policymakers must continue to support the ambitious agenda set out in the Visitor Economy Industry Action Plan 2030 and engage closely with industry via the new 'Team NSW Tourism Taskforce' working group.

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Further, on an increasingly 'connected' world, and with soaring global use of smart phones and tablet devices, many travellers do expect to have internet access while they are exploring. Parts of NSW do not currently provide the level of access that travellers receive in other competing destinations.

Policymakers must also commit additional funding to deliver and improve upon free high-speed WiFi in iconic cities and tourist destinations across NSW as well as additional funding allocated to the general management of national parks which are a critical part of the NSW tourism mix.

4. Continued support for aviation sector in NSW

The Sydney Gateway transport project at Sydney Airport will be an enormous winner for NSW and will positively impact the visitor experience in and out of Sydney. The project will reduce congestion and reshape the way visitors, locals and commuters use transport networks in and around the Sydney Airport precinct, reducing congestion.

Now that the consultation on the preliminary design has been finalised, TTF encourages the NSW Government to keep working closely with industry and stakeholders as the planning, design and delivery process continues in order to successfully complete this important project.

Newcastle Airport is the major gateway to the Hunter and North Coast region. Significant investments are required to upgrade the runway and associated terminal to enable accommodation of long-range aircraft which would attract international airfreight and associated industrial expansion, together with increased tourism passenger traffic. Independent economic analysis demonstrates that an investment of \$150 million would deliver 4,410 jobs and contribute \$12.7 billion to the regional economy.

TTF encourages the NSW Government to work with the Federal Government to coordinate a joint funding model for Newcastle Airport aligned with budgeted runway maintenance by the Department of Defence next year. RAAF Williamstown shares airport infrastructure with Newcastle Airport and their next scheduled runway maintenance would not be expected to take place for another 15-20 years. This is a once in a generation opportunity to leverage already budgeted Defence spending to secure the completion of this essential long-term upgrade.

5. Ongoing transport infrastructure funding and delivery

The guiding view across the industry is that if a destination is easy and attractive to live in for locals then it is easy and attractive for visitors to travel to and move around in. There are a wide range of projects that TTF supports, including:

- **Western Sydney Airport North South Rail Link** – The NSW Government will invest more than \$2 billion over the next four years to build the North South Rail Line, which will run from St Marys to the new Western Sydney Airport.
- **Improved transport access to Sydney Airport** - It is critical that visitors and locals alike can access Sydney Airport easily and efficiently. Good ground transport access to the airport is critical to support its operational efficiency, and to ensure a good experience for visitors to Sydney. However, despite recent work to improve the roads and rail access to Sydney Airport, more needs to be done. A metro connection to Sydney Airport will be critical to support expected future passenger numbers, and to potentially connect directly with the new Western Sydney Airport. TTF also recommends that the NSW Government launch new bus services to the airport to support areas currently without direct rail access.
- **Parramatta Light Rail Stage 2** –The NSW Government should commit to the funding and delivery of this project by 2025 as it would improve the Central City as part of the Greater Sydney Commission's Metropolis of Three Cities plan.

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- **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. Both this project and the Light Rail Stage 2 have distinctly unique and complementary benefits and are crucial to connecting the communities and business precincts in this area with public transport – some for the very first time. TTF also welcomes on time and on budget completion of Sydney Metro Northwest and ongoing development of Sydney Metro City and Southwest.
- **NSW Regional Rail Services** - To support growth in the regions and to encourage regional dispersal within the tourism sector, it is critical that the NSW Government continues to provide ongoing investment to improve regional rail infrastructure and services.

Another priority is to ensure transport modes are integrated. An integrated transport service will be part of the solution in attracting private road users (usually car) to public transport. Transport integration ensures that regardless of the mode or type of transport – they operate as one seamless entity. Not only does this assist in time and convenience but full integration of modes facilitates intermodality (completion of a trip using two or more different modes) and multimodality (the use of different modes for different trips).

Locals and visitors to NSW, particularly into and out of Sydney are reliant on an efficient public transport network. That is why continued investment is also required in bus networks and first and last mile solutions to ensure people in metropolitan and regional NSW can better access to both existing and future train lines.

6. Future mobility readiness and data support

A recent joint TTF and L.E.K. Consulting future mobility research report 'Are We There Yet' found that NSW is progressing exceptionally well with respect to shared mobility readiness. TTF congratulates Transport for NSW for leading from the front with respect to many of these initiatives. As NSW continues to attract a growing population as well as being a key tourism destination, the need for data that informs planning has never been more important and one area for further progression is continued investment in the use and availability of data. TTF also recommends expansion of the successful contactless payment trial across the Opal network to occur as soon as possible.

Relevant, recent and accessible data is now considered a key component in optimising strategies that directly apply to the needs of local and visiting populations. Trends affecting transport, aviation and travel sectors include a drive towards smart city technology, more efficient movement around and between cities and near-time data analysis.

With greater access to data analytics, TTF members will be able to build service and product offerings that meet defined needs of users as well as generating cost efficiencies in prioritising projects and customer focus.

TTF therefore encourages further investment in data analytics and technology that services the long-term goals of transport and tourism operators.

7. Reform of Tourist Refund Scheme

TTF congratulates the NSW Government on its continued strong stance for reform of the Tourist Refund Scheme and calls on the Government to work with their federal counterparts to reform the Scheme.

This will allow competition by private refund operators that will drive tourist shopping and product development to international visitors and allow reimbursement whilst visitors are still in Australia, noting that 50% of claims are made through Sydney Airport.

TTF requests that the Government continue to encourage other state and territory colleagues to also support this reform through Council of Australian Governments (COAG) and Council on Federal Financial Relations (CFFR).

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