

2019-20
QUEENSLAND
BUDGET
SUBMISSION

FUTURE ECONOMY FUTURE JOBS



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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 Queensland.

Tourism, transport and aviation are all sectors critical to the Queensland economy and TTF welcomes the opportunity to highlight the key priorities for these sectors for consideration and inclusion within the 2019-20 Queensland Budget.

Tourism directly and indirectly employs around 217,000 Queenslanders, contributes \$12.8 billion in Gross State Product (GSP) to the Queensland economy and generates over \$30 billion of consumption spending across the State.

There are a further 130,000 Queenslanders employed in transport related roles and the State has been investing significantly in its transport systems to keep pace with population and visitor growth.

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

This Queensland Budget is an opportunity to renew support for tourism, transport and aviation so that these job creating sectors can 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 agencies like *Tourism and Events Queensland* 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 Queensland the tourism industry could be expected, on average, to generate 3.5 tourism related jobs, over \$39,000 in tax contributions, over \$368,000 in Gross State Product contributions and over \$469,000 in consumption spending.

With these figures in mind and as competition between both international and interstate markets for the tourism dollar continues to increase, *Tourism and Events Queensland* must be able to rely on increased multiyear funding.

While noting that the broader Queensland tourism industry received a generous \$180 million tourism package last year, the 2019/20 Queensland Budget should **extend the rolling \$100 million base funding guarantee for *Tourism and Events Queensland*** beyond the four-year period and **also increase both base and additional top up funding.**

An extension of the \$100 million base funding guarantee for a minimum of four years would enable *Tourism and Events Queensland* to plan and conduct increased national and international destination marketing activities over a longer period, thus increasing long term funding stability.

2. Business Events and Conferences

Business events and conferences are critical to Queensland's visitor economy. Continued targeted government funding that supports bids to secure high-yield business and major events is a sound investment decision that helps to grow local jobs and encourages domestic and international visitation and tourism opportunities.

According to the most recent data from Tourism Research Australia's International Visitor Survey, of the 2.8 million international visitors to Queensland over the year to the end of December 2018, 212,000 of these travellers came for business related purposes and spent over \$301 million in Queensland while they were there.

TTF encourages the Queensland Government to continue to invest in new and innovative new ways to grow the business events and conferences sector both in Brisbane and across regional Queensland.

3. Continuation of Attracting Aviation Investment Fund

TTF welcomes the additional \$10 million for the Attracting Aviation Investment Fund in last year's budget to grow aviation access from priority source markets that offer long-term potential for the Queensland as part of a wider \$180 million tourism package. This fund should continue to be funded beyond its current 2020/21 completion date.

This funding is working to further develop existing and establish new aviation services and builds on the work and momentum like the recently announced new flights direct from Seoul to Gold Coast Airport route which alone will boost the Queensland economy by more than \$176 million and create close to 2000 jobs over the next three years.

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Aviation Case Study: Cairns region

Cairns is the equal fourth largest international visitor market in Australia but lacks sufficient international airline capacity. Of the 900,000 visitors to Cairns each year, approximately three quarters arrive and depart on domestic flights, typically having to 'back track' via a southern capital. The lack of direct international flights results in there being a large under served demand of international travellers who have a desire to visit Cairns but don't due to inconvenient travel itineraries and the resulting cost of flying via intermediate ports.

There is significant international visitor growth to Cairns that would be unlocked by additional capacity, without reducing passengers on existing domestic and international flights. To unlock this growth, Cairns Airport is targeting four priority new routes, one each from the Middle East and South-East Asia to serve Europe, one from Shanghai and from North America. Together these would provide \$800 million per year additional economic benefit to the Tropical North Queensland economy, which are widely dispersed across the tourism sector. TTF urges the Queensland Government to work with the Federal Government to support the start up of these four key routes.

4. Regional visitor infrastructure and nature-based tourism funding

Outside regional aviation, if regional Queensland is to fully realise the benefits of tourism, including nature-based tourism, policymakers must support emerging destinations as well as successfully manage destinations that are already popular. There is a need, for example, for additional government infrastructure investment in the Northern part of the State.

Further, in 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 Queensland do not currently provide the level of access that travellers receive in other competing destinations. Policymakers must commit additional funding to deliver and improve upon free high-speed WiFi in Queensland's iconic cities and tourist destinations.

The Queensland Budget should also allocate dedicated funding to the development of a specific **nature-based tourism strategy** similar to the broader '*Advancing Tourism Strategy 2016-20 Growing Queensland Jobs.*'

5. Significant transport infrastructure funding

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. Improved airport groundside connectivity is critical to this visitor experience improvement.

The Budget should work with the new Federal Government to progress delivery of the **Cross-River Rail** after last year's \$733 million in state funding for the \$5.4 billion project, TTF has long supported the project as the number one Queensland transport priority on the basis that a second rail crossing of the Brisbane River will alleviate network pressure & address population growth & congestion.

The **Gold Coast Light Rail or G:Link** has transformed public transport for locals and tourists. The QLD Budget must progress funding to extend the light rail. Once Stage 3A to Burleigh Heads in is finalised and ready to build in conjunction with federal and local funding, a business case for Part 3B should be completed as soon as possible to the line with Gold Coast Airport.

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TTF encourages the Queensland Government to support Brisbane City Council to deliver the **Brisbane Metro** bus project. The first stage is underway and will provide a 21km service connecting 18 stations along dedicated busways between Eight Mile Plains and Roma Street, and Royal Brisbane and Women's Hospital and UQ.

TTF urges the Queensland Government to include initiatives to ensure transport modes are better integrated to attract more drivers to public transport. For example, there should also be increased frequency and regularity of **rail services between Brisbane Airport and the CBD**. Continued development of **Queensland's regional rail network** will also improve connectivity between major centres and regions and critical for the growth of tourism in regional Queensland.

A final 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).

TTF welcomes the Government's draft Queensland Transport Strategy released in April which builds on our New Mobility Readiness Scorecard report 'Are We There Yet' released in March and discusses how Queensland is embracing new and emerging technologies in transport sector, in comparison with other states, and with Singapore.

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