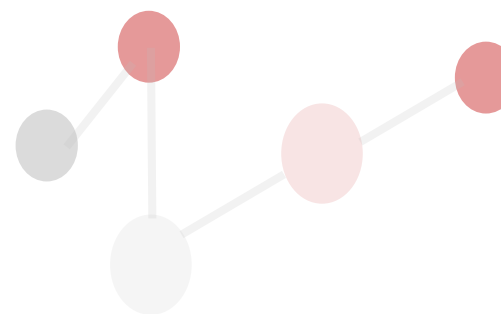


2019-20
SOUTH AUSTRALIAN
BUDGET
SUBMISSION

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 South Australia.

Tourism, transport and aviation are all sectors critical to the SA 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 SA Budget.

Tourism directly and indirectly employs around 57,000 South Australians, contributes \$3.1 billion in Gross State Product (GSP) to the South Australian economy and generates \$7.9 billion of consumption spending across the State.

There are a further 38,000 South Australians 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 South Australian 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 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 the *South Australian Tourism Commission (SATC)* 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 South Australia, the tourism industry could be expected, on average, to generate three tourism related jobs, over \$31,000 in tax contributions, over \$297,000 in Gross State Product contributions and over \$399,000 in consumption spending.

With these figures in mind and as competition between both international and interstate markets for the tourism dollar continues to increase, *SATC* must be able to rely on sustainable, multiyear funding. **The 2019/20 Budget must commit to at least \$400 million in funding over four years for SATC. This annual \$100 million in funding would enable increased destination marketing activities, both internationally and nationally.**

This would allow for further broadening of South Australia's appeal across inbound markets. It would also enable increased funding for events to regional South Australia in addition to attracting large business conferences and significant cultural and sporting events.

2. SA Aviation Attraction Fund

Policymakers should consider a standalone Aviation Attraction Fund to grow aviation access from priority source markets that offer long-term potential for South Australia.

This would build on the momentum of attracting airlines including Qatar Airways, Singapore Airlines, Air New Zealand and China Southern to Adelaide Airport. Direct access is a key driver of tourism growth. Additional efforts should be made to attract and retain direct additional international aviation routes into Adelaide from a range of airlines, with a focus on the North American West Coast.

3. Business events and conferences

Business and conferences are critical to the South Australian visitor economy. 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 452,000 international visitors to South Australia over the year to the end of December 2018, 49,000 of these travellers came for business related purposes and spent \$94 million while they were in South Australia.

TTF encourages the SA Government to continue to invest in new and innovative ways to grow the business events and conferences sector across South Australia including in regional parts of the State.

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3. Regional visitor infrastructure and nature-based tourism funding

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 South Australia 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 South Australia's iconic towns and tourist destinations.

4. 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.

TTF welcomes the South Australian Government's establishment of Infrastructure South Australia which is in the process of developing its 20-year State Infrastructure Strategy. TTF looks forward to its release in early 2020 and its three goals of reflecting a whole state perspective, to encompass a broad range of economic and social infrastructure funded and delivered by all levels of government and the private sector and to identify future infrastructure needs for industries, businesses and communities.

A priority for this Strategy and for South Australia generally 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).

Further, providing commuters with seamless public transport payment options is critical to ensuring greater use of public transport services. The Budget must provide support for increased use of contactless payments.

4. Future mobility readiness funding

TTF would also encourage further investment in the use and availability of data. Making data available is the first step to enable information to be extracted and analysis performed. Transport and tourism operators can use this information to innovate and design customer service offerings that meet the needs and patterns of users.

South Australia is on a pathway of increased accessibility to open data. TTF realises this needs to be undertaken with care and with a strategic vision of the end goal. TTF would therefore encourage further investment in data collection and accessibility capabilities to ensure South Australia keeps pace with advancements in data, analytics and technology in a responsible and meaningful manner.

TTF recommends that policymakers commit funding to the development of a unified transport technology strategy, which would bring much of this work together and provide further impetus for future transport technology development.

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