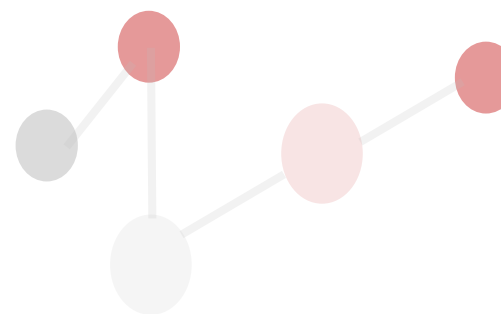


2020-21
ACT
BUDGET
SUBMISSION

SMART INVESTMENTS STRONG ECONOMY



Smart Investments | Strong Economy

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 the ACT.

Tourism, transport and aviation are all sectors critical to the ACT economy and TTF welcomes the opportunity to highlight the key priorities for these sectors for consideration within the 2020-21 ACT Budget.

Tourism directly and indirectly employs around 19,300 ACT residents, contributes \$1.2 billion in Gross State Product (GSP) to the ACT economy and generates \$3.1 billion of consumption spending across the ACT. The annual spending increase of 11.2% represented the largest increase across all Australian States and Territories.¹

There are 5,600² ACT residents employed in transport related roles and the Territory has been investing significantly in its transport systems in recent years, including the new Light Rail Network.

Despite the delivery of new transport projects and the growth in tourism spending, ACT policymakers can not be complacent. The ACT Government must continue to work closely with the private sector to harness the latest technology and improve key infrastructure to make destinations easier to visit and move around in, for both locals and visitors.

Targeted investments, especially around the provision of a new convention centre, will ensure the ACT is able to meet the visitor economy challenges of the future and to further develop as a tourist drawcard.

This is an opportunity to renew support for tourism, transport and aviation so that these job creating sectors can keep pushing the Territory's visitor economy forward.

Margy Osmond
Chief Executive
Tourism & Transport Forum

¹ TRA (2019) State Tourism Satellite Accounts 2017/18

² ABS (2019) 6291.0.55.003 - Labour Force, Australia, Detailed, Quarterly, Aug 2019
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Budget Recommendations

1. Sustained destination marketing

The ACT's destination marketing agency, *Visit Canberra*, plays an important role in attracting growing numbers of visitors to the Territory. Destination marketing agencies allow tourism operators can 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 the ACT, the tourism industry could be expected, on average, to generate 3.4 tourism related jobs, over \$68,000 in tax contributions, over \$388,000 in Gross State Product contributions and over \$540,000 in consumption spending.

With these figures in mind, and as competition between both international and interstate markets for the tourism dollar continues to increase, *Visit Canberra* must be able to rely on sustainable, multiyear funding. The 2020/21 Budget must avoid year to year funding arrangements and instead lock in funding for *Visit Canberra* for the next four years.

Based on the 2019/20 funding of \$12.9 million, TTF recommends the ACT Government **commits \$13.2 million in funding for 2020/21**, rising to \$14 million by 2023/24³. **This funding certainty of \$54 million over four years** would enable *Visit Canberra* to plan and conduct national and international destination marketing activities over a longer period.

A key plank of Canberra's tourism offering is the calendar of major events, such as Floriade, which both attract visitors and encourage locals to participate. Events ACT received \$12 million in 2019/20. As with destination marketing funding, TTF recommends funding certainty over a four-year period and that funding at least increases in line with the CPI each year. **This would equate to \$12.2 million for 2020/21 and \$50.2 million over the four-year period to 2023/24.**

2. Business Events and Conferences

Business events and conferences are an important component of the ACT's visitor economy. A successful business events strategy requires two components:

- A suitable Convention Centre in which to host business conferences.
- Targeted government funding that supports bids to secure high-yield business events

The National Convention Centre Canberra is 30 years old and is no longer meeting the city's growing role as a global business events host. In 2017 the ACT Legislative Assembly Standing Committee on Economic Development and Tourism conducted an inquiry into options for a new convention center in Canberra, based around broad-based support for the need for a new convention centre. One outcome of this inquiry was the Government's commitment to the reservation of land at City Hill but no firm funding commitment was made.

³ Rising by 2% per year, broadly in line with CPI
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In its latest infrastructure plan, the ACT Government indicated its desire for Federal Government support for the project to ensure that a National Convention Centre could be built, rather than a small, regional-based Canberra centre, which would be the outcome with ACT Government-only support. The current timeframe for the project is a "longer-term priority", to be considered sometime over or after the next five years.

If delivered over the longer term a new and suitable National Convention Centre would be a sound investment in local jobs based on increased domestic and international visitation. In the interim, TTF supports the expansion of the existing convention centre which would include the doubling of the main exhibition floor. The success of this would then enable a case study to be formed for a longer-term new and suitable National Convention Centre

To support an upgraded convention centre, the ACT Government would need to provide additional funding for the Canberra Convention Bureau, the only bureau across the country without a dedicated bid fund to support business event bids. This would enable the ACT to be more competitive with other jurisdictions.

3. ACT 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 the ACT.

This would be a combination of working to expand existing and establish new aviation services and would build on the work and momentum of attracting both Singapore and Qatar Airways flights to Canberra Airport.

4. Nature-based tourism

TTF acknowledges the work of the ACT Government around developing a *Nature-based Tourism Strategy*. We encourage the release of this Strategy, which began being developed in early 2018, as soon as possible and, most importantly, the implementation of its recommended actions.

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. Policymakers must commit additional funding to deliver and improve mobile connectivity, including WiFi, in some of the ACT's more out of the way tourist destinations, such as Namadgi National Park.

5. Additional Light Rail funding

The 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. In addition, providing commuters with seamless public transport options and light rail connecting to existing services is critical to ensuring greater use of public transport services which in turns attracts visitors and grows the visitor economy.

TTF congratulates the ACT Government on the successful completion of the first stage of the Transport Canberra Light Rail Network, connecting Gungahlin to the CBD. We acknowledge that Stage 2 planning, for the Woden line, is underway and encourage the ACT Government to provide additional funding in the 2020/21 Budget to ensure this project is completed by 2025. Stage 3 planning should also commence as soon as possible for an east-west axis connecting Belconnen to Canberra Airport by 2033.

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6. Improved interstate heavy rail funding

Further, TTF supports the continued cooperation between the ACT Government and NSW Government in delivering a Faster Rail journey time between Canberra and Sydney of three hours. This would make it more competitive with coaches and plane travel and strengthen the case for ACT train station connectivity to other ACT public transport modes like light rail.

7. Increased data and future mobility readiness

TTF would 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. TTF would therefore encourage further investment in data collection and accessibility capabilities to ensure the ACT keeps pace with advancements in data, analytics and technology in a responsible and meaningful manner.

TTF welcomes the work underway on the *Moving Canberra: Integrated Transport Strategy* and encourages the release of the final Strategy in early 2020. The development of a unified transport technology strategy will bring much of the ACT's recent future mobility work together and provide further impetus for future transport technology development.

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