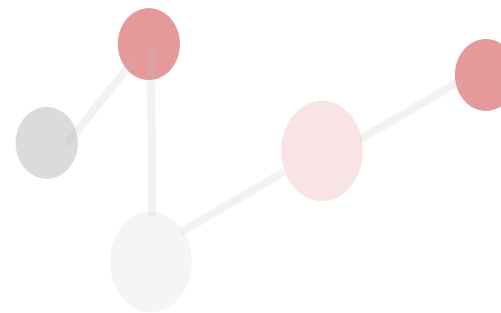


2020-21
NORTHERN
TERRITORY
BUDGET
SUBMISSION

SMART INVESTMENTS STRONG ECONOMY



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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 the Northern Territory.

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

Tourism employs over 17,000 Territorians, contributes \$1.2 billion in Gross State Product (GSP) to the NT economy and generates \$3.3 billion of consumption spending across the Territory. The transport and logistics sector employed 6,200 people in the NT as at August 2019.

The NT boasts everything from natural and cultural wonders like Kakadu National Park, Nitmiluk National Park and Uluru-Kata Tjuta National Park to the many entertainment options in laid-back Darwin like Mindil Beach Casino Resort, the waterfront precinct and the Mindil Beach markets. There is something in the NT for every type of visitor.

International visitation grew almost 4% in the year to June 2019 and is now almost at 300,000 people a year. Even stronger than the growth in visitor numbers, spending by international visitors increased over 9% to \$454 million, highlighting there are strong opportunities for the tourism and transport sectors in the NT. This was the largest rise in spending by international visitors of any state or territory. This success was also reflected in the interstate visitation and expenditure figures which bodes well for the NT.

However, policymakers must not rest on their laurels and must continue to work closely with the private sector to make destinations easier to visit and move around in, for locals and visitors alike, particularly when it comes to attracting more domestic visitors up north. TTF welcomes the Northern Territory's Tourism Industry Strategy 2030, released in September 2019, and looks forward to working with the Government to implement its recommendations and continue to grow tourism in the Territory.

TTF welcomes recent actions by the Northern Territory Government that support tourism, including the historic Memorandum of Understanding (MoU) signed in Jabiru that safeguards the town's future as the tourism and services hub for the World Heritage listed Kakadu National Park. Continued investment in emerging destinations like the future National Iconic Indigenous Art Gallery in Alice Springs, will allow NT tourism to develop and flourish.

This NT Budget is an opportunity to renew support for tourism, transport and aviation so that these job creating sectors are able to keep pushing the NT visitor economy forward.



Margy Osmond
Chief Executive
Tourism & Transport Forum

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Budget Recommendations

1. Sustained destination marketing and events funding

A well-funded *NT Department of Tourism, Sport and Culture* and statutory authority *Tourism NT* are both fundamental to the Northern Territory economy. They allow the NT to unify its efforts and strengthen its competitive position to attract international, interstate and intra-state visitation and thus enable ongoing economy-wide benefits while at the same time enhancing the livability of the Northern Territory.

TTF research report *Supercharging Australia's Future* found that for every additional 1000 visitors to the NT, the tourism industry could be expected, on average, to generate 5.3 tourism related jobs, over \$975,000 in tourism consumption, over \$700,000 in GSP contributions and \$66,700 in tax contributions.

But competition from both international and interstate markets for the visitor dollar continues to increase, which means the *NT Department of Tourism, Sport and Culture* and *Tourism NT* must be able to rely on sustainable, multi-year funding to ensure forward planning.

The 2020/21 NT Budget is the second year of a \$27.7 million two-year commitment for destination marketing funding, which is expected to see \$15.3 million spent in 2020/21. Similarly, the 2020/21 Budget is expected to include \$6 million for community festivals and \$4 million for major events. These funds need to be confirmed in the 2020/21 Budget and the total budget should then be used as the minimum ongoing base budget and built on in future years.

This funding is part of a broader two-year funding commitment of \$34.5 million in 2019/20 and \$34.6 million in 2020/21 known as the *Turbo2* package. The *Turbo2* package covers domestic and international marketing, supports festivals and events, the attraction of business events and enhances visitor experiences. Some of the infrastructure-related initiatives of the two-year initial \$103 million *Turbocharging Tourism* package, which expired at the end of 2018/19, will also continue to be supported.

While TTF welcomes this ongoing commitment to tourism, a longer-term funding cycle, preferably over four or five years as per other state budget cycles, would enable a more sustainable platform for the NT to increase destination marketing activities.

2. Regional visitor infrastructure and nature-based and cultural-based tourism

Australia's land and its people are at the core of the NT's growing popularity as a must-see destination and the foundation of this appeal is a unique and rich indigenous culture. The appetite of visitors and locals to understand and engage with traditional owners will be critical to the development of new tourism content over the next decade.

At a strategic level the Destination Management Plans identified in the Northern Territory's Tourism Industry Strategy 2030 should be funded to an appropriate level to ensure regional dispersal priorities are achieved throughout the NT

Kakadu National Park is one of the world's most iconic natural wonders and is a 'must-visit' destination. In 1989, it received close to 150,000 international visitors yet in 2018 this was reduced to 30,000. The NT Government must

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work with the Australian Government to ensure that vital Commonwealth funding for Kakadu (a Commonwealth Park) is delivered efficiently and as soon as possible to help restore visitation levels and where possible advocate for timely improvements to a range of visitor experience projects on the park in the short term.

Separately, the 2020/21 NT Budget should provide increased funding for the *Parks & Wildlife Commission of the Northern Territory* to support Aboriginal partnerships, cultural, heritage and nature-based tourism and to encourage regional tourism dispersal. This needs to be developed with active input from traditional elders to guide outcomes which will then deliver back to their communities.

The release of the Aboriginal Tourism Strategy should be recognised with funding allocated for the execution of a range of program initiatives outlined. Work should also be continued with the Australian Government to ensure the NT receives adequate funding from the \$40m National Indigenous Tourism funding pledge.

3. Continued transport infrastructure and future mobility funding

TTF urges the NT Government to invest in additional infrastructure to support transport services from Darwin and Alice Springs to key tourist and industry destinations and to continue to expand the existing Darwin public bus network. The 2020/21 NT Budget should also support the *NT Cruise Sector Activation Plan* and the continued development of infrastructure surrounding the Port of Darwin to grow the NT cruise ship market.

Despite being underdeveloped in most areas of future mobility, the NT is progressing well on shared mobility. Various platforms have been available since 2018 after the NT Government's framework to permit ride-booking services came into effect. Furthermore, the City of Darwin approved a car sharing scheme that has been running since 2015.

TTF recommends that the 2020/21 NT Budget commits funding to the development of a dedicated and unified transport technology strategy to build on the early work and which would bring much of the most recent work together and provide further impetus for future transport technology development in the NT.

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