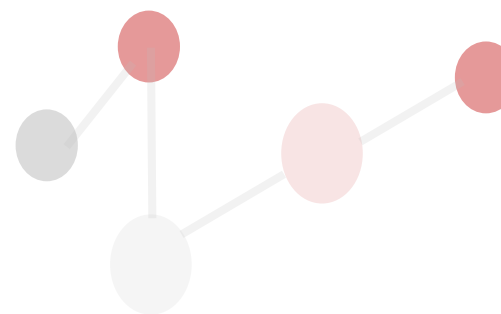


2018-19  
SOUTH AUSTRALIAN  
PRE-BUDGET  
SUBMISSION

Tourism and Transport:  
Australia's Super Growth  
Industries





## Executive Summary:

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The Tourism & Transport Forum Australia (TTF) is a member-funded, not for profit industry group that advocates for the public policy interests of leading corporations and institutions in the tourism, transport and aviation sectors. TTF welcomes the opportunity to provide a submission to the South Australian Government highlighting the key priorities for the tourism, transport and aviation sectors for consideration and inclusion within the 2018-19 Budget.

To help supercharge the economy into the future, TTF calls on the South Australian Government to commit to the following tourism, transport and aviation priorities in the 2018-19 Budget:

### **Tourism**

- Maintain destination marketing funding (p3)
- Continue support for events in South Australia (p3)
- Continue investment in tourism development, including nature and cultural tourism (p3)

### **Transport**

- Improve public transport services in Adelaide (p4)
- Advance priority projects and initiatives as per Infrastructure Australia priorities (p4-5)

### **Aviation**

- Encourage additional direct aviation access into Adelaide (p6)
- Support air connections to regional centres in South Australia (p6)



# Tourism:

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## Key tourism statistics

- Tourism directly generates \$6.6 billion worth of spending in South Australia, with the potential to grow to \$8.0b by December 2020 with targeted investment
- There are 36,000 direct jobs in the tourism industry in South Australia
- There are 18,000 tourism-related businesses across South Australia

The key tourism agency in South Australia is the South Australian Tourism Commission (SATC) which has three key programs – tourism marketing, tourism development and tourism events. According to published budget papers, total annual funding for the organisation was \$99.1 million in 2017/18.

## Maintain destination marketing funding

Funding for destination marketing activities at the SATC should be at least maintained real terms in 2018/19 and over the forward estimates.

Increased investment in the South Australian Visitor Economy has yielded significant results, with the current \$6.6b in visitor expenditure representing a growth of 4% on the previous year. This is yet more strong results for an industry that has grown 30% since December 2013, making it one of the fastest growing sectors of the South Australian economy.

However, South Australia faces considerable competition for the tourist dollar – both domestically and internationally. Other States have increased their destination marketing funding in recent years and South Australia needs to at least maintain its current annual funding to ensure the sector continues to expand and reach the goal of generating \$8.0b in expenditure and 41,000 jobs by 2020.

## Continue support for events in South Australia

TTF applauds the commitment to increasing investment in attracting business and leisure events to \$40 million over 4 years, including \$5 million to be allocated to deliver the Adelaide Convention Bureau's (ACB) *Billion Dollar Benefit* plan. Events play a key role in telling the story of South Australia, creating a compelling reason to visit and driving vibrancy in our city and regions. For instance, the Santos Tour Down Under generated \$63.7m in economic impact in 2018, supported almost 800 jobs and yielded 46,000 event specific visitors from interstate and overseas. The TTF endorses the Government's commitment to leisure and business events which will create more opportunities to attract new events to the State.

## Continue investment in tourism development, including nature and cultural tourism

All destinations need to ensure they are renewing the tourism offering and creating new experiences and opportunities for visitors. SATC's role in investing in tourism development plays a critical role in South Australia always having something new to offer visitors. The State is especially attractive for visitors looking for nature-based and cultural activities and we encourage the South Australian Government to build on earlier work and continue to invest in these two areas. The TTF is also supportive of the Government's election commitments across these two important areas.



## Transport:

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South Australia has a range of important infrastructure projects that need to be advanced in order to reduce congestion, improve connectivity and drive economic activity.

### **Improve public transport services in Adelaide**

TTF welcomes the Government's many public transport related pre-election commitments such as:

- Reducing the price of monthly passes and reviewing other fares
- Investigating high-capacity electric buses
- Developing a bus network that is fully integrated with train and tram services and is focused on quality customer outcomes including increased convenience, frequency, comfort and reliability
- Establishing a network hierarchy with frequent, regular and tailored routes to lift rapid transport provision
- Investigating customer-centric benefits such as bike lockers, quiet carriages and mobile charges.

TTF encourages the Government to provide funding for these announcements in the 2018/19 Budget.

In addition to these commitments, there is an opportunity for the Government to also look at other public transport related initiatives such as:

- Providing improved real-time information (e.g. via existing phone apps) for customers about on time running
- Improving connectivity to the airport via examining options for a light rail connection
- Developing a fleet replacement strategy to ensure a positive customer experience for Adelaide commuters into the future.

### **Advance priority projects and initiatives as per Infrastructure Australia priorities**

TTF welcomes the South Australian Government's pre-election commitment to establish Infrastructure South Australia and develop a 20-year State Infrastructure Strategy, particularly to ask the new body to analyse 10 major projects:

1. Completion of the North-South road corridor
2. A grain/minerals port on Eyre Peninsula to ensure the optimum location for this facility
3. The GlobeLink upgrade of major export infrastructure
4. An extension of tram (AdeLink) services in the CBD (*due for completion by 29 July*)
5. An underground rail link in the CBD between the northern and southern train lines
6. Completion of the Gawler Rail Electrification (*which has recently secured Stage 2 funding*)
7. An extension of the O-Bahn between Tea Tree Plaza Interchange and Golden Grove
8. Grade separations at major metropolitan intersections to enable removal of level crossings – prioritising projects based on capacity to reduce traffic congestion and boost productivity
9. Infrastructure development on Le Fevre Peninsula including light rail, commercial, retail, residential and recreational development to accommodate the needs of the Naval Shipbuilding Program at Osborne
10. Sealing the Strzelecki Track.

Some of these projects have already been identified as important for the State by Infrastructure Australia, with analysis at various levels of completion. In addition, some of these projects are already underway and have full or partial funding allocated. But many are either in the planning stage only or are not yet fully funded. TTF encourages the new Infrastructure South Australia body to work closely with Infrastructure Australia to share work done to date and advance these projects along the planning/funding pipeline.

The table below outlines the projects identified by Infrastructure Australia which do not appear on the Commonwealth Government’s priority list of ten. TTF encourages the South Australian Government to work with the Commonwealth Government to advance those projects as well.

With respect to the Sturt Highway, The TTF welcomes \$350,000 in funding that was committed in June 2018 to resurfacing works on the section between Kingsford Road and She-oak Log, highlighting the importance of this road and the need for more extensive upgrading outlined in the below project.

<b>Project</b>	<b>Problem description</b>	<b>Timeframe</b>	<b>Solution for</b>
Sturt Highway High Productivity Vehicle capacity enhancement	Road freight network	Medium term 5-10 years	National Connectivity
Gawler Craton rail access	Freight rail connection to Gawler Craton mineral province	Long term 10-15 year	National Connectivity
Melbourne–Adelaide–Perth rail upgrade	Freight connectivity	Long term 10-15 years	National Connectivity



## Aviation:

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In recent years South Australia has had some success at attracting international airlines to the State. With Emirates and Qatar now well established, China Southern Airlines began direct flights from Guangzhou in December 2016. In June 2017, Fiji Airways began direct flights from Nadi. From October 2017, Air New Zealand started flying the new Dreamliner aircraft offering an additional 400 seats into Adelaide per week and improved links between Adelaide and the West Coast of North America. Qatar Airways also resumed daily flights to Adelaide from Doha in December 2017.

### **Encourage additional direct aviation access into Adelaide**

Direct access is a key driver of tourism growth. Additional efforts should be made to attract and retain direct international aviation routes into Adelaide from a range of airlines, with a focus on the North American West Coast.

### **Support air connections to regional centres in South Australia**

With the redevelopment of the Kingscote Airport, QantasLink commenced direct flights to Kangaroo Island, one of the state's premier tourism destinations from Adelaide and Melbourne. The Melbourne flights were offered over a six-week period around Christmas, an initiative that should be repeated in 2018 with a view to developing regular year-round interstate access to the island. Similar initiatives should be encouraged to and from other capitals and South Australian regional areas.