

# TTF SA BUDGET SUBMISSION 2020

## REBUILDING THE VISITOR ECONOMY IS CRITICAL TO THE SA ECONOMIC RECOVERY

### TOURISM INDUSTRY SNAPSHOT – PRE-COVID-19

The Importance of Tourism to the South Australian Economy



**78,400** jobs or around **5%** of the SA workforce



**\$7.7 billion** towards SA Gross State Product



**12,952** tourism business across Adelaide



**5,326** tourism business across regional SA

### ECONOMIC IMPACT OF COVID-19 IN SA

The tourism and transport industries in South Australia are currently losing around \$453 million a month in spend due to lack of international and interstate travel, contributing to a total \$1.1 billion in lost wages.



**\$153 million per month**  
(from September 2020)

Average monthly decrease in international tourism spending



**\$299.9 million per month**  
(from September 2020)

Monthly decrease in domestic (overnight) tourism spend



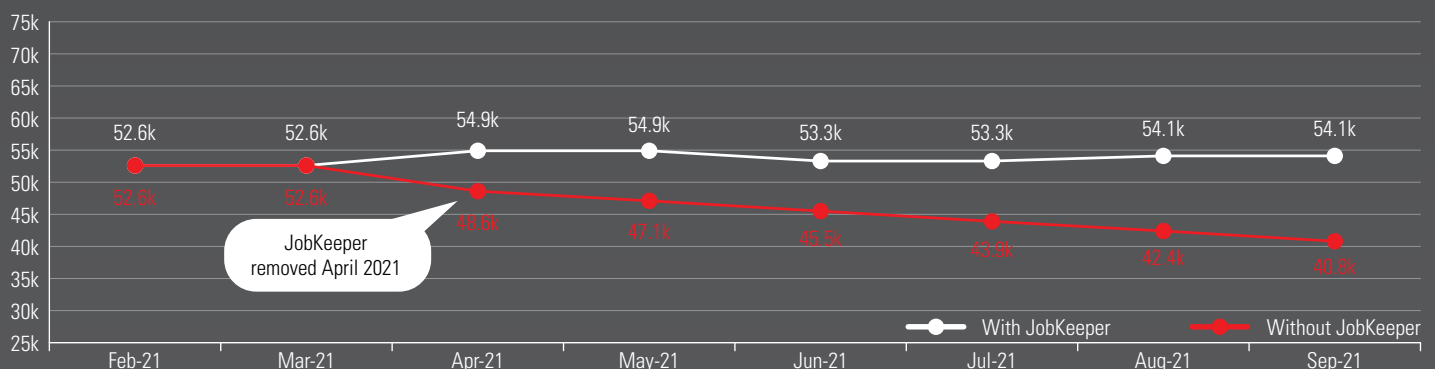
**\$1.1 billion**  
(2020)

Estimated lost wages and salaries from direct tourism job losses

### JOBKEEPER SUPPORT

In addition to other industry specific packages the national JobKeeper subsidy has been a critical lifeline for our industries and kept thousands of our employees connected to their employer companies including in South Australia. Economic modelling completed for TTF and represented in the graph below, however, reveals up to 300,000 more jobs could be lost nationally when the current subsidy expires in March 2021.

#### SA Tourism & Hospitality Employment Forecasts



In South Australia alone over 13,000 tourism jobs could be saved if JobKeeper continues to September 2021.

## SA STATISTICS



**38 million infected and  
1.1 million deaths**

*(as of 15th October 2020)*

Covid-19 impact globally



**78.4k tourism jobs**

*(December 2019)*

Total sector employment  
pre Covid-19



**52.6k tourism jobs**

*(by March 2021)*

Total sector employment  
with JobKeeper



**40.8k tourism jobs**

*(by September 2021)*

Total sector employment  
with JobKeeper removed  
from April 2021



**37.7k tourism jobs lost**

*(by September 2021)*

48% of all tourism direct  
jobs lost from 2019 pre  
Covid-19 levels



**13.3k tourism jobs saved**

*(by September 2021)*

Estimated tourism jobs  
retained if JobKeeper  
continues to  
September 2021



**\$44.5 million**

*(September 2021)*

Estimated additional  
wages retained if  
JobKeeper continues  
to September 2021



**\$13.3 million**

*(p/a 2021)*

Estimated PAYG tax  
contributions from  
tourism jobs retained  
with JobKeeper

## SUMMARY

The South Australian Visitor Economy is on its knees following the double whammy of the summer bushfires and the Covid-19 global pandemic. Despite significant Government support to date the industry cannot fully recover until full international travel resumes. TTF recommends the following initiatives be funded in the November budget to ensure the survival and long-term sustainability of one of the nation's supergrowth industries.

## TTF RECOMMENDATIONS

- 1** SA TO ADVOCATE FOR FEDERAL GOVERNMENT TO PROVIDE ADDITIONAL \$10 BILLION TO EXTEND THE JOBKEEPER SUPPORT TO SEPTEMBER 2021 FOR TOURISM, TRANSPORT AND AVIATION SECTORS IN SA
- 2** SUSTAINABLE FUNDING FOR SATC OF AT LEAST \$100 MILLION ANNUALLY OVER FOUR YEARS TO REBOOT DOMESTIC TOURISM OVER SHORT TERM AND INTERNATIONAL TOURISM OVER LONGER TERM
- 3** AN ADDITIONAL \$20 MILLION SUPPORT PACKAGE FOR AUSTRALIA'S INTERNATIONAL CARRIERS TO ASSIST WITH REBUILDING THEIR GLOBAL NETWORK AND CITY PAIRS INCLUDING COMPLETING THE TRANS-TASMAN BUBBLE AND RESTORING OTHER PRIORITY INTERNATIONAL BRIDGES
- 4** DEDICATED \$10 MILLION AVIATION RESTORATION FUND TO RESTORE ROUTE CAPACITY AND REBOOT FLIGHT FREQUENCIES AND SEAT CAPACITY ON EXISTING ROUTES
- 5** A FAST-TRACKING OF PUBLIC TRANSPORT AND INFRASTRUCTURE PROJECTS TOGETHER WITH THE FEDERAL GOVERNMENT TO DRIVE ECONOMIC RECOVERY AND CREATE JOBS ACROSS SA
- 6** INCREASED SUPPORT FOR BUSINESS EVENTS AND CONFERENCES INCLUDING REGIONAL CONVENTION FACILITIES THROUGH TARGETED GOVERNMENT FUNDING THAT SUPPORTS BIDS TO SECURE HIGH YIELD EVENTS
- 7** ADDITIONAL SUPPORT TO ENCOURAGE INTRASTATE AND INTERSTATE NATIONAL PARKS AND REGIONAL TOURISM VISITATION INCLUDING FURTHER STATE AND FEDERAL SUPPORT FOR SEALING OF STRZELECKI TRACK
- 8** CONTINUED PLANNING REFORM TO ENCOURAGE POST COVID-19 TOURISM AND TRANSPORT INFRASTRUCTURE INVESTMENT FOLLOWING ON FROM RECENT AND SUCCESSFUL MAJOR HOTEL OPENINGS

# TTF REPRESENTS THE FOLLOWING COMPANIES AND THE WIDER TOURISM INDUSTRY

