

TTF TAS BUDGET SUBMISSION 2020

REBUILDING THE VISITOR ECONOMY IS CRITICAL TO THE TASMANIAN ECONOMIC RECOVERY

TOURISM INDUSTRY SNAPSHOT – PRE-COVID-19

The Importance of Tourism to the Tasmanian Economy



Around **25,300** jobs
or around **9%** of the
Tasmanian workforce



Around **\$3.6 billion**
towards Tasmanian
Gross State Product



Around **3,174** tourism
business across Hobart



Around **2,957** tourism
business across
regional Tasmania

ECONOMIC IMPACT OF COVID-19 IN TASMANIA

The tourism industry in Tasmania is currently losing around \$208 million a month in spend due to lack of international and interstate travel, contributing to an estimated total \$354 million in lost wages.



\$88.7 million per month
(from September 2020)

Average monthly decrease in
international tourism spend



\$119 million per month
(from September 2020)

Monthly decrease in domestic
(overnight) tourism spend



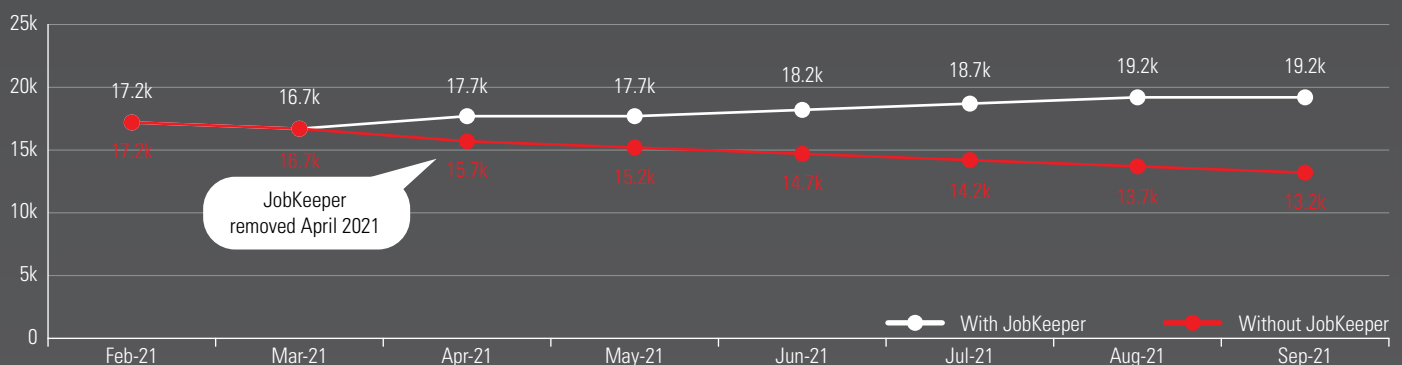
\$354 million
(2020)

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 Tasmania. 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.

Tasmanian Tourism & Hospitality Employment Forecasts



In Tasmania alone over 6,000 tourism jobs could be saved if JobKeeper continues to September 2021.

TAS STATISTICS



**40.2 million infected and
1.12 million deaths**

(as of 19th October 2020)

Covid-19 impact globally



25.3k tourism jobs

(December 2019)

Total sector employment
pre Covid-19



16.7k tourism jobs

(by March 2021)

Total sector employment
with JobKeeper



13.2k tourism jobs

(by September 2021)

Total sector employment
with JobKeeper removed
from April 2021



8.6k tourism jobs lost

(by September 2021)

34% of all tourism direct
jobs lost from 2019 pre
Covid-19 levels



6.1k tourism jobs saved

(by September 2021)

Estimated tourism jobs
retained if JobKeeper
continues to
September 2021



\$20.2 million

(September 2021)

Estimated additional
wages retained if
JobKeeper continues
to September 2021



\$6.1 million

(p/a 2021)

Estimated PAYG tax
contributions from
tourism jobs retained
with JobKeeper

SUMMARY

The Tasmanian Visitor Economy is on its knees following the double whammy of the national 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** TASMANIA 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 TASMANIA
- 2** SUSTAINABLE FUNDING FOR TOURISM TASMANIA OF AT LEAST \$50 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 INCLUDING SINGAPORE AND JAPAN
- 4** AN ADDITIONAL \$10 MILLION FOR THE EXISTING TASMANIAN AVIATION MARKET DEVELOPMENT FUND TO RESTORE ROUTE CAPACITY AND REBOOT FLIGHT FREQUENCIES AND SEAT CAPACITY ON EXISTING ROUTES
- 5** A FAST-TRACKING OF PUBLIC TRANSPORT, ROAD AND INFRASTRUCTURE PROJECTS TOGETHER WITH THE FEDERAL GOVERNMENT TO DRIVE ECONOMIC RECOVERY AND CREATE JOBS ACROSS TASMANIA
- 6** INCREASED SUPPORT FOR BUSINESS EVENTS AND CONFERENCES INCLUDING ADDITIONAL SUPPORT FOR THE EXISTING \$1.2 MILLION TASMANIAN BUSINESS EVENTS ATTRACTION FUND
- 7** ADDITIONAL SUPPORT TO ENCOURAGE VISITATION TO NATIONAL PARKS AND CULTURAL TOURISM INSTITUTIONS SUCH AS MONA, PORT ARTHUR AND CRADLE MOUNTAIN WHICH ARE MAJOR ATTRACTORS FOR INTERSTATE AND INTRASTATE VISITORS
- 8** CONTINUED PLANNING REFORM TO ENCOURAGE POST COVID-19 TOURISM AND TRANSPORT INFRASTRUCTURE INVESTMENT



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TTF REPRESENTS THE FOLLOWING COMPANIES AND THE WIDER TOURISM INDUSTRY

