

TTF QLD BUDGET SUBMISSION 2021

ECONOMIC IMPACT OF COVID-19 ON QLD TOURISM JOBS

Economic data conducted by Stafford Strategy for TTF shows that before the onset of COVID there was a total of around 236,000 jobs in tourism across Queensland. The Federal Government's JobKeeper program ensured that there were still around 155,100 jobs remaining in the sector, however since the program has ended, total tourism jobs in Queensland were forecast to fall to around 119,200 tourism jobs by September, a fall of around 59,000 jobs.



236,000 tourism jobs

(December 2019)

Total sector employment
pre COVID-19



155,100 tourism jobs

(by March 2021)

Total sector employment
with JobKeeper



119,200 tourism jobs

(by September 2021)

Total sector employment
with JobKeeper removed
from April 2021

THE CURRENT SITUATION

Additional economic data by Staffords shows that the tourism industry in Queensland is continuing to lose a combined total of almost \$2 billion per month due to the lack of international travel and uncertain interstate travel, which resulted in some \$4.3 billion in lost wages and salaries just until the end of 2020. Staffords also estimated that this year's pre-Easter Brisbane lockdown cost the State's industry almost \$1.7 billion.



\$873 million per month

(from November 2020)

Average monthly decrease in
international tourism spending



\$1.1 billion per month

(from November 2020)

Monthly decrease in domestic
(overnight) tourism spend



\$4.3 billion

(2020)

Estimated lost wages
and salaries from direct
tourism job losses

CONFIDENCE REMAINS LOW

Queensland's once lucrative visitor economy is still fighting for survival. The delay and lack of a clear timetable for the vaccine rollout will delay the resumption of the high yielding international market in all states including Queensland. Confidence among Australians more broadly to travel interstate remains low with consumer research conducted by TTF revealing 40% of Australians remain reluctant to travel. Additionally, 63% of Australians remain concerned about travelling interstate due to the continuing threat of lockdowns and a lack of consistency in rules across jurisdictions. The Federal Government's decision not to extend JobKeeper was made at a time when it was expected that all Australians would be vaccinated by the end of October 2021. This now won't occur.

As such amongst other key state measures, TTF is calling for Queensland to advocate for the Federal Government to immediately implement an Employee Emergency Support Scheme for tourism industry employers who are suffering a 50% or greater downturn in turnover by providing their employees with \$1000 a fortnight over six months from April through to September (backdated to commence 1 April 2021). The Scheme which has been costed at \$854 million would support an industry worth \$150 billion to the Australian economy and help to ensure the survival of the industry.

TTF QUEENSLAND BUDGET RECOMMENDATIONS

- 1** Queensland to advocate for the Federal Government to introduce **\$854 million emergency support scheme** to enable the tourism sector to survive to at least the end of September.
- 2** Sustainable funding for Tourism and Events Queensland of at least **\$150 million annually over four years** to reboot domestic tourism over the short term and international tourism over the longer term, including funding for future stimulus packages.
- 3** Queensland to work within National Cabinet to develop a **uniform approach to domestic borders and a timetable for the reopening of international borders** to restore travel confidence.
- 4** A new **aviation capacity extension fund comprising \$30 million per annum over four years** to incentivise airlines back to Queensland airports across the State.
- 5** A new **\$40 million per annum over four-year Airport Infrastructure Investment Program** for mid-tier airports to assist with managing ongoing necessary costs.
- 6** A contestable **Product Development and Innovation Fund** with **\$40 million per annum over four-years** to support major attractions and infrastructure improvement across Queensland that will need to do the 'heavy lifting' in recovery.
- 7** **Increased support for business events and conferences** including regional facilities through targeted government funding that supports bids to secure high yield events and ensure ongoing regional jobs growth across Queensland.
- 8** The extension of the Gold Coast Light Rail all the way to the airport and on to Coolangatta along with the widening of the M1 to the NSW border **to continue as key transport priorities** along with increased road connectivity to airports more broadly.
- 9** The retention of the **Queensland Jobs and Regional Growth Fund** which is critical to ongoing economic activity.
- 10** Additional support for cultural venues, national parks and regional areas to encourage intrastate and interstate **cultural, nature-based and regional tourism visitation.**

TTF REPRESENTS THE FOLLOWING COMPANIES AND THE WIDER TOURISM AND TRANSPORT INDUSTRY

