

TTF TAS BUDGET SUBMISSION 2021

IMPACT OF COVID-19 ON TAS TOURISM JOBS

Economic data conducted by Stafford Strategy for TTF shows that before the onset of COVID there was a total of around 25,300 jobs in tourism across Tasmania. The JobKeeper program ensured that there were still around 16,700 jobs remaining in the sector in March of this year, however since the program ended that same month, total jobs are predicted to fall to a forecast 13,200 over the following six months to the end of next month (September 2021). This is a forecast fall of 6,100 jobs from what would otherwise have been 19,300 total tourism jobs across Tasmania at the end of next month, if JobKeeper had remained in place. This would have gone some way towards restoring the pre-COVID job figures.



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

LOST TOURISM SPEND AND LOST WAGES

Additional economic data by Staffords shows that the tourism industry is continuing to lose a combined \$88.7 million per month in Tasmania due to the lack of international travel and minimal interstate travel, with these now conservative estimates pre-dating current ongoing lockdowns and state border restrictions including in Sydney, Brisbane and now again in Melbourne. This resulted in some \$354 million lost wages and salaries just until the end of 2020 alone.



\$88.7 million per month

(from November 2020)

Average monthly decrease in
international tourism spending



\$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

THE CURRENT WIDER NATIONAL PICTURE

The nation's tourism industry is losing a massive \$5.8 billion from July. On top of this is the \$3.4 billion lost international spend per month from July together totalling \$9.2 billion in total lost visitor spend across domestic and international markets each month as a result of current lockdowns and border restrictions. This is putting another 150,000 sector jobs at risk.

With Sydney in its seventh week of lockdown – and no chance of restrictions being eased until the end of August, Brisbane having extended its lockdown, and Victoria reinterring lockdown, the tourism sector nationally is in crisis.

The sector is reeling having lost the critical Sydney and Melbourne markets for the July school holiday period – the third peak holiday period in a row decimated by a lockdown in one or more parts of the country - and with the threat of a similar occurrence during the September break looking increasingly concerning, all of which will impact Tasmania.

The losses continue to mount at a rapid pace with almost \$7 billion wiped off tourism spend over the December/January peak holiday period, another \$1.8 billion over the Easter School Holidays and the July winter school holidays decimated to the tune of \$6.3 billion.

TASMANIAN SUPPORT FOR FEDERAL RESTORATION OF JOBKEEPER

1

As such amongst other key state measures, TTF is calling for Tasmania to advocate for the Federal Government to re-introduce the successful JobKeeper program which will enable the sector to survive ongoing uncertainty.

JobKeeper provided a lifeline for tourism and other industries throughout last year and early 2021 as it was simple to administer and allowed tourism employees to remain firmly connected to their businesses until greater economic certainty returned.

TTF is seeking the reinstatement of the JobKeeper program for the next six months as confidence in travel remains at an all-time low and won't bounce back immediately when lockdowns end.

This support is particularly important for the international visitor exposed parts of our industry which have effectively been in lockdown for sixteen months with no end yet in sight and for a domestic market which continues to be decimated by these extended lockdowns and border restrictions.

OTHER TASMANIAN BUDGET RECOMMENDATIONS

2

Sustainable funding for Tourism Tasmania of at least **\$50 million annually over four years** to reboot domestic tourism over the short term and international tourism over the longer term once restrictions are lifted.

3

Tasmania to work within National Cabinet to continue progressing and maintaining a **uniform approach to domestic borders to enable uniform cross border travel once national circumstances allow** to restore travel confidence.

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 when nationwide restrictions lift.

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 in the wake of lockdowns and border restrictions.

6

Additional support to encourage **visitation to national parks and cultural tourism institutions** such as MONA, Port Arthur and Cradle Mountain which are a major attractor for interstate and intrastate visitors.

7

Further extensions if required beyond the recently allocated additional \$7.5 million for the **Tasmanian Travel Vouchers** scheme.



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

