TTF FEDERAL BUDGET SUBMISSION 2020

REBUILDING THE VISITOR ECONOMY IS CRITICAL TO AUSTRALIA'S ECONOMIC RECOVERY

TTF
AUSTRALIA
Tourism & Transport Forum

TOURISM INDUSTRY SNAPSHOT – PRE-COVID-19

The Importance of Tourism to the Australian Economy

646,000 jobs or **5.2%** of Australia's workforce

10% of Australia's exports (**third highest** area for spending from foreigners behind iron ore and coal)

27 million incoming plane seats up **4%** YOY

300 new or upgraded hotels scheduled to open by **2025**

43 cents of every tourism dollar spent in **regions**

ECONOMIC IMPACT OF COVID-19

The tourism and transport industries are currently losing around $8 billion a month in spend due to lack of international and interstate travel, contributing to a total 470,000 job losses and $18 billion in lost wages. This figure reached almost $10 billion per month during the peak of the crisis.

27.2 million infected and 891 thousand deaths
(As of 8th September 2020)
Covid-19 impact globally

$3.96 billion per month
(At September 2020)
Average monthly decrease in international tourism spend

Up to 700,000 less people visiting us per month
(At September 2020)
Average monthly decrease in international visitation

$3.6 billion per month
(At September 2020)
Average monthly decrease in domestic (overnight) tourism spend

6.27 million less Australians taking trips per month
Average monthly decrease in domestic (overnight) vistitation

470 thousand
(At September 2020)
Estimated total direct tourism job losses

$18.8 billion
(Over 2020)
Estimated lost wages and salaries from direct tourism job losses
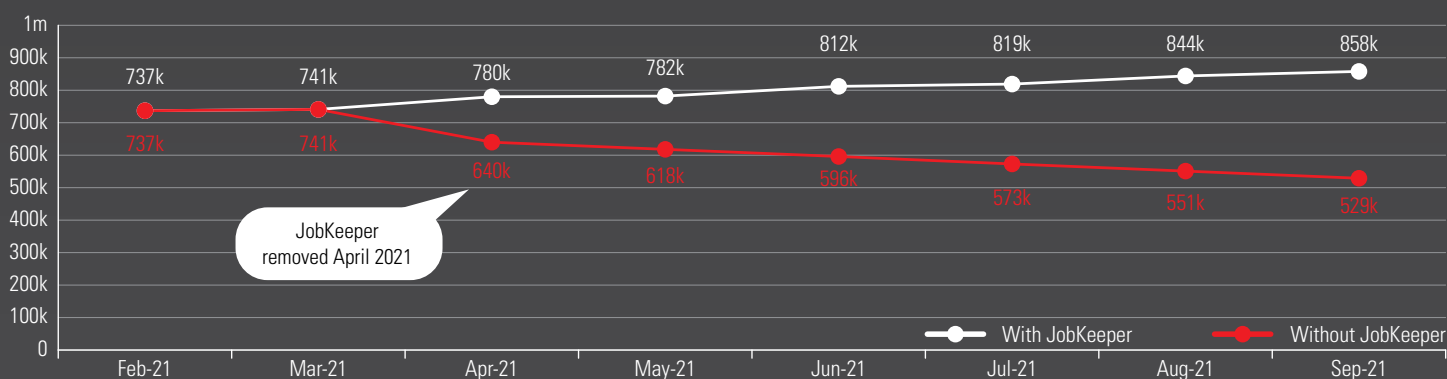
$5.7 billion
(Over 2020)
Estimated lost PAYG tax contributions from direct tourism job losses

INDUSTRY SUPPORT

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

Australian Tourism & Hospitality Employment Forecasts

Graph data — With JobKeeper: Feb-21 737k, Mar-21 741k, Apr-21 780k, May-21 782k, Jun-21 812k, Jul-21 819k, Aug-21 844k, Sep-21 858k.
Without JobKeeper: Feb-21 737k, Mar-21 741k, Apr-21 640k, May-21 618k, Jun-21 596k, Jul-21 573k, Aug-21 551k, Sep-21 529k.
Callout: JobKeeper removed April 2021.

SUMMARY

Australia's 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 October budget to ensure the survival and long-term sustainability of one of the nation's supergrowth industries.

TTF RECOMMENDATIONS

1 A $50 MILLION FUND FOR A 'COVID-SAFE DOMESTIC TRAVEL CAMPAIGN' TO PROMOTE COVID-SAFE TRAVEL INITIATIVES AND HELP TO RESTORE TRAVELLER CONFIDENCE INCLUDING AT AIRPORTS, ON PLANES, IN ACCOMMODATION AND USING TRANSPORT

2 NATIONAL CABINET TO FINALISE A TIMELINE TO SAFELY OPEN DOMESTIC BORDERS IN TIME FOR AUSTRALIANS TO SEE FRIENDS AND FAMILY FOR CHRISTMAS

3 AN ADDITIONAL $10 BILLION TO EXTEND THE JOBKEEPER SUPPORT PROGRAM TO SEPTEMBER 2021 FOR TOURISM, TRANSPORT AND AVIATION SECTORS AND WITH INCREASED PROGRAM FLEXIBILITY FOR REVENUE LOSS AND STAFFING LEVELS

4 SUSTAINABLE FUNDING FOR TOURISM AUSTRALIA OF AT LEAST $200 MILLION ANNUALLY OVER FOUR YEARS TO REBOOT DOMESTIC TOURISM OVER SHORT TERM AND INTERNATIONAL TOURISM OVER LONGER TERM

5 AN ADDITIONAL $100 MILLION SUPPORT PACKAGE FOR AUSTRALIA'S INTERNATIONAL CARRIERS TO ASSIST WITH REBUILDING THEIR GLOBAL NETWORK AND CITY PAIRS INCLUDING FAST-TRACKING TRANS-TASMAN BUBBLE AND OTHER PRIORITY INTERNATIONAL TRAVEL BUBBLES

6 A DEDICATED $50 MILLION AVIATION RESTORATION FUND TO RESTORE ROUTE CAPACITY AND REBOOT FLIGHT FREQUENCIES AND SEAT CAPACITY ON EXISTING ROUTES

7 CONTINUED INVESTMENTS IN TRANSPORT AND INFRASTRUCTURE PROJECTS TOGETHER WITH STATES FROM THE $100 BILLION TEN YEAR FUND TO DRIVE NATIONAL ECONOMIC RECOVERY AND CREATE JOBS

TTF REPRESENTS THE FOLLOWING COMPANIES AND THE WIDER TOURISM INDUSTRY

ACCOR HOTELS · AIR NEW ZEALAND · AIRBIZ · ANZ STADIUM · ARDENT · ART GALLERY NSW · ASM GLOBAL · Axsia

BOMBARDIER · BRIDGECLIMB SYDNEY · brisbane · BRISBANE AIRPORT · Brookfield · BUSINESS EVENTS SYDNEY · Busways · CARNIVAL AUSTRALIA

CATHAY PACIFIC · CITY OF SYDNEY · CUBIC · Delaware North · Destination NSW · DSpark · Gold Coast Tourism Corporation · HILTON WORLDWIDE · HOSTPLUS

IHG · Jetstar · Keolis Downer · LaMOnT'S · L.E.K. · Sydney's Luna Park · Manly FAST FERRY · MANTRA GROUP · Marriott INTERNATIONAL

mastercard · MELBOURNE AIRPORT · MERITON SUITES · METRO · MI ASSOCIATES · netBI · Newcastle Airport · NEWGATE · NRMA · NSW GOVERNMENT

Perth Airport · pwc · QANTAS · Qpac QUEENSLAND PERFORMING ARTS CENTRE · Queensland Airports · Queensland Government · QueenslandRail · QUEST APARTMENT HOTELS

Royal Agricultural Society of NSW · ROYALE GROUP · SINGAPORE AIRLINES · ADELAIDE SOUTH AUSTRALIA · SQUIRE PATTON BOGGS · STAFFORD STRATEGY · Sunshine Coast AIRPORT · SYD Sydney's Airport · SYDNEY CRICKET GROUND

SYDNEY FISH MARKET · SYDNEY THEATRE CO · QUAY BENNELONG OTTO FIREDOOR THE BRIDGE ROOM Beach · TARONGA ZOO TARONGA WESTERN PLAINS ZOO · TFE HOTELS · THE STAR ENTERTAINMENT GROUP · THE TRAVEL CORPORATION A FAMILY OF BRANDS DRIVEN BY SERVICE · Thrifty

NT TOURISM tourismnt.com · Tourism Tasmania · TOURISM & EVENTS Queensland · transdev · travello · TYRRELL'S WINES · UBER · VISA · VISIT CANBERRA

VISIT VICTORIA · Virgin australia · VOYAGES INDIGENOUS TOURISM AUSTRALIA · Western Sydney Airport · Western Sydney Parklands · Wing · Withers Australia · YHA AUSTRALIA