OUR PLAN

TO BACK AUSTRALIAN TOURISM AND JOBS
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KEY POINTS

The Liberal and Nationals Government is backing in our tourism sector to grow even stronger.

Its contribution to the Australian economy is enormous and growing: attracting $136 billion in spending every year and employing one in 13 workers – many in small and family businesses.

Tourism is particularly important for regional Australia, with 43 cents of every visitor dollar spent in the regions.

Over the last five years, international visitor numbers have grown by 45 per cent while spending by overseas visitors is up 53 per cent. This compares with a 10 per cent increase in international visitor spending during five years of Labor.

The latest National Visitor Survey shows that visitor spending by Australians has increased by 13 per cent to a record $72.7 billion, including 105.6 million domestic overnight trips.

Under the Liberal and Nationals Government nearly 45,000 tourism jobs have been created, more than four times as many as under Labor.

Building even further on this success and growth is a key component of the Liberal and Nationals Government’s plan to keep the economy strong and deliver 1.25 million new jobs over the next five years.

A re-elected Liberal and Nationals Government will:

• Deliver a Tourism Icons Package to ensure that Australia’s tourism icons, particularly regional icons, remain world-class experiences and continue to attract high-value tourists.
• Support tourism infrastructure and operators in the Shipwreck Coast and Great Ocean Road area with a $184 million investment and invest up to $216 million to upgrade Kakadu National Park and support the Jabiru township.
• Support the tourism industry in regional Australia by providing dedicated funding in future rounds of the Building Better Regions Fund for tourism-related infrastructure.
• Provide a $40 million fund to establish and grow Indigenous tourism as part of the Indigenous Advancement Strategy.
• Deliver improved arrival and visa processing systems for international visitors.
• Deliver the tourism boost provided by City Deals, including Geelong, Hobart and Adelaide and deliver regional tourism investment in iconic destinations such as Longreach, Margaret River, Cradle Mountain and Kangaroo Island.
• Deliver the Beyond 2020 tourism strategy to help Australia’s tourism industry make the most of opportunities provided by fast-growing markets over the next decade.
• Continue to support the hundreds of thousands of small and medium-sized businesses in the tourism sector, including 92,373 in regional Australia, through lower taxes, growing
the economy and creating jobs.

- Continue to support the tourism sector by investing record levels of funding for Tourism Australia over the next four years.

OUR RECORD

Australia’s tourism sector is growing strongly and now accounts for 10 per cent of exports. International visitor numbers and expenditure are at record levels, and businesses are seizing opportunities to start, expand and create jobs.

Since we were elected, the number of tourism businesses has increased by 17,881. This contrasts with Labor’s last term of government, when tourism business numbers fell by 12,614. Since we came to office, the pipeline for new tourism accommodation rooms has more than doubled.

Supporting small and family tourism businesses

Our Government has focused on supporting tourism that benefits small and family businesses and communities.

Since 2014, we have committed $120 million to support nearly 300 tourism projects nationwide. This includes over $70 million specifically for tourism projects under Round 3 of the Building Better Regions Fund. The Coalition promised at least $45 million in tourism infrastructure projects and delivered over $70 million of tourism projects. With 43 cents in every tourism dollar already spent in Regional Australia, the Coalition’s investment in tourism through the Building Better Regions Fund will give a significant boost to the regional tourism industry. Round 3 of the Building Better Regions Fund will support 13,000 jobs throughout regional Australia, across all projects funded in the round.

International tourism

To increase inbound tourism, an additional six domestic airports have become designated international airports.

Hobart, Newcastle, Avalon, Canberra and Townsville are either already servicing international flights or will be ready to do so in the near future. Toowoomba’s Wellcamp Airport can receive and despatch freight overseas.

The Liberal National Government has broken decades of indecision and deadlock to launch the Western Sydney International (Nancy-Bird Walton) Airport at Badgerys Creek. It will support almost 28,000 direct and indirect jobs by 2031 and connect businesses to national and
international markets.

We’re also stepping up tourism from the world’s fastest-growing economies.

Following the signing of an open skies agreement between Australia and China in 2016, more than 160 direct flights between the two nations are contributing to strong growth in visitor numbers.

The Liberal and Nationals Government is implementing the India Economic Strategy which identifies tourism as a priority sector for growth. Around 70 million Indians will travel overseas annually by 2035 in a potential windfall of over $9 billion a year for the Australian economy. Traditional markets like New Zealand, the United Kingdom, Japan and the United States will continue to be strongly targeted in tourism campaigns.

**An improved visitor experience**

To improve the experience of international tourists, our Government has invested in road and tourism-specific infrastructure at iconic destinations like Kakadu National Park in the Northern Territory, the Great Ocean Road and Shipwreck Coast in Victoria and Cradle Mountain in Tasmania. We’re easing congestion and upgrading safety.

We’re also making the journey to Australia smoother by investing in technology. For major tourism markets like China and India, around 80 per cent of tourism visa applications are now done on-line, providing 24/7 access and ensuring a shorter timeframe.

We have also expanded the use of longer-term validity visas for key markets including China, Singapore, Indonesia and India.

**Indigenous tourism**

Since 2013, Indigenous tourism has grown by over 40 per cent and expenditure is up by 8 per cent a year on average. There has also been a 30 per cent increase in Indigenous businesses as a result of our Government’s policies, including the Indigenous Procurement Policy and the Indigenous Business Sector Strategy.

**Working holiday-makers**

A factor in Australia’s tourism appeal is the chance for young holiday-makers to work in industries and regions where available labour is scarce.

The Liberal and Nationals Government has made changes to the Working Holiday Maker visa
program to support regional and rural communities by increasing the number of tourists eligible to do seasonal work.

These reforms, effective on 5 November 2018, include the expansion of the regional areas where subclass 462 visa holders can work in agriculture (plant and animal cultivation) to qualify for a second year of stay in Australia.

Previously only those who worked in Northern Australia were eligible.

Other changes will extend the period that certain visa holders can stay and increase the caps and age limits for eligible working holiday-makers.

Case Study – How Working Holiday-Makers support regional communities

Bowen Gumlu Growers Association

The Bowen Gumlu in the Whitsunday area of North Queensland is the largest winter growing region in Australia and exports hundreds of millions of dollars of produce to New Zealand. The population of Bowen grows to over 3500 people during the peak picking season from May to November. The majority are employed in picking and packing fruit and vegetables on around 40 local farms. The Working Holiday Visa scheme has allowed the Bowen horticulture industry to source an accessible and flexible labour pool to meet increasing demand from Australian customers and export markets in Asia and New Zealand.

Without this labour, the growers would be unable to get their product overseas and to the supermarket shelves. Carl Walker, President of the Bowen Gumlu Growers Association, says: “Without that flexible transient population the region would be seriously impacted economically … the bulk of our farm workers spend the money they earn in the local and Australian tourism industry.”

OUR PLAN

Supporting jobs and regions with record funding

The Liberal and Nationals Government will provide $50 million to the Tourism Icons Package to support the development of five iconic tourism projects – creating new jobs and helping to diversify local economies.

• Rottnest Island sustainable visitor infrastructure and museum in Western Australia

We will contribute $12.2 million for sustainable visitor infrastructure, including upgrades of jetties, wharves, piers, roads, walking trails signage and existing lighthouse and railway, as well as
$5 million to improve the visitor experience for Rottnest Island Museum including enhanced facilities, curation and interpretation.

- Sovereign Hill Museum Enhancement in Victoria

Acknowledging the 50th anniversary of Sovereign Hill next year, we will contribute $10.1 million to help enhance the outdoor museum’s exhibitions and facilities. This funding will be used to develop a master plan and then deliver phase one, which may include opportunities to redevelop the Gold Museum, upgrade the entrance building, improve signage and enhance the popular ‘digging area’.

- Wangetti Trail construction in far north Queensland

We will contribute $8 million to build the next stage of the Wangetti Trail from the Mowbray River through to Palm Cove. This will help fund trail construction, upgrades to bridges, campsites and associated infrastructure.

- Freycinet National Park in Tasmania

We will contribute $7.2 million to the Freycinet National Park’s Visitor Gateway Hub for a new Visitor Centre, as well as an external car park to reduce congestion within the Park. This funding will also encourage commercial investment outside the Park and encourage more visitors to spend time in the Coles Bay township.

- Northern Rivers Rail Trail development in northern New South Wales

We will contribute $7.5 million for Stage 2 of the Rail Trail – from Old Casino Station to Back Creek Bridge at Bentley. Visitors will be able to walk the trail, ride a bicycle or horse or drive a zero-emissions vehicle such as a mobility scooter, Segway or electric bike.

These tourism icons build on our commitments to other unique destinations in Australia.

The Liberal and Nationals Government is providing $184 million for the Great Ocean Road and Geelong. This funding includes investment in the Geelong Convention Centre, as well as the Shipwreck Coast Master Plan and the Great Ocean Road area, providing improved access for tourists and locals.

Our Government is also investing up to $216 million to upgrade Kakadu National Park and support the Jabiru township in the Northern Territory. For Kakadu National Park, this means upgrades to walking tracks, viewing platforms, signage and mobile and WiFi services.

For Jabiru, the Government is helping to secure the long-term future of the township in
co-operation with the Northern Territory Government and is funding an Indigenous-led World Heritage Kakadu Visitor Centre.

The Liberal and Nationals Government will provide $11.25 million for a new visitor centre at Monarto Zoo.

Safari Park near Murray Bridge in South Australia. The centre is the first stage of the Monarto Zoo expansion project. It’s expected to unlock private investment to develop a range of zoo accommodation facilities including a safari resort and eco-luxe glamping tents.

The Adelaide City Deal will stimulate Adelaide’s cultural economy by investing over $100m in an Aboriginal Art and Cultures Gallery and an International Centre for Tourism, Hospitality and Food Studies at Lot Fourteen. The investment will also boost tourism by funding key projects such as the Heysens Gallery in Hahndorf, the Mitcham Hills and Glenthorne Trails in southern Adelaide and upgrading Carrick Hill House to include a visitor centre.

The Government will invest $30 million in the Cradle Mountain Cableway as part of the transformation of the Cradle Mountain Gateway Precinct. The Gateway Precinct will become the prime entrance to the world-renowned heritage national park and wilderness area.

To ensure that the benefits of tourism growth are spread beyond the major cities, the Liberal and Nationals Government delivered $70 million to regional tourism-related infrastructure projects from the most recent round of Building Better Regions Fund. The Building Better Regions Fund supports key infrastructure in regional communities.

It ensures the tourism industry can continue the investment to maintain tourist sites and attract new visitors into their region. This program is supporting communities through projects such as the new Australian Opal Centre in Lightning Ridge and Townsville’s new Castle Hill adventure tourism experience.

The Liberal and Nationals Government is supporting the Australian music industry through the $22.5 million Live Music Australia Grant program. This competitive grants program will support small businesses that host live music performances by Australian artists and help expand the touring circuit to regional venues. More local artists will have the opportunity to develop at home rather than overseas.

The Tourism Regional Infrastructure Investment Attraction Strategy will continue to deliver additional investment and focus on key tourism assets including the Whitsundays, Snowy Mountains, Margaret River and Kangaroo Island.
Regional focus

We will encourage tourists to visit regional destinations through a series of initiatives including greater promotion as part of Tourism Australia’s marketing, better transport infrastructure and the tourism icons package. This will complement other Liberal and Nationals Government investment such as the Indigenous Advancement Strategy and our backing of key regional tourism assets like the Great Ocean Road and Kakadu. The regions will be a key pillar of the Beyond 2020 Tourism Strategy.

Tourism promotion

The Liberal National Government will provide record funding to Tourism Australia, increasing from $142.9 million in 2013-14 to $154 million in 2019-20 and $167 million in 2022-23. This will enable Tourism Australia to continue to target high-value tourists in major international markets. It will also ensure the ongoing success of the Business Event Bid Fund which has already attracted $90 million in global conferences to Australian cities and regions. Our Government will also improve Tourism Australia’s ability to monitor and adjust their marketing approach to directly support communities impacted by natural disasters and unforeseen events.

Beyond 2020 Tourism Strategy

The Liberal and Nationals Government will finalise and implement the Beyond 2020 tourism strategy to help Australia’s tourism industry make the most of opportunities and challenges over the coming decade. The strategy charts a 10-year plan for the tourism sector that has been developed by industry in consultation with state and territory governments. Targets include achieving $152 billion-$195 billion in overnight visitor expenditure by 2025 and $181 billion-$250 billion by 2030.

The Australian economy will reap strong rewards if these goals are reached, including jobs for an additional 123,000 to 400,000 workers.

Supporting the growing China market

To support the inbound tourist market from China, the Liberal and Nationals Government will provide $11 million over the next four years to continue the Approved Destination Status (ADS) scheme, which allows Chinese tourists to travel to Australia in guided groups. Australia’s position as one of the first western destinations to be granted ADS status gave it a strong start in marketing its tourism product to China. It means Tourism Australia can market directly to China; currently, about 24 per cent of Chinese leisure tourists are ADS tourists.

The Liberal and Nationals Government is also investing $3 million in a new campaign in China to lure more high-spending, independent and repeat travellers to more areas of Australia.
China is Australia’s number one inbound market (currently worth $11.5 billion), having grown 12 per cent in 12 months. In the year ending December 2018, Australia attracted more than 1.4 million Chinese visitors.

**Improving Australia’s tourism visa and arrival systems**

The Liberal and Nationals Government will invest in improving the visitor visa processing and arrival process into Australia by working closely with the tourism industry, domestic agencies and international partners. We will streamline and automate the visa application process using the very latest and most sophisticated digital technology.

Under the Liberal and Nationals Government, all tourists to Australia can expect a faster, fully digital and secure visa application process.

We have installed next generation arrival SmartGates in two airports and will progressively roll them out to all major Australian international airports, ensuring a speedier arrival into Australia. To remain internationally competitive in tourist and visitor visas, we will commission a review to benchmark Australia’s visa settings against our major competitors in international tourism, as well as identify areas for improvement.

**Better transport infrastructure**

The Liberal and Nationals Government’s comprehensive plan to upgrade Australia’s transport infrastructure will improve international visitor experiences and increase the nation’s capacity to accommodate overseas tourists. The Liberal and Nationals Government has committed around $30 billion for major tourism-related infrastructure including airports, roads and rail. This funding includes $10 billion for Queensland’s Bruce Highway, $400 million to improve the safety and efficiency of the principal link between northern and southern Tasmania and $330 million for the Outback Way across the Northern Territory, Queensland and Western Australia.

**Indigenous tourism**

Indigenous Tourism has huge potential to create and develop more Indigenous businesses that can support jobs, especially in remote areas where economic activity is limited.

According to Tourism Australia, 15 per cent (1.3 million people) of international visitors undertake an Indigenous tourism experience.

The Liberal and Nationals Government has committed $85 million for an Aboriginal Art and Cultures Gallery in Adelaide and, as part of the tourism icons program, we’re also supporting local Indigenous communities and culture with our funding to Freycinet National Park and the Wangetti Trail.
Building on this success, and our Indigenous Entrepreneurs Fund, the Liberal and Nationals Government will provide a $40 million Indigenous tourism fund as part of the Indigenous Advancement Strategy (IAS). Each year, $10 million of IAS funding will be focused on increasing the number of Indigenous owned and operated tourism enterprises, particularly in remote areas.

This fund will support new or expanding Indigenous businesses to purchase capital assets like a vehicle, boat or an accommodation facility to help break down typical barriers for Indigenous entrepreneurs. The funding will also support tourism planning work with Indigenous communities and entrepreneurs who are pursuing tourism opportunities.

It’s a great new complement to Tourism Australia’s Discover Aboriginal Experiences program—and will also help Indigenous businesses participate in other initiatives such as Tourism Australia’s Signature Experiences of Australia program.

**Supporting small and family tourism businesses**

One in eight Australian businesses are tourism businesses and almost 90 per cent of them have a turnover under $2 million. These businesses will benefit from the Liberal and Nationals Government’s tax reforms, including a reduction in the business tax rate to 25 per cent, an increase in the threshold for the instant asset write-off from $25,000 to $30,000 and expansion of its coverage. The Liberal and Nationals Government will also ensure small business is paid on time by big business and government and will increase access to finance with a new $2 billion Australian Business Securitisation Fund.

**THE CHOICE**

Labor dismisses Australia’s vital tourism sector.

Under Labor, funding for Tourism Australia flat-lined, job growth in the sector was slow and the number of international visitors and their expenditure was weak.

Labor’s plans to impose an additional $387 billion of taxes on the Australian economy would have dire consequences for tourism. Many small and family tourism businesses will be hit hard. Labor’s Retiree Tax would reduce the disposable income of over 900,000 Australians while their union-led restrictions on working holiday-makers would hurt the regions.

**Labor’s attack on grey nomads**

Australians over 65 account for 15 per cent of all domestic overnight travellers – with 15.6 million trips during the year ending September 2018 and spending of $9.8 billion. Over 65s make 42 million day trips in Australia annually, spending $3.7 billion.
Labor’s devastating Retiree Tax is a $57 billion tax grab that would hit over 1 million Australians.

This includes more than 900,000 Australians with direct shareholdings, 200,000 self-managed super funds and 1,800 super funds.

On average, these retirees would lose almost $2,300 a year – and more than half of them are women. Self-managed super funds would lose $12,000 a year.

Labor claims their Retiree Tax will only slug the wealthy, but the truth is that 84 per cent of Australians who would be affected are on a taxable income of less than $37,000. And 50,000 pensioners in self-managed super funds would also be hit.

**Labor restrictions on working holiday-makers will hurt regional Australia**

Labor and the ACTU’s plan to abandon the second year working holiday visa would remove over 36,000 Working Holiday visa holders from the economy. This is yet another union-driven Labor policy that will damage regional businesses and communities.

AUSVEG understands the important contribution of backpacker visitors under the Working Holiday Maker program. The peak national body supports our changes that are backing in the farming sector and regional economies.

“Backpackers are an established source of labour for Australian farmers, and allowing them to work for longer periods at a single farm will help our growers retain a more stable workforce throughout the year.” AUSVEG CEO James Whiteside

Labor’s taxes are bad for business. First, Labor’s new taxes would directly hit small business. Second, a Shorten Labor Government would be the highest taxing government in Australia’s history. Our economy would be weakened under Labor, making it a harder for small businesses to get ahead.
<table>
<thead>
<tr>
<th>LIBERAL AND NATIONALS</th>
<th>LABOR</th>
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<tr>
<td>Spend by international visitors up by 53 per cent.</td>
<td>Spend by international visitors up by 10 per cent.</td>
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<td>17,881 increase in number of tourism businesses 2013-17.</td>
<td>12,614 reduction in number of tourism businesses 2010-13.</td>
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<td>Tourism jobs increased by 44,700 from 2012-13 to 2016-17.</td>
<td>Tourism jobs increased by 10,500 from 2007-08 to 2012-13.</td>
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<td>Tourism Australia funding increased by $11.1 million from $142.9 million in 2013/14 to $154 million in 2019/20 and record funding will continue to 2022/23 with $167 million for Tourism Australia.</td>
<td>Tourism Australia funding flat-lined over 6 years. In 2008/09 Tourism Australia funding was $137.6 million. In 2012/13 it was $138.2 million.</td>
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<td>The Government will help regional communities with labour shortages by increasing the number of holiday-makers available for seasonal work needs.</td>
<td>Labor plans to reduce the ability of eligible holiday-makers to work during their stay.</td>
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<td>More than $1.2 billion to protect the health of the Great Barrier Reef and ensure it remains a major tourist attraction, including the $443 million Reef partnership program.</td>
<td>Reef listed on the World Heritage in-danger ‘watch-list’ when last in government, and plans to terminate the $443 million partnership program.</td>
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<td>Low energy costs and incentives for small businesses to become more energy efficient.</td>
<td>Labor’s emissions target will see wholesale electricity prices rise by up to 58%.</td>
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<td>Tax cuts for small and medium business – from 30 per cent to 25 per cent by 2021-22.</td>
<td>$387 billion in new taxes including on 300,000 small and family businesses through changes to family trusts. Labor voted repeatedly against tax cuts for small and medium business.</td>
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**THE COST**

The Liberal and Nationals Government’s plan to back Australian tourism and jobs will not place additional costs on the Budget.