



Recovery for Regional Tourism

Phillip Island Region Fact Sheet

27 September 2020

Overview

On 27 September 2020, the Australian Government announced a \$50 million *Recovery for Regional Tourism* Fund to support nine tourism regions who are heavily reliant on international tourism. This initiative is part of the \$1 billion COVID-19 Relief and Recovery Fund to support regions, communities and industry sectors disproportionately affected by the economic impacts of COVID-19.

The *Recovery for Regional Tourism* program will help regions and businesses heavily reliant on international tourism to retain and create jobs by driving visitation, spurring demand and improving product diversity to attract visitors. The program will deliver an integrated package of support focussed on creating and retaining tourism jobs. It will be tailored to the needs, visitor demographic and geography of the nine tourism regions eligible for assistance under this program. This will help regions achieve greater leverage from the domestic tourism market and to ensure there is a vibrant, internationally focused tourism industry still in place when international visitors return.

Funding allocated for each region is based on the gross value added by international visitors and tourism employment within the region. The Phillip Island Region may receive up to \$3.5 million from the Australian Government under this program.

Examples of potential activities that could be funded

Indicative Measure	Reasoning and example application
Support to develop new marketing strategies and content	Some tourism businesses in internationally reliant regions need to change their business model to focus on the domestic market. For example, a tour operator specialising in tours for international markets could access support from a regional tourism organisation (RTO) funded under this proposal to develop new domestically-focussed marketing strategies.
Support to develop new tourism product	New and innovative tourism product such as events and festivals can encourage visitation. For example, funding could be provided to an RTO to support a signature food and wine festival.
New marketing partnerships with airlines	Tourism is highly reliant on aviation to bring visitors to destinations and incentives are needed to provide volume on air routes that are tourism- reliant. For example, funding could be used by a regional tourism organisation to enter into a joint marketing arrangement with a domestic airline to drive consumers to book flights to a region with limited regional air coverage.

Tourism business advisory services	Tourism businesses serving the international market have suffered large declines in revenue. Targeted tourism business advisory services would assist operators to restructure and pivot. For example, a cultural tourism operator which exclusively targets international visitors may need specialist advice/mentoring to lower their cost base and adapt their products to appeal to the domestic market.
Support to re-engage with the interstate travel trade	Border closures have meant that tourism businesses in remote and regional locations have not been able to access industry sales and distribution partners in the usual way to develop new domestic markets. For example, an RTO could engage experts to assist high-end service providers which traditionally market to destination management companies overseas to engage with state-based distributors and agents as state borders reopen.
Upgrades to Visitor Information Services	Visitor information services are designed to enrich and expand the experience of visitors and encourage longer stay. A RTO responsible for the Visitor Information Centre in its region could, for example, access support to develop new services targeted at the domestic market.

Key Data for the Phillip Island Region

For the year ending December 2019, this tourism region received a total of 1.1 million overnight visitors, 57,000 of which were international. These international visitors stayed just over 149,000 nights in the region, and spent around \$26 million.

Tourism Research Australia data from the Regional Tourism Satellite Accounts shows in 2018-19:

- 4,500 people were directly employed in tourism.
- Tourism indirect employment accounted for an additional 1,400 people.
- Tourism's total gross value added for the region in the same period was \$476 million.

More information about the *Recovery for Regional Tourism* program can be found [here](#).