

9 June 2021

The Hon Martin Ferguson AM  
Chair, Reimagining the Visitor Economy Expert Panel  
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Dear Chair

Brisbane Economic Development Agency (Brisbane EDA) welcomes the opportunity to respond to the Australian Trade and Investment Commission (Austrade) regarding the *Reimagining the Visitor Economy* Discussion Paper – May 2021.

Brisbane EDA is a wholly owned subsidiary of Brisbane City Council and acts as an independent agency whose remit is to help grow Brisbane's economy, drive demand for Brisbane, and create growth and trade opportunities for local Brisbane businesses. By doing this, Brisbane EDA contributes to the long-term economic growth of the city with a better quality of life for Brisbane residents.

Brisbane EDA has played an important role in driving Brisbane's economic recovery from COVID-19, working with industry leaders, business partners, and local businesses to deliver initiatives with immediate and sustainable economic impact for Brisbane. We are focused on delivering a series of high-impact economic growth initiatives that will reinvigorate sectors, create employment opportunities and raise living standards for the people of Brisbane.

Overall, the paper presented is comprehensive and covers the key strategic pillars needed to drive tourism growth in a post-COVID recovery period. The current economic environment provides a rare opportunity to recognise the role that Brisbane can play as a major port and airport to service the Asia Pacific region, and wider destinations. Brisbane EDA's response supports the proposition that the solutions and opportunities to drive sustainable growth in the visitor economy will need to be led by industry and enabled by all levels of government.

The Greater Brisbane region is experiencing a once-in-a generation transformation of the visitor economy with more than \$14 billion of new projects delivered or underway. No other capital city in Australia is better positioned to help the nation to drive domestic and international visitation as we move into our recovery stage. The potential exists to further leverage this investment with new projects and significant infrastructure to support the Brisbane Olympic Games bid, which will position Brisbane for exponential growth in international markets for decades to come.

We have provided our response to the discussion paper in detail over the next few pages. We have also enclosed our *Visitor Economy 2031: Vision for the Brisbane Region (VE2031)* report. Launched in September 2019, VE2031 clearly outlines what is needed for Brisbane to secure an additional \$6.5 billion in visitor expenditure per annum by 2031 above the forecast growth. Despite the challenges of COVID-19, the vision for Brisbane outlined in VE2031 of "enhancing the contribution of the visitor economy to the region's lifestyle, environment and economy through capturing greater value for our communities and sustainably

managing growth” remains true and forms the basis on which much of our solutions and insights for the discussion paper are drawn. We welcome the opportunity to be contacted should the Expert Panel require any further detail on our submission.

Yours sincerely,



Brett Fraser  
Chief Executive Officer

## 1. Industry-led, government enabled recovery

### COVID Roadmap

To enable a successful recovery, a clear COVID-19 roadmap is required to ensure Australia's visitor economy can move rapidly to recapture markets. In the short term, nation-wide alignment to the management of COVID hotspots without the need to shut down cities and close State borders is paramount to building consumer and corporate travel confidence, and subsequent consumer spend and industry investment.

To enable strategies to be developed on securing international investment into tourism infrastructure projects, a plan for the reopening of international borders is required which identifies the key milestones and associated timelines.

### Infrastructure Investment

Increasing dispersal of visitors across South East Queensland is essential if average length of stay and visitor expenditure are to increase. In 2020 Brisbane Airport's parallel runway and the Brisbane International Cruise Terminal both opened. Driving direct international routes and additional airline and cruise capacity is essential to recovery and growth of the visitor economy. Enabling infrastructure to connect to the airport and cruise terminals with Brisbane City, bay, river and hinterland is also vital.

The aspirations outlined in the *SEQ City Deal* to deliver a 45-minute region applies equally to the visitor economy and the commuter. Ensuring the region has the transport infrastructure and event venues required to support the major events strategy, delivery of the 2032 Olympic Games (if Brisbane's bid is successful) and providing the required connectivity to the region's visitor attractions and infrastructure is critical.

### Regulatory Environment

A wide range of regulatory and legislative regulations govern development in protected and natural areas.

Protection of our most precious environments is essential, however the complexity of approval processes in coastal and hinterland locations has been a major hurdle in attracting new tourism investment and experiences to market. Collaboration with Federal and State Government departments and management agencies is essential to review policy barriers and identify opportunities for streamlining development processes in natural areas.

Community support and a social licence for tourism are also increasingly important considerations, particularly as visitor volumes and interest in natural experiences grow. Effective strategic planning requires engagement with communities at an early stage in overall business planning – gaining consensus, securing support, encouraging engagement, and building awareness of the economic and social benefits of sensitive tourism development.

### **Recommendations**

- **Develop a COVID roadmap for international border opening.**
- **Undertake a gap analysis of key transport and events infrastructure for the visitor economy in SEQ to easily connect the key precincts for visitors in preparation of a potential 2032 Olympics in Brisbane.**
- **Invest in direct air access through parentship route development funds that grow Brisbane's share of international visitors and visitor nights in key target markets.**
- **Collaborate with State Government departments and management agencies to review policy barriers and identify opportunities for streamlining development processes in natural areas for new nature-based experiences.**

## 2. Capturing the domestic travel opportunity

### COVID Management

Fast-tracked vaccination across Australia combined with a clear and coherent policy on domestic border management will serve to build consumer confidence to travel.

### Capital Cities Focus

Capital cities require a particular focus as they deal with devastating lockdowns and the impact of decreased city worker and shopper foot traffic. A commitment to activating cities, financial support for business and major events and continued aviation support are required.

Support to position the Brisbane region as a base to explore, rather than a gateway, and to increase stay and spend is critical to capturing the domestic travel opportunity. To drive conversion of visitors passing through into overnight stays, new experiences are needed to enhance the region's desirability. If just 4% of visitors are converted from "passing through" to "staying overnight", 8% more purchase an experience, and visitors spend an extra half day in Brisbane, the 2031 \$10 billion forecast spend could result in a \$16.5 billion stretch target. There's a clear economic need to increase aspirational appeal and provide additional reasons to visit, increase dispersal across the region, and capture visitor spend and stay, whilst working in partnership with other leading destinations.

Federal Government support and recognition of Brisbane's industry and government's significant investment into the visitor economy (\$14 billion) is required. Dedicated marketing funds to position Queensland's capital city would drive demand to new hotels and experiences developed to ensure sustainability of tourism offerings.

Grant programs to build new, or revitalise existing, tourism products would provide the opportunity to reveal new and refreshed offerings to domestic travellers.

### Service Focus

For domestic destinations and products to capture a share of the "Australians who traditionally travel overseas" market, they must consistently deliver excellent levels of service across tourism and hospitality experiences and create a new benchmark for service levels. The rollout of customer services programs such as "Aussie Hosts" will support workers to deliver the quality required to maximise visitor yield and satisfaction and help to retain international holiday makers in South East Queensland.

### **Recommendations**

- **Coordinate a national framework for the COVID vaccine rollout and domestic border management.**
- **Develop federal grant programs for tourism infrastructure projects.**
- **Customer service program rollout.**

## 3. Diversifying our international customer base

### Aviation Route Development

Brisbane Airport Corporation's significant investment into building a second runway is a key enabler for international growth not only for Brisbane and Queensland, but also other Australian states. This combined with significant new infrastructure investment positions Brisbane as an ideal entry point to Australia for international visitors.

VE2031 predicts growth from China and India to account for 78% of additional international flights, however, with post-COVID-19 uncertainties, significant investment into new international aviation route development

is critical in order to attract alternative pathways, and additional airline capacity, along with a strong commitment to cementing Brisbane Airport as Queensland's international airport.

### Visa Reform

Visa reform that heightens Australia's ability to be competitive needs to be undertaken. Policy reform to streamline visa applications, expedite processing times, reduce costs resulting in better visa conditions will make Australia an 'easier' and more competitive place to visit.

Programs to re-attract the lucrative international student market that was decimated in 2020, with a more balanced approach to key markets will also facilitate a strong visiting friends and relatives market.

### Unique Selling Points

COVID-19 has heightened existing unique selling points and created new opportunities for Australia. Driving messages of health safety, open spaces, visitor confidence and, to a degree, our geographic isolation, should be of appeal to a pandemic-weary world.

### Business Event Bid Fund Program

Business events are the most lucrative part of the visitor economy, with conference attendees spending 77% more per day than leisure tourists. The Federal Government's commitment to supporting business events was made evident by the launch of the national Business Events Bid Fund Program (BFP) in March 2018. The initial commitment, delivered via Tourism Australia, was for three-years and recently a one-year extension was announced, taking the program to 30 June 2022.

As at April 2021 the BFP has helped Australian cities win hosting rights for 40 large business events and the return on investment on investment on every dollar invested by the Federal Government for business events converted is \$61 for the Australian economy. As international borders open, international competition for this strategic and high-yield visitor market will only increase. Australian destinations need certainly in the ongoing nature of the BFP for opportunities beyond the current four-year term.

### **Recommendations**

- **Invest in direct air access through parentship route development funds that grow Brisbane's share of international visitors and visitor nights in key target markets.**
- **Work across agencies to deliver more seamless and internationally competitive visa entry conditions, fee structures, visa processing and entry experiences for international visitors and key workers, including a US Customs Pre-Clearance facility.**
- **Leverage Australia's strengths in managing COVID-19 as unique selling points in international markets.**
- **Based on the significant success of the Business Events Bid Fund program, the government make the program permanent, boosted, and in addition to Tourism Australia's annual appropriation.**

### **4. Labour, Skills and Workforce**

The VE2031 target was to deliver an additional 50,000 employees, but to achieve this, Brisbane needs to become a hub for global talent. Brisbane was already experiencing industry capacity building and workforce issues prior to the COVID-19 pandemic. Visa policy and processes, the attractiveness of tourism and hospitality as a career choice, and delivery of consistent service levels were all issues impacting on the region's national competitive advantage. These have now been exacerbated with COVID-19.

### International Workforce Attraction

In the short term, extension of government grant programs as seen for farm workers (e.g. Pacific Islands), into the tourism industry should be implemented.

It is also essential to support the return of international students, a key visitor market for Brisbane and the wider regions. Not only are international students a valuable source of expenditure (direct and city and VFR) they also played a key role in providing a target workforce market, as well as contributing to the innovation ecosystem and driving future growth potential.

### Tourism as a Lifelong Career

Longer term, development of a tourism workforce plan, strengthening industry pathways for students, building capability for tourism businesses, and the rollout of customer services programs such as “Aussie Hosts” will support workers to deliver the quality required to maximise visitor yield and satisfaction.

Employers are facing a challenge to their employment requirements and need to focus on work-life balance opportunities and a greater commitment to career pathways for employees.

### **Recommendations**

- **Work across agencies to deliver more seamless and internationally competitive visa entry conditions, fee structures, visa processing and entry experiences for international visitors and key workers, including a US Customs Pre-Clearance facility.**
- **Rebuild a competitive position for Brisbane (and other cities) as a top international student destination to counter the growing COVID-19 trend of remote learning, online learning and short course/micro-credentials.**
- **Address the challenge that tourism is not widely seen as an attractive career option.**
- **Work with education providers to ensure research, education and training meet future needs.**

## **5. Indigenous Tourism**

### Grow Indigenous Businesses

Brisbane’s Indigenous tourism offering is ever-increasing and the market appeal for authentic cultural tourism experiences continues to grow and evolve. Brisbane EDA is committed to deepening the understanding of local Aboriginal culture and history by developing and facilitating programs that provide non-Indigenous tourism businesses with opportunities to establish culturally appropriate and respectful practices. This has resulted in meaningful partnerships with Indigenous and non-Indigenous tourism businesses in the region. However, increased funding and programs are now needed to enable Indigenous businesses to scale-up to meet increasing market demand. This includes financial and human resourcing, business capacity programs, relationship building programs between Indigenous and non-Indigenous tourism businesses, and coaching and mentoring programs all need to be delivered.

The international marketing of these Indigenous experiences is delivered through Tourism Australia programs, however, there is a gap in contracting these experiences with international trade partners. Export-ready programs and mentoring by long-established tourism businesses could assist in addressing this gap.

Meaningful partnerships are required to address tourism activities on Native Title land. These partnerships should be with First Nation peoples, industry and government.

### **Recommendations**

- **Invest in business capacity building programs.**
- **Invest in marketing programs that support driving demand to Indigenous tourism businesses.**

## 6. Innovation: digital and new products

### Quality Data

Data drives industry, business and government decision making. The lack of quality data currently available in the industry creates difficulties for businesses, investors, and marketing organisations.

Integration of big data from multiple sources that complement and enrich best practice visitor survey methods is needed. The scope of Australia's overseas arrivals and departures data collected by the Australian Bureau of Statistics and analysed by Tourism Research Australia, including the international (IVS) and national visitor survey (NVS), also needs to be broadened.

### Digital Transformation

To remain internationally competitive, the tourism industry will need to optimise the use of new digital platforms and technologies as they emerge, ensuring tourism products and services are available in formats that meet the ever-changing needs of the domestic and global consumer. This includes providing access to digital booking/purchasing platforms, flexible payment options, new forms of transportation, and virtual experiences.

### Visitor Economy Working Group

A new National Visitor Economy Working Group, based in Brisbane, is proposed as a collaboration between industry, government, and the research community. Its remit is to provide improved research links between industry and government as we all adapt to a changing landscape. In collaboration with the innovation sector the Working Group will help to evolve and adapt business practices for the tourism industry of tomorrow.

### **Recommendations**

- **Enhance the national and international visitor surveys and complement by investing in robust aggregated and segmented data capability.**
- **Invest in digital transformation programs for visitor economy businesses.**
- **Establish a Visitor Economy Working Group in Brisbane as a collaboration between industry, government and the research community to provide improved research links between industry and the region's leading education providers. A formal Visitor Economy collaboration will provide the industry with evidence needed to invest, so industry can stay ahead of global changes.**

## 7. Resilience, Sustainability and Social Licence

### Embracing the New Green Economy

Community support and a social licence for tourism are increasingly important considerations, particularly as visitor volumes and interest in natural experiences grow. Effective strategic planning requires engagement with communities at an early stage in overall business planning – gaining consensus, securing support, encouraging engagement, and building awareness of the economic and social benefits of sensitive tourism development. Environmental education will become paramount as this sector grows.

### **Recommendations**

- **Showcase hero sustainability experiences.**
- **Establish and implement benchmarks to track performance.**
- **Ensure social licences are integrated in all green economy experiences.**
- **Increased support for nature-based tourism projects and proposals.**

## Conclusion

The COVID-19 pandemic has disrupted the Brisbane visitor economy. In submitting to *Reimagining the Visitor Economy*, the Brisbane EDA position on reinvigorating the tourism landscape is clear.

The seven key strategic pillars needed to drive sustainable growth in the visitor economy post-COVID-19 need to be led by industry and enabled and supported by all levels of government.

Brisbane's own vision for a future visitor economy, *Visitor Economy 2031: Vision for the Brisbane Region (VE2031)* report clearly outlines what is required to secure an additional \$6.5 billion per annum in visitor expenditure by 2031 and reflects many of the themes outlined in the Austrade Discussion Paper.

Brisbane EDA supports the view that the current domestic economic climate, whilst damaged post-COVID, can be recovered and reinvigorated with increased attention to the enclosed series of recommendations.