

11 June 2021

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

**RE: Destination Gold Coast Reimagining the Visitor Economy Discussion Paper**

On behalf of the Gold Coast's tourism industry, thank you for the opportunity to share some practical advice directly from our visitor economy stakeholders as we partner for recovery and sustainably in the post-COVID-19 world. For context, when compared with 2019, the Gold Coast lost more than \$3 billion of visitor expenditure in 2020.

Through consistent tourism industry interface, key insights have been collected over the course of several months. Industry feedback has been compiled through day-to-day interactions, executive level briefings, and through a series of strategic tourism roundtables. The below points are the recurring themes and suggestions arising from Destination Gold Coast's interaction with our key stakeholders.

**Brand and Reputation**

Our country's global reputation has been enhanced through its management of the pandemic. As a priority, Australia should further promote our global status as being a safe, clean, and well governed destination that is positioned to welcome our international guests when the time is right. Despite our brand equity, as borders begin to reopen worldwide, the competition will be intense. In addition to the tourism and events sectors, skilled employment, inward investment, and other high value segments will be pursued vigorously by our competitors.

**Aviation**

Australia's reliance on a robust aviation sector cannot be understated. Based on the federal Government's highly successful Tourism Aviation Network Support (TANS) initiative, more programs such as these should be implemented in the future. It is apparent that the multiplier effect of TANS extends beyond the aviation sector to include many elements of the tourism ecosystem.

**Events**

Events represent an important driver of visitation. With the objective of increasing visits, expenditure and length of stay, ongoing investment in major events that celebrate what is unique and compelling about our destinations is essential.

**Business Events**

The Gold Coast's capacity to grow its business events sector presents a considerable opportunity internationally. The Gold Coast is Australia's leading regional events destination offering world-class facilities, convenient access, portfolio of iconic experiences and the optimum climate. Historically, business events on the Gold Coast attract record delegate numbers that provide a directly attributable economic impact for the destination.

**2032 South East Queensland Olympic Games**

With South East Queensland firming as the favourite to host the 2032 Olympic Games, there is once-in-a-lifetime opportunity for Australia to use the next 10 years as a runway to optimise the benefits of this mega-

event. Investment in infrastructure to deliver the 2032 Olympics will stimulate the economy in the lead up. Conservatively, South East Queensland is expected to be home to 4.4 million people by 2031. Hosting the Olympics would accelerate urban transformation, address increasing demands on our supporting infrastructure and will position the collective bidding regions to compete in the events space on the global stage for decades to come.

### **Product and Experience Development**

Investment in new, sustainable tourism products, experiences or catalytic infrastructure projects that will deliver increased visitor numbers, expenditure and jobs for Australians should be prioritised as a legacy outcome post COVID-19. To succeed, we must partner with all levels of government and the private sector, expanding our tourism offering to meet and exceed consumer demand into the future.

### **Workforce**

Staffing and managing tourism workforce requirements within the fluctuating nature of our visitation cycle remains an ongoing issue. Further relaxation of visa and employment restrictions around extended-stay international travellers who are already in Australia and for skilled internationals could fortify the supply of talent. Costs of training for in a restrictive six-month window are unsustainable within this current environment.

Some additional measures to build capacity for our tourism workforce include:

- i. Skilling locals
- ii. Invest in attracting and retaining labour to the industry = career pathways
- iii. Invest in vocational training
- iv. Dispersal of talent

### **Business Sustainability / Capacity Issues**

For many operators, the cost of doing business is not sustainable in the long term, particularly in terms of the food and beverage offering under current COVID requirements for the sector. Food and beverage are being well patronised but is counterproductive in terms of the labour costs. Many accommodation and food and beverage operators have reduced their overall occupancy capacity (by as much as 30%) to ensure that they can deliver within the perimeters of COVID-Safe approved plans. In the interest of commercial viability, it is vital that capacity constraints are regularly monitored and managed by the appropriate regulatory bodies.

### **Property and Public Liability Insurance Costs**

According to many of our key tourism operators who are exposed to the impacts of natural disasters, property insurance costs have risen exponentially or are unavailable entirely. A national approach to ensuring that critical tourism businesses have access to affordable commercial property insurance needs actioned immediately. It is highly recommended that Australia adopts the National Injury Insurance Scheme (NIIS) model (or similar program) implemented in New Zealand. Such a system would provide affordable and accessible liability insurance for small and medium businesses.

### **Export Market Development Grant (EMDG) – Turnover Threshold and Reset for Operators**

Many of our region's high value international connections have been compromised and, in many instances, (due to the collapse of some overseas businesses) completely severed. As tourism and other exporters seek to re-engage with their markets, reducing the cost to do business will be vital to the recovery efforts. The time to leverage our global reputation and the quality of our exports (particularly tourism) is now. Established exporters should be encouraged and supported in their re-entry efforts. Furthermore, 'resetting' the current eight-year limit on EMDG eligibility for existing operators would encourage investment to attract Australia's high growth international tourism source markets.

### **Drive Demand**

Robust funding models and taking a cross-sector approach to refining of remits of our peak marketing and management entities will be vital to a resilient visitor economy of the future. In the short term, travel bubbles, vaccine passports, re-establishment of international education should be prioritised. Infrastructure to support tourism is also in need of significant and continuing investment. Destination assets such as airports / aviation, convention centres, hotels, attractions, improved ground transport/access and facilitation of more seamless international arrivals will all be key factors to success.

### **Knowing our Customers – Insights**

Whilst uncertainty continues to feature in our economic future, making data-informed decisions is more important than ever. Investment in research that is current, timely and robust is crucial to maximising our finite resources. Where appropriate, predictive analytics should be utilised and investigating data as a single point of truth beyond the National and International Visitor Surveys (NVS/IVS) should be explored. From a global standpoint, Australia's management of COVID-19 has been the gold standard. It is imperative that we embrace the opportunity for our economy to capitalise on the sacrifices endured to protect Australians. On behalf of the Gold Coast's tourism industry and the more than 43,000 supported jobs at stake, please carefully consider these recommendations and insights as we navigate what has been a calamity for our sectors and the Australian economy in general.

Should you have any questions or require further information, please feel free to contact me directly on 07 5584-6211 or email [patricia.ocallaghan@destinationgoldcoast.com](mailto:patricia.ocallaghan@destinationgoldcoast.com).