

25 September 2020

The Hon. Josh Frydenberg MP

Treasurer

Parliament House

Canberra ACT 2600

Via email to Prebudgetsubs@treasury.gov.au

Dear Treasurer

I write to outline the critical contribution to the visitor economy of arts and cultural institutions as well as national parks and their operators and to request specific support for these sectors in the upcoming Federal Budget. These are **two additional recommendations** to TTF's 2020/21 existing budget submission.

Additional \$50 million required for Arts and Cultural Institutions (\$300 million total investment)

In 2017, cultural and creative activity in Australia generated over \$110 billion or 6.4 per cent of GDP, an increase of \$25.8 billion over the eight years from 2009. However, COVID19 has caused patronage to abruptly cease across arts and culture organisations, resulting in a significant employment downturn.

Further, due to the fact that casual employees make up a significant portion of the sector's employment base and many of these employees have only been with particular employers less than twelve months, much of this workforce have not been eligible to apply for the Federal Government's JobKeeper package. As we enter the initial recovery phase and as some domestic borders and all international borders remain closed, right now is the time that the arts and culture sector require further targeted support.

The \$250 million arts support package announced by the Government in June was welcome, but this should be both fast-tracked and also boosted by an additional \$50 million over the next financial year. This additional funding would in part explore and then fund a range of targeted demand driving incentives to encourage both interstate and intrastate visitation to arts and cultural venues and events (where possible), expanding in line with border restrictions being eased over the coming weeks and months. This would have associated economic flow on effects and grow business activity for accommodation providers, airports, airlines, catering venues and a wide range of other operators as restrictions ease.

A consumer sentiment survey commissioned by TTF and conducted by Newgate Research revealed that while the eventual lifting of borders will help reboot the tourism sector at large, a slower recovery is predicted for cultural institutions and major events specifically. Almost a third of Australians (32 per cent) surveyed say they won't be returning to those venues until at least next month. This hesitance is despite very strong general interest in this type of tourism, with cultural events the fifth most preferred activity for Australians surveyed after general sightseeing, food and drink experiences, shopping and nature-based activities. Arts and cultural venues and events were ranked well ahead of other activities including sporting events both as attending spectators or participating in, and health and wellness activities.

The survey showed that 21 per cent (or over 1 in 5) of Australians who took part nominated attending cultural events and festivals when asked what they would be most likely to participate in when they next travel within Australia for leisure or personal reasons, if restrictions allowed. It is also widely accepted that the contribution of arts and cultural institutions is more than just the economic contribution - it improves the fabric of our lives and the nation and increases our general mental wellbeing.

Additional \$50 million for Commonwealth National Parks (\$283 million total investment)

The tourism industry welcomed the \$233 million investment in Australia's Commonwealth National Parks in June however an additional \$50 million is required to support national parks infrastructure that makes them more accessible, will aid regional tourism dispersal and help to reboot the regional visitor economy as domestic borders continue to reopen and Australians start to travel again.

Additional funding would further boost new infrastructure and upgrades to cultural centres, walking tracks, roads, campgrounds and viewing platforms including in Uluru-Kata Tjuta National Park and Kakadu National Park in the NT, Booderee on the NSW South Coast and the Australian National Botanic Gardens in Canberra.

A survey of the travel intentions of 1,500 Australians conducted by Newgate Research for TTF showed strong support among regional communities for an increase in domestic visitors with 70 per cent of respondents saying it would have positive impacts. Nature-based activities was one of the most popular responses from those surveyed when asked why they would travel, comprising almost a third of responses, which highlights the importance of this additional investment in national parks.

Approximately 43 cents of every tourist dollar is spent in regional Australia. Before COVID-19 there was significant growth in nature-based tourism, and this is set to return. This additional funding for new and upgraded infrastructure for Commonwealth National Parks will be critical if Australia is to fully realise the benefits of nature-based tourism in this critical domestic visitation period ahead.

Summary

Our arts and cultural sector and national parks and the operators they support are resilient, but we will need strategic additional investments in these sectors in the upcoming Federal Budget and over the coming years to enable increased domestic and later international visitation to these critical visitor economy sub-sectors.

I look forward to talking further with your Office and the Government on these measures and Lindsay Hermes from my Office (lhermes@ttf.org.au - 0418 948 447) will be in touch in due course to arrange further briefings.

Kind regards



Margy Osmond
Chief Executive
Tourism & Transport Forum

CC: Minister for Arts the Hon. Paul Fletcher MP

Minister for the Environment the Hon. Sussan Ley MP