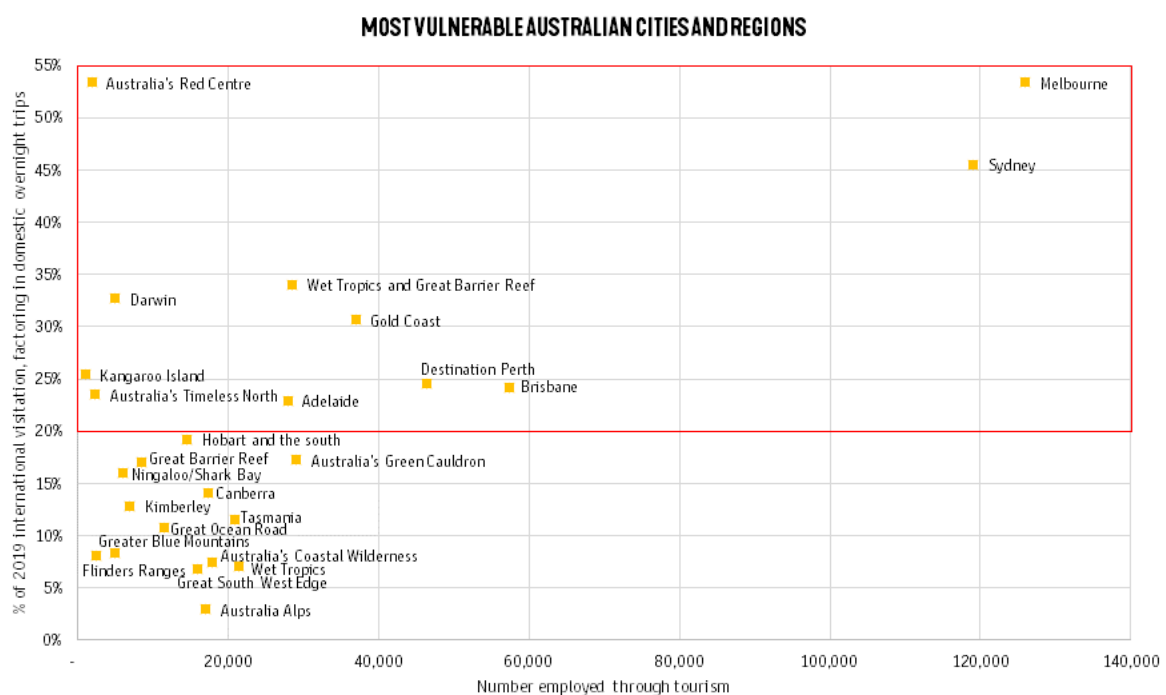


TTNQ Submission to Industry Action Plan

Tourism Tropical North Queensland welcomes the opportunity to provide a submission to the Queensland Government Tourism Industry Reference Panel's Designing Our Future Tourism Discussion Paper.

The economic impact of COVID-19 was acutely felt across Tropical North Queensland (TNQ), more so than most locations in Australia, as international travel stopped, and domestic travel was heavily curtailed. Total tourism arrivals dropped by 60% in 2020 leading to a projected regional net loss of over \$2B in 2020, and a cumulative impact over the coming decade of \$6.5 billion (in net present value terms) due to COVID-19.

Tourism Australia's recent economic modelling and research shows our region (listed as Wet Tropics and Great Barrier Reef) as one of the most impacted regions in Australia along with Melbourne, Sydney, the Red Centre, and Darwin.



Prior to COVID-19, Queensland had experienced a sustained decline in tourism market share in both international and domestic leisure markets, which was flowing through the TNQ. The cause of this decline in market share is a linked to a reduction in destination marketing efforts to address concerns over issues such as coral bleaching, tired product and value for money.

In developing the Queensland Government's new Action Plan for Tourism Recovery, we urge the Panel to strongly consider five critical issues:

- 1. Investment in destination marketing to drive demand**
- 2. Aviation support program for domestic and international services to drive conversion**
- 3. Spread the value across the year by boosting funding for regional events including business events, major events**
- 4. Share the value across the State by supporting innovation in product and experience development**
- 5. Build resilience in the regions through the Regional Tourism Network.**

1. Invest in destination marketing

Over the past decade the proportion of total State funding going into destination marketing has been slowly declining as the cost of maintaining whole of State campaign activity and awareness increases, without a commensurate increase in State funding for tourism. The industry increasingly invest in direct sales and marketing programs either through chains or retail partners. Local Government has consistently increased its investment in destination marketing through increased support for the State's thirteen Regional Tourism Organisations.

An examination of the correlation between destination marketing investment and Queensland's market share should be undertaken to better understand the role destinations play in driving market share for the State.

2. Expand aviation support

There is no better time to reset aviation connectivity than now, the State is heavily reliant on direct domestic and international air access to drive visitation. 87% of interstate and international overnight visitors to TNQ pre-COVID arrived by air. There is huge potential for Queensland's airports secure additional capacity and increase market share of international routes when borders open.

The collective of the international airports and Regional Tourism Organisations of Queensland have proposed an investment of \$100M over four years into aviation seat capacity and marketing with the airlines to drive conversion and boost market share.

3. Regional focus for events

The emphasis (and funding) being spent on large high-profile events is considerable in Queensland, the vast majority of these occur in South East Queensland because of the population, facilities and the funding model being linked to overnight interstate visitation. Coming out of COVID, Queensland should set ambitious targets not only for visitor nights and spend, but the dispersal of that spend across the State and outside traditional peak seasons.

There is an opportunity to invest in more regional events that encourage dispersal across the State and across the year. Events with the potential to develop into financially self-sustaining hallmarks that showcase the best of each destination should be supported. Additionally, the Business Event and incentives market will need support to lead the State's recovery.

4. Support innovation

One of the key challenges faced by Queensland in the decade leading up to COVID-19 was the perceived lack of product development and value-for-money compared to other domestic and international destinations. Queensland's world-class nature and unique culture create both challenges and opportunities for future growth. Providing a policy and development approvals environment that encourages innovation and gives greater certainty will be essential. A mix of public and private sector investment in new nature-based and cultural tourism infrastructure, as well as a more supportive policy environment is needed.

A published roadmap of nature-based and cultural tourism investment by the State Government is needed, and a review of barriers to the expansion of nature-based tourism in Queensland, especially considering the growing complexity of working across tenures will support innovation and stronger partnerships between tourism, conservation, traditional owners and land managers.

5. Build on the Regional Tourism Network

The Regional Tourism Organisations of Queensland, coordinated through the Regional Tourism Network, bring together three levels of Government, with industry and the regional community to promote and progress tourism in each region. During COVID the importance of these regional coordination and destination marketing bodies came into clear focus. The RTOs in significantly impacted regions, like TNQ, leveraged the support of all three levels of Government, with industry and other sectors of the economy to drive regional recovery programs with outstanding results.

Consideration needs to be given to more sustainable funding models for Regional Tourism Organisations recognising their vital role as a destination marketing organisation, event proponent, industry support, advocacy voice and partnership broker.

TTNQ looks forward to bringing together industry and regional partners in the next stage of the consultation to explore in more detail these high-level issues and potential solutions to be considered.