

TOURISM RESTART TASKFORCE



Key Issues Meeting #11, 4 September 2020

Industry Update

The Taskforce reviewed the latest data from the ABS Business Indicators, Business Impacts of COVID-19 for August 2020 which reflected that more than a third of Australian businesses on average expect to find it difficult to meet financial commitments over the next three months compared to 71% of businesses in the accommodation and food services sector (29% very difficult). This compares with, to an average of 35% and 48% in the next hardest hit sector arts and recreation. Tourism is way out in front in the worst race in the country.

State Borders and Certainty Framework

The Taskforce discussed the Roadmap for Recovery recently announced by National Cabinet, where all states and territories apart from Western Australia agreed in-principle to develop a new plan for Australia to reopen by Christmas, including the use of a hotspot concept for travel between jurisdictions. While welcoming that an agreement had been established, the Taskforce expressed concern over Christmas as the reopening date, suggesting a potential earlier date no later than 1 December 2020 for even the "hardest border" to capture greater tourism activity.

State border closures remain the single biggest issue as revenue growth opportunities for tourism are significantly impeded by borders remaining closed. There was frustration that the costs of JobKeeper and other federal supports were made more necessary because of decisions of State Governments which don't need to bear the cost.

The Taskforce reviewed the draft certainty framework developed by ACCI but now being finalised with BCA and AiG in order to put forward to federal government and ultimately the national cabinet a collective position on behalf of the business community. The document has been the subject of extensive discussions with the COVID Business Liaison Unit in Treasury.

Tourism Restart Plan

The Taskforce was updated on progress with the business events proposal which had been delayed by the focus on defining a COVID hotspot by National Cabinet this week. The business events proposal will be considered at the following national cabinet meeting. In relation to international travel restart, given the problematic nature of state border closures, effort has shifted towards establishing an understanding of what health conditions would be expected to experience a restart. The Taskforce said that a restart in international travel with select countries occurring having to wait until Australia's state border removal should no longer be accepted and we needed to engage with the federal government more strongly on the need to act on international borders.

Tourism Support

The Taskforce commented on the follow up engagement with the Minister for Trade, Tourism & Investment where proposals about further cash supports needed and the suggestion that their cost be shared with State and Territory Governments.

Tourism Future State Planning

Given the absence of a timetable beyond July, or greater certainty, the industry is in desperate need of a realistic outlook till the end of 2020 and beyond. The Taskforce discussed the three possible scenarios

and how these may be further developed, all which take into account the status of government restrictions, the health/ vaccine situation and customer travel habits. There was observation that the scenario set up as “bleak” was unfortunately the most likely which was alarming. The Taskforce agreed that these scenarios should be further workshopped at the next Taskforce meeting, in collaboration with insight from the Tourism Committee.

Meeting with Senators

The Taskforce was joined by the Senator Hollie Hughes, Senator Gerard Rennick and Senator Slade Brockman. The Taskforce Chair provided a brief background to the Tourism Restart Taskforce, highlighting its focus on state border removals, helping to establish a new business as normal and providing the voice of industry into support mechanisms such as JobKeeper. The Chair also outlined the bleak outlook facing the visitor economy.

Senator Hollie Hughes expressed frustration as state governments continue to expect the federal government to support their economy via mechanisms such as JobKeeper but refuse to let it properly function. There exists a vast disconnect between comprehending the impact of border closures and international travel caps and how the government can help industry get back on its feet. Noting that the federal government can only continue to support initiatives such as JobKeeper and JobSeeker for a certain period of time. It was noted the importance of national bodies like ACCI, however, questioned whether enough noise was being created at a state level, especially in QLD to hold the Premiers accountable.

It was noted that a number of state and territory chambers have been involved in open letters about borders and have written directly to the Premiers on ACCI’s certainty framework. The Taskforce questioned the PM’s plan for international travel, although it was noted that international travel caps are being dictated by the states. There are indications that the PM is keen to start some point-to-point international travel in the foreseeable future.

Presenting Evidence of Impact

The Taskforce agreed that more needed to be done to compile the evidence of job loss and the potential for further job losses and business closures. The situation has become serious and even though the latest National Cabinet comments provided some certainty, action needed to be taken quicker to ease restrictions and open borders.

Next Meeting was set for Friday, 25 September 2020 at 3 pm.

In attendance:

- Dr Jeremy Johnson AM (Chair) (Australian Chamber of Commerce and Industry)
- The Hon. Bruce Baird AM (Business Events Sydney, TTF)
- Sarina Bratton AM (Ponant)
- Geoff Donaghy (BECA, ASM Global, ICC Sydney)
- Bob East (Tourism Australia)
- The Hon. Martin Ferguson AM (Tourist Accommodation Australia)
- Nikki Govan (Star of Greece)
- Denis Pierce (Australian Tourism Export Council)
- Graham (Skroo) Turner (Flight Centre)
- Jacqui Walshe (The Walshe Group)
- John Hart (Australian Chamber – Tourism)

Guests

- Senator Hollie Hughes
- Senator Gerard Rennick
- Senator Slade Brockman

Secretariat

- Jenny Lambert, Director – Tourism at ACCI
- Jen Low, Director WHS, ACCI
- Sophie Lebang, ACCI

Observers

- Leigh Sorensen, Tourism Australia
- Margaret Bowen, DFAT