



Australian
Chamber of Commerce
and Industry

TRANSCRIPT

Event: Andrew McKellar interview with Greg Jennett, ABC Afternoon Briefing.

Speakers: Andrew McKellar, chief executive Australian Chamber of Commerce and Industry, Greg Jennett, host ABC Afternoon Briefing.

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E&OE

Greg Jennett, host ABC Afternoon Briefing: Australian Chamber of Commerce and Industry CEO, Andrew McKellar is putting the case for more support until that rebound actually happens. And Andrew McKellar, there was great optimism when this announcement came through yesterday. You sound like you're going to put a bit of a downer on this and say, it's a long haul back for tourism. Why does it have to be that way? Why can't it spring back pretty quickly from the end of this month?

Andrew McKellar, chief executive Australian Chamber of Commerce and Industry: Hi Greg. Thanks. No, I don't want to put a downer on it at all. And I think yesterday's announcement was certainly a very, very welcome step and I think a very exciting step, long anticipated for the tourism industry around Australia. So I think that was certainly a great thing, but to be realistic, as you say, we can't expect that things are just going to spring back into action. There is a lot of work to be done over the coming weeks and months, obviously in the very short term, there's going to need to be some work done with the airlines, with the airports to ensure that they are fully ready, opening up again, getting passengers booked, all of those things. But we can't expect that people are just going to be flocking to the door.

Greg: Sure.

Andrew: We're going to have to do some work to get out there and market Australia to rediscover brand Australia, re-present it and make sure that people are getting interested in coming back to Australia as a destination.

Greg: So I think the Australian government for its part, and I know portions of the industry would say they are on board for doing all of that or much of that, the marketing investment in particular. But what is it that you're asking for, at least as a transitional filler, gap filler, until critical mass comes back on those planes?

Andrew: Well, certainly we think from a tourism point of view, there will need to be an increased marketing spend. We know that Tourism Australia does have a new promotion campaign in the pipeline. Bringing that forward as soon as possible, increasing probably the budget that goes with that. We think somewhere in the order of 240-250 million is going to be what is required there. But there are other-

Greg: That's a lot of money when you consider it in the context of a government that didn't want to engage too much in bailouts during the deaths of the pandemic for tourism. I know there were sectoral supports, aviation is one that springs to mind, but not every operator was showered with support throughout the pandemic. What makes you think they'd come at a quarter of a billion dollars for marketing in the current environment?

Andrew: Oh look, I think it's going to be necessary that the tourism sector is probably one of the sectors that has been hardest hit as a result of the pandemic. We are not just going to get people flocking back automatically. We have, I think done some damage to brand Australia in the past two years, we've set up this image of fortress Australia. And I think we've got to work to turn that around. We've got to convince people as to why they should bring high profile events, big conferences and events, which are very important as an export earner. So look, it is going to take that sort of order of magnitude and frankly, that's what we're up against when we're competing with other major venues around the world. It's not a big budget by any sense.

Greg: What leads you, Andrew McKellar, to this conclusion or is it just a hunch that brand Australia has suffered some form of enduring damage here that people might be reluctant to make the often long trip to Australia because the borders were shut? Is that just a gut feeling or you've got anything to back it up?

Andrew: The tourism industry has done a lot of research in terms of what the market impact has been. They know well, how hard it is. You've really got to compete in an international marketplace and their positioned to do that. So we do have good product. We do have some great things to offer visitors. So whether that's tourists or whether that's business visitors, or whether it's major conferences and events, we've got a very good offering that we can put forward, but we will have to get out there and re-educate the market. They have many other choices as well. So we've got to go this very commercially, quite scientifically, look at that data, do the market research and respond accordingly.

Greg: Sounds like the basis for a budget submission with the Budget coming out in late March, Andrew McKellar-

Andrew: Already.

Greg: Yeah. I'm sure you've-

Andrew: We've already done that.

Greg: Yeah. Well, good. I'm sure you and the Chamber of Commerce and Industry are right on it and you're telling as you already are. Andrew McKellar there, joining us from the Chamber of Commerce and Industry.

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