

2017-18

ACT

PRE-BUDGET

STATEMENT

FUTURE ECONOMY FUTURE JOBS



Executive Summary

The 2017-18 ACT Budget presents an opportunity for the ACT Government to implement its 2016 election platform that was overwhelming endorsed in October 2016. Targeted investment in destination marketing and transport infrastructure will support the ACT's continued growth and support its ambition to become one of the world's most liveable and competitive cities.

The Tourism & Transport Forum Australia (TTF) will continue to work with the ACT Government to support this goal into the future and encourages the ACT Government to give consideration to the following tourism and transport priorities as part of the 2017-18 Budget:

- 1. Increase Business Events Funding
- 2. Maintain Destination Marketing Funding
- 3. Enhance nature-based tourism experiences
- 4. Attract key accommodation investment
- 5. Attract new air-services
- 6. Progress Canberra Metro Stage 2
- 7. Improve the rail connection between Camberra and Sydney
- 8. Franchise Canberra's ACTION Bus Network
- 9. Continue investment in the ACT's road and public transport networks
- 10. Continue the promotion of active transport options

Tourism:

Tourism has become increasingly important to the ACT directly contributing around \$1 billion to the ACT economy and employing more than 10,000 people. Continued investment by the ACT Government in destination marketing, as well as support for major events such as Floriade and the National Folk Festival, supporting the region's growing 'Wine and Food' reputation, and the promotion of business and sporting events has led to significant growth of the ACT tourism industry. To ensure the ACT remains in a position to capitalise on domestic and international tourism, and harness the potential of tourism as a super-growth industry, TTF encourages the ACT Government to continue to prioritise tourism and the visitor economy.

1. Increase Business Events Funding

TTF recognises the importance of business events to the Australian economy. Targeted government funding that supports bids to secure high-yield business and major events is a sound investment decision that helps to grow local jobs and encourages domestic and international visitation and tourism opportunities. As noted by the Business Events Council of Australia report 2015 Report, *The Value of Business Events to Australia*, business events held in Canberra in 2014-15 generated \$900 million in direct expenditure, \$427 million in direct valued add and supported more than 5,000 jobs. To continue to grow the business events sector, TTF urges the ACT Government to increase funding for the Canberra Convention Bureau in real terms over the forward estimates.

2. Maintain Destination Marketing Funding

To ensure that the ACT Government can achieve its 2020 Tourism Strategy goal to grow the value of overnight visitor expenditure from \$1.58 billion to \$2.5 billion by 2020, it is crucial that funding allocated to Visit Canberra for destination marketing increase over the forward estimates, or at the very least, be maintained at current levels. The benefits from an increase in funding for destination marketing over the forward estimates will build and increase domestic and international visitation to the ACT, and will also assist Canberra in bidding for major events, securing international conferences, exhibitions and business events.

3. Enhance nature-based tourism experiences

The ACT is well positioned to take advantage of the benefits of nature-based tourism through its natural attractions such as Mount Ainslie, local vineyards, Lake Burley Griffin, and its close proximity to other natural regional attractions such as Lake George and the Southern Highlands. TTF believes that the ACT should proactively identify natural attractions that can be leveraged to encourage growth

in domestic and international visitation. This can be achieved by actively promoting the nature-based precinct of the Australian National Botanic Gardens, Arboretum and Black Mountain Nature Reserve.

4. Attract key accommodation investment

TTF notes the recent legislation to establish the City Renewal Authority, to revitalise the central precincts of Canberra, and the Suburban Land Agency to facilitate residential and other development in other regions of the ACT, and considers that these initiatives should assist enhancing amenity for both locals and tourists. While the ACT currently has a good supply of visitor accommodation rooms, it is important to ensure that an adequate supply pipeline is developed and progressed to ensure that Canberra can keep ahead of future increases in domestic and international visitation. To ensure that adequate levels of accommodation are available, TTF recommends that the ACT Government maintains funding in real terms for Invest Canberra to continue the promotion of tourism and accommodation investment opportunities in the ACT and capital region.

5. Attract new air-services

In addition to its strong position as a business travel market, the ACT is well-positioned as a tourism destination in its own right, and a gateway to other regions. TTF strongly supports continuation of dedicated tourism funding at least at current levels, to assist in the attraction of new air services or increased capacity on existing routes to the national capital.

Transport:

Continued investment in road and public transport infrastructure projects is critical to ensuring that the ACT is well-positioned to manage population growth and to minimise the cost of congestion. Integrated public transport services in particular play an important role in minimising the cost of congestion, maximising economic productivity, transforming urban environments and supporting growth in the ACT's visitor economy.

1. Progress Canberra Metro Stage 2

TTF is a strong supporter of the Canberra Metro project. We believe that the project will transform Canberra and future proof its public transport network. The project will provide significant opportunities for urban renewal throughout the city and will give commuters a real alternative to driving. TTF commends the ACT Government for its unwavering commitment to delivering the Canberra Metro and encourages the ACT Government to work with the Australian Government to progress work on extending the light rail network on high priority corridors such as the Parliamentary Triangle and between Woden and the CBD.

2. Improve rail connection between Canberra and Sydney

The current train journey between Canberra and Sydney takes more than four hours to complete. In comparison, a bus or car journey can take around three hours. To make public transport a viable alternative to driving between Canberra and Sydney for both commuters and visitors, significant investment in rail infrastructure and services is required. TTF encourages the ACT Government to work with the NSW Government to develop a joint business case to upgrade the existing rail corridor between Canberra and Sydney to be submitted to the Australian Government for consideration as part of the *National Rail Program*. This project, along with better facilities and increased services, would reduce travel times, revitalise regional communities and provide commuters and visitors with a more reliable and affordable method of travel between Canberra and Sydney.

3. Franchise Canberra's ACTION Bus Network

To improve services and lower operational costs of the ACT bus network, TTF recommends that the ACT Government explore opportunities to introduce a competitive tendering process to franchise the operation of Canberra's bus network. As highlighted in TTF's report <u>On the Buses</u>, there is strong evidence to support the view that specialist private operators have a stronger track-record than governments of using infrastructure more efficiently, delivering better operational performance and improving the customer experience for passengers.

4. Continue investment in the ACT's road and public transport networks

The ACT Government has announced that the 2017-18 Budget will see significant funding allocations for important road projects and better public transport services. This investment is critical to ensuring the delivery of an integrated transport network across the ACT that provides commuters with seamless travel options and viable alternatives to traditional modes of transport. TTF urges the ACT Government to work with the NSW and Australian Governments to progress funding to improve critical road and transport connections between the ACT and NSW such as the Barton Highway, to reduce travel times, increase economic productivity and improve road safety.

5. Continue promotion of active transport options

Active transport, such as cycling and walking, are critical components of Canberra's integrated transport network. The ACT Government has led the nation in promoting cycling and walking as alternative forms of transport through the implementation of its Active Travel Framework. TTF encourages the ACT Government to continue to invest in cycling and walking infrastructure that create safe environments for pedestrians and cyclists and promote cycling and walking as a viable and safe mode of transport across the ACT.