



Australian Chamber of Commerce and Industry and Australian Chamber – Tourism

Response to Questions on Notice

Joint Standing Committee on Foreign Affairs, Defence and Trade

Inquiry into Australia's tourism and international education sectors

Wednesday, 8 March 2023

Question 1

Mr Hart: ...ACCI has a very detailed and structured policy network to frame up policy that we can present to inquiries like this one. We cover a very wide range of sectors, and the comments that we make today will be drawn from a wide consultation across our network.

CHAIR: Would you be able to provide on notice to the committee the dates on which you made the consultations you just referred to—

Mr Hart: Absolutely.

CHAIR: and who you have consulted with? That will assist us with our planning and any further inquiries we might want to make.

The Australian Chamber of Commerce and Industry (ACCI) and Australian Chamber – Tourism consulted with our large network of members in determining policy positions that formed the basis for the submissions. These consultations occurred on an ongoing basis as relevant developments arose, through ACCI's Tourism Committee, Employment and Skills Committee, and General Council. Direct consultations were also held in relation to the submissions of both ACCI and Australian Chamber – Tourism to the Joint Standing Committee on Foreign Affairs, Defence and Trade's Inquiry into Australia's tourism and international education sectors. Members were provided an opportunity to comment on the draft submission of ACCI on 25 November 2022, and the draft submission of Australian Chamber – Tourism on 13 December 2022.

ACCI's network comprises 160 business associations that make up our organisation, made up of peak state and territory chambers, national industry associations from all sectors and a Business Leaders Council. Australian Chamber—Tourism is a part of ACCI and is the peak body for organisations operating in the visitor economy, including national industry organisations, state tourism industry organisations and major corporates in the sector. ACCI's membership, including members of Australia Chamber – Tourism, can be found here: <https://www.australianchamber.com.au/membership/current-members/>

Question 2

Mr Hart: We have 170 employers that have undertaken to provide that reimbursement of the visa fee. They are distributed around the country. They're all from the tourism and hospitality sector. It was an initiative of the Australian Chamber—Tourism. We were dealing specifically with our sectors. They range from very small employers to very large employers, and hotel groups that are offering that refund for anyone engaged across all of their network of properties around the country. They are refunding in full the visa fee. There are conditions around that. Some are requiring six months working for them in order to make the refund, and a range of other conditions. The arrangement is that they will reimburse the visa fee in total.

CHAIR: It would be helpful if you could provide us with the details of those people, companies or individuals providing that support, and also the details on the conditions. Are they the same in each circumstance or do they vary?

Mr Hart: They vary, and there's a link to a webpage that describes each of those conditions. I'm very happy to provide that link.

Details of the employers who have across the Australian travel, tourism, hospitality, accommodation and events industry who have offered to reimburse the visa fees paid by working holiday makers coming to Australia that work for them are available following the link on this webpage:

<https://www.australianchamber.com.au/our-policies/tourism/working-holiday-makers-initiative/>

Question 3

Mr HILL: ...The final question I have is just on the tourism question. International students are a great multiplier in the visiting friends and relatives sector, which we've touched on. You might want to take it on notice. Could point us towards any marketing initiatives that particularly leverage that? The data shows the family and friends of international students are far more likely to visit regional areas, because they feel braver and their young person has got to know the state and the country; they're happy to venture further afield and have more adventure in Australia than just hanging out in a capital city, for instance. Where's the best intervention that helps stimulate that? Is it with state tourism bodies? Is it an Australian initiative? Is it via universities and education institutes? Are there any good case studies we could look at?

Mr Hart: We can certainly take that on notice. There are a number that we can refer to, and also we can put our finger on a range of markets that disperse into different parts of the country. Regional visitation and dispersal has been the subject of a great piece of work by Tourism Research Australia. We can certainly provide that for the committee.

The piece of work by Tourism Research Australia referred to in the evidence of Mr Hart as follows: Tourism Research Australia, *The Beach, Bush and Beyond: Understanding Regional Dispersal of Australian Tourists*, October 2019. It is available here:

<https://www.tra.gov.au/ArticleDocuments/185/Regional%20Dispersal%20-%20Summary%20-%20October%202019.pdf.aspx>

The report reveals that among international visitors, a chance to spend time with friends and relatives was their main reason for travelling to regional Australia. It concluded that as a multicultural nation with high migration, Visiting Friends and Relatives (VFR) travel could drive regional international visitation.¹

There was also a joint workshop with representatives from the education sector and Tourism Australia facilitated by Austrade in India in March 2022, where a number of initiatives were identified, which may be available to Government.

Question 4

Mr YOUNG: ...I see Tourism in Australia as a business. As in any business, we have competitors, which is other countries. We're all fighting for the same customers. When you're in business you want to be the easiest one to deal with. That way you'll get more customers. You've touched on a couple of the barriers we have. One is the cost of a visa. Do you benchmark? Can you give us any data on how we compare with other countries as far as costs for getting a visa to come into a country, and how long it takes? If someone else is processing a visa for a hundred dollars and doing it in a week, then they look at us and say, 'It takes six weeks and it's \$500', that's going to be a deterrent. If we know what the industry benchmark is, then maybe we can do something about it. I don't know if you do those things already. Benchmarking is a pretty common business practice. If we could get that sort of data that would be very handy. I'd like to know the comparison with other countries. You said that 80 per cent of the numbers are back from COVID. I don't know whether that's good or bad. If the rest of the world is at 100 per cent, then we're not doing very well. But if the rest of

¹ Tourism Research Australia, *The Beach, Bush and Beyond: Understanding Regional Dispersal of Australian Tourists*, October 2019, p3.

the world is at 50 percent, then we're doing extremely well. It would be nice, again, to have a benchmark or a comparison to see how we're travelling in comparison with other nations. That's what I'd really like to know, what our competitors are up to and how we stack up against them. If you can take that on notice, I would really appreciate those sorts of numbers.

Visa costs and processes

Australian Chamber – Tourism understands a visitor visa benchmarking review has been undertaken by Government, comparing the competitiveness of visas charges, fees and processes as at December 2019. This included research as well as stakeholder input. However, the report has not yet been publicly released. While acknowledging the information will need updating, it is suggested this is good place to start in terms of a comprehensive analysis of the competitiveness of Australia's visa system.

Separate to this, Australian Chamber Tourism can provide specifics of one example provided to the Committee. In relation to a visa for Chinese citizens, the USA has a B1/B2 visa which may be used for multiple entries up to 180 days per entry, over a 10 year period. The cost is US\$160. In comparison, Australia's 10 year visa for Chinese citizens is at a cost of AUD\$1,120.

More broadly, the World Economic Forum's Travel and Tourism Development Index provides some useful information on Australia's travel and tourism policy and enabling conditions as compared with other countries, including price competitiveness and prioritization of travel and tourism. Australia ranks 112th out of 117 for price competitiveness. The full report and interactive data and economy profiles are available here: <https://www.weforum.org/reports/travel-and-tourism-development-index-2021/>

In addition to reduced costs and processes times, there are other measures other countries are using to make their visa system more attractive to travellers as noted in the report. For example, Aruba targeted the digital nomad market through its One Happy Workation programme, which is designed to be a balance of work and holiday. It extended the work rights, allowing visitors to book their stay for up to a 3 month duration, work remotely, and access accommodation packages.²

Recovery comparison

The UN World Tourism Barometer³ provides information on how Australia is tracking compared with other countries in terms of tourism recovery. The data shows the following for Q4 2019 compared with Q4 2022. While Australia is included in the data for 'Oceania', Australia-specific recovery for that quarter as derived from ABS data is 60%. The data reveals that Australia is tracking behind the majority of regions in terms of recovery.

TOTAL TOURIST ARRIVALS	Q4 2022 vs Q4 2019
Northern Europe	85.0%
Western Europe	93.0%
Southern / Medit. Eur.	89.3%
North East Asia	18.7%
South East Asia	46.2%
Oceania	53.9%
South Asia	89.7%

² World Economic Forum, Travel & Tourism Development Index 2021, Rebuilding for a Sustainable Future, May 2022, citing Visit Aruba, "One Happy Workation in Aruba!": <https://www.visitaruba.com/accommodations/one-happy-workation/>.

³ https://webunwto.s3.eu-west-1.amazonaws.com/s3fs-public/2023-01/UNWTO_Barom23_01_January_EXCERPT.pdf?VersionId=2bbK5GIwk5KrBGJZt5iNPAGnrWoH8NB

North America	76.4%
Middle East	99.0%

Question 5

CHAIR: I'm mindful that in the chamber as I left after the vote a debate was commencing on Closing the Gap. One of the things that's really important I think this committee is going to have a look at is the way people internationally might access the First Nations cultural inheritance that's here in the country. I wonder if you have any indications for the committee about where the sources of that part of the economy, that part of the tourism economy, might be best accessed? Are there members of ACCI who represent that part of the economy? I'd like to know how we could seize the increased demand for more nature based and First Nations Indigenous culturally based experiences.

Mr Hart: There has certainly been a lot of work done on this front, predominantly by Tourism Australia. Tourism Australia has been doing a lot of work looking at the supply of First Nations tourism product and experiences, and actively working to expand the number of experiences that we're promoting within Australia, and also ensuring the legitimacy and authenticity of that product. There's incredible demand, and I'm certainly happy to source the numbers behind that demand, for international visitors to experience First Nations experiences around Australia. We need to do everything we possibly can to make sure that those experiences are accessible to not only international visitors but also domestic visitors. During COVID we saw an incredible domestic demand for experiencing First Nations tourism product. I'm very happy to provide the data on that, which we can source from Tourism Australia.

CHAIR: And any contacts? I think we struggle to find a national coordinating body for Indigenous First Nations tourism for people to be able to participate in that. Do you know whether such a thing exists?

Mr Hart: There's not a national body. There are a number of state bodies. Those state bodies are connected through members of the chamber. For instance, the Australian Tourism Export Council has as its members the Western Australian Indigenous Tourism Operators Council, the Queensland First Nations Tourism Council; a range of those organisations are part of our network. We're very happy to provide that.

The Western Australian Indigenous Tourism Operators Council (WAITOC) is the peak representative for Aboriginal tours and experiences in Western Australia. It promotes and supports authentic cultural experiences at a state, national and international level. The details of the are available here:

<https://www.waitoc.com/>.

The Queensland First Nations Tourism Council (QFNTC) is the newly formed independent peak industry body for First Nations Tourism in the state of Queensland. The QFNTC is a not-for-profit association that has been formed as a result of a major initiative of the Queensland First Nations Tourism Plan 2020-2025 undertaken in the Queensland Year of Indigenous Tourism. To guide the implementation of the Queensland First Nations Tourism Plan and action plan, a First Nations Tourism Working Group has been established. Further information, and a copy of the Plan is available here:

<https://www.qtic.com.au/indigenous-tourism/first-nations-tourism-potential-plan/>

Question 6

CHAIR: ...I note your referencing of the tourism committee of the International Chamber of Commerce. Are there materials you can provide us with or links to materials that are under development there? It would be great to get some comparators for our practice with other nations, especially if they look like they're doing better than us. We want to get in the pool and beat them. The other one is on international education. It's the same thing for the tourism committee of the International Chamber of Commerce. Any material on notice would be appreciated.

ACCI is a member of the OECD Tourism Committee and Working Party on Tourism Statistics, as well as the Business at OECD (BIAC's) Contact Group on Tourism. Business at OECD's report "Supporting tourism recovery and looking ahead with global solutions" was prepared by the initiative of the Tourism Contact Group and contains relevant information for the Committee, including recommendations. It is available here: <https://25159535.fs1.hubspotusercontent-eu1.net/hubfs/25159535/website/documents/pdf/SMEs/Supporting%20tourism%20recovery%20and%20looking%20ahead%20with%20global%20solutions.pdf>