

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Industry, Tourism and Resources Portfolio
2006-07 Additional Budget Estimates Hearing
15 & 16 February 2007

AGENCY/DEPARTMENT: INDUSTRY, TOURISM AND RESOURCES

TOPIC: *Profile of Chinese Tourists*

REFERENCE: Hansard 16/2/07, Page E42

QUESTION No. AI-40

(Hansard 16/2/07, Page E40-E41)

Senator STEPHENS asked:—I am sure you have profiled Chinese visitors.

Mr Buckley—We have.

Senator STEPHENS—Tell us a bit about that.

Mr Noonan—I will mention some of the work that we have done with China at a government level. The Chinese market is characterised by the fact that we need to deal with it at a government level in order to facilitate the market. Australia and China, Minister Bailey and her counterpart in the Chinese national tourism administration signed a memorandum of understanding in August 2006 about facilitating tourism flows between the two countries. An Australia-China tourism business forum was held at that time also. I think Mr Buckley mentioned the opening up of China. Package Chinese tourists come to Australia under the approved destination scheme arrangements. Australia was one of the first Western countries to have access to those arrangements, in 1999. That has been progressively extended and as at last year now covers all the provinces of China. We are able to tap into the full breadth of the Chinese market now.

Senator STEPHENS—What do you see are the major barriers to actually attracting more Chinese tourists?

Mr Buckley—The barriers, interestingly enough, are starting to become the same barriers we are finding around the world. It is increased competition. They are a very strong source market for not only Australia but also a number of other destinations. There is a process called approved destination status, which countries need to apply for and get granted from the Chinese government. In the initial phases of market growth for China, Australia was one of a very few countries; now there are over 100 world destinations that have what we call ADS. The competition has expanded very dramatically in the last couple of years. That is one of the big challenges. I think beyond that it is a communication challenge. Again, what we do know is when we market in China in any one province there are at least 50 television channels, so you start to see the level of challenge in getting your messages through to that market. So they are the two key challenges which we face in the China market. Just on your question about the profile, I have a quite detailed profile. Perhaps it might be better to make it available for you.

Senator STEPHENS—That would be great.

ANSWER

Please find attached separately a profile of the Chinese visitor.