

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Additional Budget Senate Estimates

23 February 2011

Question: AR2
Topic: Tourism Related Initiatives and Management
Proof Hansard Page: Written

Senator Eggleston asked:

1. What has been the cost of the work done so far in the proposal to resume Tourism Australia within the Department?

Answer:

Response provided during the Additional Estimates hearing on 23 February 2011¹:

"Mr Clarke—There is no proposal to change the governance structure with TA as a statutory body."

2. Is the Minister for Tourism a member of the Regional Australia Cabinet sub-committee?

Answer

Response provided during the Additional Estimates hearing on 23 February 2011²:

"Mr Clarke—Yes, he is."

3. A draft paper on options for a future tourism grants program was provided to the Minister for Tourism prior to the election. Please table the report.

¹ Refer Proof Committee Hansard, 23 February 2011, p.E93

² Refer Proof Committee Hansard, 23 February 2011, p.E93

Answer

Response provided during the Additional Estimates hearing on 23 February 2011³:

“**Ms Madden**—The tourism grants program, taking into account the briefing provided to the Minister, was reflected in the announcement made by Minister Ferguson on 7 February this year, when a new round of TQUAL Grants funding opened. It is a redesign of the previous government’s Australian Tourism Development Program and it aligns the work on competitive grants more clearly with the National Long-Term Tourism Strategy. There is a raft of material about the grants program—information that I am happy to table and that is available on the website.”

Additional information on TQUAL Grants is available on the Department’s website at http://www.ret.gov.au/tourism/tourism_programs/tqual/Pages/default.aspx.

Release of the actual Ministerial briefing paper (provided prior to the 2010 election) on options for a future tourism grants program would not be appropriate on public interest immunity grounds. This briefing was prepared to inform deliberative processes within government, and there is a countervailing public interest in a department being able to brief a future or new government in relation to policy matters in a way that allows proper consideration of these matters and permits arguments and competing considerations to be taken into account. Such a process increases the integrity of decision-making within government, and the release of internal briefing documents of this nature could potentially compromise this process.

4. Regarding the international engagement of the Minister for Tourism, how many countries has the Minister visited in the last three years in his role as the Minister for Tourism?
 - a. Please provide a list of all meetings the Minister(s) (Sherry and Ferguson) have had in their roles in the tourism portfolio outside of Australia.

Answer

Minister Ferguson

Minister Ferguson has visited 15 countries in the last three years in his role as Minister for Resources and Energy and Minister for Tourism.

Key Activities
Represented Australia at the Japan 2008 Chiba Gleneagles Dialogue and participated in bilateral discussions with government and industry interlocutors.
Participated in the Australian delegation to the 18 th Papua New Guinea-Australia Ministerial Forum.
Bilateral discussions with government, including Timor Leste the Minister for Tourism.
Bilateral discussions with ministerial counterparts and senior business executives on resources, energy and tourism issues, Japan.
Bilateral discussions with Chinese ministerial counterparts and state enterprises on a range of portfolio issues.

³ Refer Proof Committee Hansard, 23 February 2011, p.E93

Bilateral discussions with Indian government and industry interlocutors in Mumbai, Kolkatta and Delhi.
Keynote address at 5th Australia-Japan Conference on behalf of Australian Government and bilateral discussions with government and industry interlocutors.
Bilateral discussions with UK government and industry interlocutors.
Bilateral discussions with Chinese and Korean ministerial counterparts and roundtables and bilateral with companies and state enterprises on portfolio issues.
Bilateral discussions with Italian and Norwegian ministerial counterparts.
Bilateral discussions with Egyptian and Jordanian ministerial counterparts as well as meetings with tourism industry operators.
Bilateral discussions with Qatar and French ministerial counterparts and industry.
3 rd Asia Pacific Partnerships Ministers Conference and meeting with Shanghai Tourist Commission.
Travel to United States of America - LA, Washington and New York to attend G'Day USA events, meet with Ministerial counterparts and host a series of resources, energy and tourism industry roundtable events.
Meet with Ministerial counterparts on the Australia-India Forum to be held in June 2010.

Minister Sherry

Response provided during the Additional Estimates hearing on 23 February 2011⁴:

“**Senator Sherry**—I can tell you that I have only had two meetings and that was on a private visit—it was not funded by the government. I did have two meetings in London that were specifically related to tourism at the Tourism Australia office in London. I can get you the details of that. But that was a private visit—it was nothing to do with the Australian government.

Senator EGGLESTON—Given that it was a private visit, I think that it is probably not relevant.”

5. For staff allocated to Program 4, excluding those at Tourism Research Australia, what is:
- The total number
 - The number of FT, PT and casual
 - The number of, and range of, salary bands available, including for SES
 - The total cost of staffing expenses (for 2010-11)

Answer

Staffing information in respect of the Tourism Division of the Department of Resources, Energy and Tourism (excluding Tourism Research Australia) as at end March 2011 is provided below.

- | | | |
|-----|---|----|
| (a) | Total number of staff: | 49 |
| | <u>(Note:</u> Excludes inoperative staff on extended periods of leave without pay.) | |
| (b) | Full time (ongoing) staff: | 40 |
| | Part time (ongoing) staff: | 6 |
| | Casual (non-ongoing) staff: | 3 |

⁴ Refer Proof Committee Hansard, 23 February 2011, p.E94

- (c) The classifications of staff currently employed in the Tourism Division range from APS3 to SES Band 2.
- (d) Total cost of staffing expenses: \$4.957 million allocated in 2010-11.
(For salaries and related expenses.)

6. What is the total budget allocated to **Tourism Research Australia**, what is the split between Cth appropriation, External Revenue from STOs and other external revenue, for:
- a. 2010-11; 2011-12; 2012-13; 2013-14

Answer

The total budget allocated for Tourism Research Australia in 2010-11 is \$8.794 million, comprised as follows:

Government Appropriation (including funding allocated for corporate overheads)	\$5.551 million
External Revenue (estimated) (received from States/Territories/Tourism Australia - for core surveys/State Tourism Satellite Accounts and Modelling)	\$3.123 million
External Revenue (estimated) (received from other sources - for subscriptions and data purchases):	\$0.120 million
Total	\$8.794 million

Tourism Research Australia's budgets for 2011-12, 2012-13 and 2013-14 are yet to be finalised. While the level of government appropriation remains largely unchanged (\$5.551m in 2011-12, \$5.524m in 2012-13 and \$5.502m in 2013-14), the amount of external revenue received by Tourism Research Australia from a range of sources is not yet determined (state and territory revenue is determined on the basis of service level agreements negotiated at the start of each financial year).

7. For staff at **Tourism Research Australia**, what is:
- a. The total number
 - b. The number of FT, PT and casual
 - c. The number of, and range of, salary bands available, including for SES
 - d. The total cost of staffing expenses (for 2010-11)

Answer

Staffing information in respect of Tourism Research Australia as at end March 2011 is provided below.

- (e) Total number of staff: 22
(Note: Excludes inoperative staff on extended periods of leave without pay.)

- (f) Full time (ongoing) staff: 22
Part time (ongoing) staff: 0
Casual (non-ongoing) staff: 0
- (g) The classifications of staff currently employed in Tourism Research Australia range from APS4 to SES Band 1.
- (h) Total cost of staffing expenses: \$2.135 million allocated in 2010-11.
(For salaries and related expenses.)

8. What proportion of the **Program support** funding for Program 4 is allocated to the establishment or implementation of the National Long-Term Tourism Strategy for:
- a. 2010-11; 2011-12; 2012-13; 2013-14

Answer

- As noted in the response to Estimates Question BR10 (Budget Estimates, 1 June 2010), the Department does not allocate internally in a formal budgetary manner how much time is done in kind by its officers for each of the various activities it undertakes. Consistent with broader Australian Public Service practice, the Tourism Division's operating budget is applied flexibly to meet ongoing and emerging priorities.
9. How will the Government's \$6 million election commitment for the National Long-Term Tourism Strategy be allocated:
- a. In each Financial Year;
 - b. For each working group;

Answer

Response provided during the Additional Estimates hearing on 23 February 2011⁵:

“**Ms Madden**—The proposals with regard to the expenditure of that \$6 million increase in funding for tourism are being determined. Tourism ministers will be meeting on 14 and 15 April. One of the key agenda items they have in front of them is the two-year forward work program and associated budget. We have had a range of discussions with senior officials from all of the states and territories, TA and the department, and there are a number of proposals being developed with regard to that expenditure to meet the deliverables and expected outcomes from the National Long-Term Tourism Strategy, but I will be able to give you further details once ministers have considered and discussed that in Darwin at their ministerial meeting.”

10. For each of the following working groups in the National Long-Term Tourism Strategy, what is **i)** the total funding available for each working group or stream (through the Tourism Ministers' Council); **ii)** the number and name of each member of the working group; and **iii)** the Commonwealth's contribution for:
- a. Destination Management Planning Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)

⁵ Refer Proof Committee Hansard, 23 February 2011, p.E95

- b. Digital Distribution Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)
- c. Indigenous Tourism Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)
- d. Industry Resilience Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)
- e. Investment and Regulatory Reform Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)
- f. Labour and Skills Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)
- g. Research and Development Advisory Board (for 2010-11, 2011-12, 2012-13, 2013-14)
- h. Tourism Access Working Group (for 2010-11, 2011-12, 2012-13, 2013-14)
- i. Tourism Quality Council of Australia (for 2010-11, 2011-12, 2012-13, 2013-14)

Answer

(i) On 30 April 2010 the Tourism Ministers' Council (TMC) approved a total budget of \$2.2 million (\$485,560 and \$1,711,160 for 2009-10 and 2010-11 respectively) to enable the Working Groups to implement key elements of the National Long-Term Tourism Strategy. Funding is shared on a 50-50 basis between the Australian Government and the states and territories.

(ii) Working Group membership details are available on the following website:
<http://www.ret.gov.au/tourism/tmc/workinggrps/Pages/default.aspx>.

(iii) The table below provides details of the Australian Government's notional contribution to Working Group budgets through the TMC. Working Group allocations are based on initial work programs developed by the Working Groups at the beginning of 2010.

Commonwealth contribution to ASCOT-TMC budget as agreed by TMC on 30 April 2010:

	2009-10	2010-11
	\$	\$
Labour and Skills Development Working Group	86,601	134,112
Investment and Regulatory Reform Working Group	50,012	352,585
Destination Management Planning Working Group	29,007	104,001
Tourism Access Working Group*	*	*
Industry Resilience Working Group	54,513	2,501
Tourism Quality Council of Australia	4,951	55,013
Indigenous Tourism Working Group	5,001	10,002
Digital Distribution Working Group	2,501	50,012
Research and Development Advisory Board	10,252	147,535

* As at 30 April 2010, no budget was allocated to the Tourism Access Working Group but an amount of \$92,522 for 2010-11 has since been made available to the Working Group by the Australian Government.

Tourism Ministers will meet on 14 and 15 April 2011. One of the key agenda items for decision is a two-year forward work program and associated budget for 2011-12 – 2012-13 for the Working Groups. Further details will be available after this meeting.

- 11.** For the additional \$40 million allocated to the **TQUAL Grants** programme as part of the Government's election commitments:
- a. How will this \$40 million be allocated in each financial year? (eg. \$10m each year?)
 - b. Will it all be expended in the forward estimates?
 - c. How many funding rounds will be conducted with this money?
 - d. Has any of the \$40 million been allocated to meet specific elections commitments, or will the entire pool be distributed, on application, by the Department?
 - i. If allocated as election commitments, please seek a list of all commitments including amount committed, project name, project description and electorate.
 - e. What part of the \$40 million will be distributed as grants and what part will be allocated to administration and advertising expenses?

Answer

Response provided during the Additional Estimates hearing on 23 February 2011⁶:

Ms Madden—Yes, it is the TQUAL grants program, which I elaborated on a bit earlier. We have provided information on that. That \$40 million is over four years, with two types of funding available. As to the Strategic Tourism Investment Grants and Tourism Quality Projects, as I mentioned, the latter program is now up for allocation and it is expected that the \$40 million will be spent over four years—\$10 million per annum in those two categories.

Senator EGGLESTON—Will there be an annual funding round?

Ms Madden—That is the understanding that I have.

Senator EGGLESTON—Has any of the \$40 million been allocated to meet specific election commitments or will the entire pool be distributed on application by the department?

Ms Madden—No money has been allocated to meet any regional or election commitments. As I mentioned, the \$40 million will be over four years through these two types of funding programs—the first of which is now available and open for application.

Senator EGGLESTON—Is it possible to say what part of the \$40 million will be distributed as grants and what part will be allocated to administration and advertising expenses?

Ms Harman—All of the money is grant money. Of course in actually administering a grant program there may be some items that will be able to be used to take forward the program that will be more of an administrative nature. But I cannot actually give you a figure on that at this point in time. To some extent that will depend on the types of projects that come forward.”

⁶ Refer Proof Committee Hansard, 23 February 2011, p.E95

12. The first key performance indicator for Program 4 is:

“Extent to which tourism interests are considered and reflected in the broader context of Australian Government policy development and implementation, including in relation to labour..” (Portfolio Budget Statement Page 37)

- a. To what extent were tourism interests considered and reflected as part of the Government’s award modernisation process?
- b. To what extent were tourism interests considered and reflected as part of the Government’s decision to increase employer-funded superannuation guarantee from 9 per cent to 12 per cent?

Answer:

Response provided during the Additional Estimates hearing on 23 February 2011⁷:

“**Ms Rose**—Following some feedback from the ANAO regarding our performance indicators in our portfolio budget statements we did a complete review of our key performance indicators and they were published in our portfolio additional estimates statements. We have actually done a complete update of our KPIs and now have a different set for each program, including program 4....”

“**Ms Madden**—Can I note that some of the issues you are raising, including with regard to award modernisation and superannuation, are issues that are being discussed under the labour and skills working group of the National Long-Term Tourism Strategy. I am aware that there has been ongoing consultation with some of the industry members of that working group, such as Restaurant and Catering Australia and the Australian Hotels Association with regard to both those issues you have mentioned, and that their views in relation to those aspects have been taken into account by the government in framing their policy approaches. As I said initially, this is something that is being worked on under the Long-Term Tourism Strategy but the primary responsibility for those matters, including the award modernisation, rests with the Employment and Workplace Relations minister and department.”

⁷ Refer Proof Committee Hansard, 23 February 2011, p.E95-96