

What does it mean for Queensland's tourism industry?

Significant tourism growth opportunities have been overlooked in the 2017-18 Federal Budget.

Funding for Tourism Australia

\$14 million reduction, from \$143M to \$129M.

It is disappointing that Australia's marketing effort in a highly competitive global market will be diminished when many countries seize the opportunity to tap into one of the fastest growing sectors of the economy.

Visa Reform

- Increased cost to business to hire skilled foreign workers. Application charges to increase from \$1,060 per primary 457 visa to \$1,150 for the short-term stream and \$2,400 per primary visa for the medium-term stream.
- Indexation of Visa application charges, estimated to generate an additional \$410M over the forward estimated period.

Skilled work visa reforms are likely to be a big cost to business, including tourism operators in Queensland, affecting the supply of critical foreign workers in Queensland and burdening operators with increased visa costs.

Skilling Australia Fund

\$1.5B over four years from 2017-18 to establish a permanent Skilling Australians Fund to support the skilling of Australian workers.

QTIC welcomes the Skilling Australians Fund's efforts to improve skills of the Australian workforce, particularly via apprenticeships. Tourism is a future growth industry with high demand occupations and must be prioritised.

Businesses with turnover of less than \$10M per year will be required to make an upfront payment of \$1,200 per visa per year for each employee being sponsored for a permanent Employer Nomination Scheme (subclass 186) visa or a permanent Regional Sponsored Migration Scheme (subclass 187) visa, to contribute to the Skilling Australia's Fund Levy. This measure is estimated to add \$1.2B to revenue over the forward estimated period, to support the training and development of Australian workers.

Opportunities missed...

- \$10M national events bid fund
- \$14M cut to Tourism Australia

Still waiting on...

- Commitment to the Cross River Rail & Brisbane Metro
- Increased Great Barrier Reef funding

Roads

\$908.6M over seven years from 2016-17 for projects including:

- \$843.8M for Bruce Highway projects in Queensland including the Pine River to Caloundra upgrade, Wide Bay Highway and Bruce Highway intersection upgrade, Deception Bay interchange upgrade and Bruce Highway safety package.
- \$45.0M in additional funding for the Walkerston Bypass upgrade in Queensland, bringing the total Government commitment for the project to \$120.0 million.
- \$6.0M in additional funding for the Mt Lindesay Highway upgrade in Queensland, bringing the total Government commitment for the project to \$16.M.

Continued investment in upgrading regional transport infrastructure is critical to tourism and regional economic development.

Rail

\$20M in 2017-18 to support the development of business cases for infrastructure projects which would deliver faster rail connections between major cities and major regional centres, providing up to 50% of the funding for the development of up to three business cases.

\$600M over two years from 2019-20 as part of a \$10B National Rail Program to better connect our cities and regions and grow the economy.

City Deals

Development of a City Deals Strategy for South East Queensland, which will involve inviting the Queensland Government, and local governments in the region, to work with the Commonwealth to support, economic development in key growth areas, including by developing a long-term plan for the region.

Regional Growth Fund

\$472.2M over four years from 2017-18 to establish the Regional Growth Fund, including \$272.2M to provide grants of \$10.0M or more for major transformational projects to support long term economic growth and create jobs in regions undergoing structural adjustment. \$200M will be provided to the Building Better Regions Fund (BBRF) to support the construction of community infrastructure and build the capacity of regional areas (increasing the Government's commitment to BBRF to \$497M).

National Cities Agenda

\$23.5M over four years from 2017-18 to expand the capacity of the Department of the Prime Minister and Cabinet to support delivery of the National Cities Agenda.

Gold Coast 2018 Commonwealth Games

- \$34.2M over two years from 2017-18 for the Australian Defence Force contribution to security support for the Games and the Queen's Baton Relay.
- \$11.7M over two years from 2016-17 for other related services associated with staging the Games which will be funded from within the existing resources of affected agencies.
- Further support may be provided on a cost recovered basis subject to negotiations with the Queensland Government.

The Gold Coast 2018 Commonwealth Games will be a critical major event for the region and the Queensland economy. QTIC welcomes the Federal Government's contribution to ensuring the event is a success.

Cyclone Recovery & Future Disaster Relief Funding

Adjustment of funding restrictions under the Natural Disaster Relief and Recovery Arrangements (NDRRA) to allow State and Territory Governments to claim reimbursement on behalf of councils for eligible use of their own plant and equipment (including graders, bulldozers, and excavators) when rebuilding damaged public assets such as roads. This adjustment to the NDRRA will be available for all eligible disasters that have occurred between the 2013-14 and 2017-18 financial years.

Activated Category C of NDRRA with a expected \$90.1M to be provided for community recovery funds and grants for primary producers and small businesses and non profit organisations (up to \$25,000 each) significantly affected by bushfires, severe weather and flooding in New South Wales, Victoria, Queensland, South Australia and Tasmania.

\$94.9M through the Disaster Recovery Allowance and Australian Government Disaster Recovery Payments to support eligible people who have been severely affected by Tropical Cyclone Debbie and associated floods in both Queensland and New South Wales.

\$26.1M in 2017-18, matched dollar for dollar by State and Territory Governments, to help deliver projects that will mitigate the impacts of future disaster events.

Tourism Demand Driver Infrastructure Program

Continuation of the Tourism Demand Driver Infrastructure, totaling \$19M over four years.

QTIC welcomes the continuation of the TDDI Program which has supported many regional initiatives and offers targeted tourism enterprise support programs.

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