



## Public Accounts & Estimates Committee

# 2007-08 Budget Estimates Hearing

Minister for Tourism

31 May 2007



Department of Innovation, Industry and Regional Development

# Overview

- Tourism is a key driver of economic growth in Victoria.
- In 2003/2004 the tourism industry contributed **\$10.9 billion** to the State's economy or 5.3% of total Victorian Gross State Product (GSP).
- The Victorian tourism industry employs **159,000 people** or **6.6%** of total employment in Victoria.
- Tourism contributed **\$3.4 billion** to regional Victoria's economy and employed **61,000** people in regional Victoria.
- Tourism contributes **\$706 million** in State tax revenue (excluding GST).

Source: The Economic Contribution of Tourism to Victoria 2003-04, Access Economics, 2005.



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## Key Achievements 2006/2007

- Launch of the Government's *10 Year Tourism and Events Industry Strategy* to grow tourism to an **\$18 billion** industry employing **225,000** people by 2016.
- Significant success in securing better **aviation access** for Victoria. New services are being introduced by Indian Airlines and new capacity provided for Qatar Airways and Emirates.
- Received **1.4 million** international visitors in 2006, an increase of 7.9% over 2005. International visitor expenditure totalled **\$2.7 billion** in 2006, an increase of 18.1% over 2005.
- Development of the **Tourism Excellence** program to improve tourism industry and business skills.
- In 2007 Victorian tourism operators took home eight **Australian Tourism Awards** – more than any other state or territory.

Source: International Visitor Survey, Tourism Research Australia



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## Key Priorities 2007/2008

- Grow visitation through direct flights and increased **aviation capacity**.
- Develop **nature-based tourism** through a range of marketing, investment attraction and infrastructure initiatives.
- Assist in the recovery of regional Victoria from **bushfires** and drought.
- Increase visitation and the economic benefits of tourism to **regional Victoria**.
- Maintain Victoria's position as the '**Events** Capital of Australia' and strengthen its role in promoting Victoria on the international stage and in increasing visitation.

# Budget Initiatives and Highlights

The Government has committed **\$66 million over 4 years** to tourism.

Major initiatives include:

- **\$34 million** for major events;
- **\$23 million** for regional tourism;
- **\$5.5 million** to market international tourism;
- **\$1 million** for skills and service standards; and
- **\$2.2 million** to integrate Tourism Victoria and Brand Victoria marketing campaigns in key international markets.