



Department of Innovation, Industry and Regional Development

Public Accounts and Estimates Committee (PAEC)



Economic Performance

- Tourism is a key driver of economic growth in Victoria.
- In 2003/2004 (latest figures) 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.

Achievements

- International visitors to Victoria spent **\$3.1 billion** in 2007, an increase of 14.6% over the previous year.
- Melbourne overtook Sydney as the **most lucrative tourism destination** for the first time with a domestic overnight visitor spend of \$4.5 billion in Melbourne in 2007 compared to \$4.49 billion in Sydney.
- Cooperative marketing undertaken to support the **launch of Tiger Airways** based out of Melbourne.
- Launched the final four modules of the **Tourism Excellence** program to improve tourism industry and business skills.
- Launched **tourism marketing campaigns** for the Grampians, the Dandenongs, Phillip Island and the High Country.
- **Major Brand Victoria signage and promotion** undertaken through the 2008 Australian Open Tennis and the 2008 Formula 1 Grand Prix.
- **24 International Business Events** have been secured for the new Melbourne Convention Centre, which will inject more than **\$312 million** into the State's economy.

Key priorities

- Increase visitation and the economic benefits of tourism to **regional Victoria**.
- Grow visitation through direct flights and increased **aviation capacity**.
- Promote Victoria in key traditional source markets such as Europe, United States and South East Asia as well as emerging markets such as China and India.
- Host the **2009 Australian Tourism Exchange**.
- Increase Victoria's profile as a **world-class business events** destination.

Budget initiatives and highlights

The Government has committed a further **\$35.1 million** to tourism.

Major initiatives include:

- **\$13.3 million** for regional tourism.
- **\$8 million** to market international tourism, including attracting additional air services.
- **\$10.8 million** for business events.
- **\$3 million** to host the 2009 Australian Tourism Exchange.