

PAEC Inquiry into the 2018-19 Budget Estimates – Questions taken on notice and further information agreed to be supplied at the hearing

Minister Eren, Tourism and Major Events, Wednesday 30 May 2018

Question No:

5. Have we got any data on the success of the grand final public holiday and the regional spend as far as tourism is concerned?

Response

When comparing the grand final long weekend in 2017 to the grand final weekend in 2014 (including the Friday), it is estimated that:

- Intrastate overnight trips to regional Victoria grew 50 per cent to 198,500 overnight trips. This equates to an estimated \$21 million in additional tourism expenditure on trips in regional Victoria for the period.
- Intrastate trips (overnight and day) in Victoria grew 22.8 per cent to 725,000. This equates to an estimated \$27 million in additional tourism expenditure on trips in Victoria for that period.

Data for regional day trips cannot be provided, as the 2014 sample size is not large enough to be considered reliable.

Source: National Visitor Survey, December 2017, Tourism Research Australia, Canberra. unpublished data.

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Question No:

6. Have stakeholders consulted in relation to the scalping bill be conferred with as to their preparedness to have their details released? If so when?

Response

The Department of Economic Development, Jobs, Transport and Resources (DEDJTR) consulted widely with over 70 stakeholders over a 12 month period.

This extensive consultation took place with sporting venues, cultural events venues, councils, sporting clubs and leagues, ticketing agencies, promoters, the tourism industry and government agencies, as part of the process to develop the measures we have now implemented to crack down on ticket scalping and better protect fans.

The Department of Economic Development, Jobs, Transport and Resources is currently developing a process to seek the views of stakeholders in relation to their details being released.

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Question No:

7. How much of the \$51.1 million from the line item 'Visitor Economy – Victoria's future jobs solutions' is spent on actual job creation or skills-based training in the tourism sector?

Response

All of our strategic investments across the visitor economy in terms of marketing, infrastructure, skills, training and investment attraction are helping to grow jobs.

Tourism is an important generator of jobs for Victoria. The Government's investment of \$51.1 million will support Visit Victoria to continue its work to attract more visitors to Victoria thereby helping the industry to continue to grow and deliver more employment opportunities across the State.

Since 2014-15, tourism employment has grown by 11.6 per cent to 214,500 jobs or 22,400 more jobs. Growth for tourism employment was higher than total Victorian employment growth of 6.4 per cent over the same period.

The 2018-19 State Budget committed \$172 million over three and a half years to Free TAFE for Priority Courses. Certificate III in Hospitality is one of the 30 priority courses where students who are eligible for Victorian Government subsidised training will not have to pay course tuition fees when completed at TAFE. These free TAFE for priority courses will reduce the financial barrier for students wanting to train in courses that lead to the occupations that are needed most by employers in the Victorian economy.

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Question No:

8. How much of the \$51.1 million is being spent on international, interstate and intrastate marketing campaigns? Pleased provide a breakdown of these figures.

Response

I can confirm that after years of neglect by the Liberal Opposition Government, the Andrews Labor Government and Visit Victoria have successfully created new marketing campaigns for China, interstate and regional Victorian tourism markets.

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Question No:

9. What is the value of the Indigenous tourism industry in Victoria?

Response

Information on expenditure or the economic value of the indigenous tourism industry is not available due to the industry's small size and the limitations of survey data.

However, I can advise that in the year ending December 2017, a total of 575,000 visitors to and within Victoria engaged in at least one aboriginal activity on their trip. This has grown by 25.6 per cent since the year ending December 2014. These visitors stayed a total of 8.8 million nights in Victoria in the year ending December 2017, an increase of 19.1 per cent since the year ending December 2014.

Victoria is hosting the annual Australian Indigenous Tourism Conference in Lorne between 30 October and 2 November 2018. The conference is set to bring together 200 industry leaders, national Indigenous tourism operators, state and national tourism organisations and international guests.

John Huggins has been appointed at Visit Victoria to develop Aboriginal tourism and to drive the implementation of the *Victorian Aboriginal Business Strategy*.

Definition: Aboriginal tourism visitors are defined as those who 'experienced Aboriginal art, craft or cultural displays', 'visited an Aboriginal site or community' and/or 'attended an Aboriginal performance' (International only) while on their trip to/ within Australia.

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Question No:

10. What contribution do international flights make to the economy as well as jobs?

Response

A typical daily international service contributes \$126.6 million in value add and 1,179 FTE jobs to the Australian economy. Of this, \$109.1 million in value added and 1,026 FTE jobs can be attributed to the Victorian economy.

At the time of the hearing, the number of international airlines flying directly in and out of Melbourne Airport has increased from 25 to 34 since 2014.

Source: Source: Deloitte Access Economics: The economic contribution of Victoria's major airports (Executive Summary) 2017.

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Question No:

11. Please provide the exact amount of money spent for each specialised area within your major events department – for example, sport, cultural, creative, visual arts, business, culinary, fashion and retail.

Response

The exact amount of money spent for each area identified is Cabinet and Commercial in Confidence and cannot be publicly released. The release of such information would provide a commercial advantage to Victoria's competitors, and possibly lead to the loss of existing and future events, along with their associated benefits for Victoria.

It is economically reckless for the Liberal Party to seek this information publicly so they can help their friends in NSW.

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Question No:

12. How much money has been spent on regional events out of the Regional Events Fund?

Response

The four-year \$20 million Regional Events Fund commenced in 2016, and is securing and developing a strong calendar of regional events which has the ability to drive tourism benefits for regional Victoria. Since the Fund was established, the Victorian Government and Visit Victoria has supported more than 160 regional events through the Fund. The Fund is allocated to secure and stage regional events and is on track to be fully acquitted for this purpose.

I note the Liberal Party invested \$0 in a dedicated Regional Event Fund between 2010 – 2014.

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Question No:

13. What criteria constitute a Major Event?

Response

For an event to be declared a major event, section 182C(2)(c) of the *Major Events Act 2009* (the Act) allows for the Minister for Tourism and Major Events to consider whether an event is major, having regard to the likely number of attendees for the event (i) on a particular occasion only, or (ii) over the duration of the event.

In addition, under Section 182(C)(2)(d), the Minister may consider any other matters considered appropriate. These other matters are outlined in section 9(1) and 9(2)(a)-(g) of the Act. This includes such factors as the size of the event; likely demand for tickets; exclusive global content; the likely media coverage of the event and the contribution to Victoria's international profile as a host of major events; and where a declaration is requested by a promoter or event organiser.

The criteria for assessing the status of an event as a major event also includes the ratio of economic return on investment. This a range of 5:1 to 15:1.

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Question No:

14. How many new major events has the government secured?

Response

At the time of the hearing, Visit Victoria had acquired 33 major events over two years (10 in 2016/17 and 23 in 2017/18).

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Question No:

15. With regards to the Regional Tourism Infrastructure Fund: Enhancing Victoria's world class nature based tourism destinations (statewide), can you please provide further information?

Response

The *Victorian Visitor Economy Strategy* released in July 2016 sets out the overall direction and framework to grow Victoria's visitor economy and sets a goal of increasing visitor spending to \$36.5 billion by 2024-25. In response to the Strategy, the Victorian Government established the \$103 million Regional Tourism Infrastructure Fund (RTIF).

To date, RTIF has supported the delivery of investment ready, high value and high impact regional tourism infrastructure projects that will drive visitation and yield, stimulate major private sector investment, and boost jobs and employment in regional Victoria.

One of the key priority projects identified under the Strategy to benefit from RTIF is the major redevelopment and upgrade of the Penguin Parade at the Phillip Island Nature Parks.

The

\$58.2 million redevelopment (\$48.2 million from RTIF and \$10 million from Phillip Island Nature Parks) will significantly enhance the visitor experience of the Park, which currently receives over 700,000 visitors per annum and supports 1,350 full time jobs.

The balance of the RTIF has been allocated to funding a pipeline of regional tourism projects, developed with Regional Tourism Boards and local councils, which includes just under 30 planning studies to identify promising high value projects, and over 10 high value and high impact regional tourism infrastructure projects.

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Question No:

16. Please provide further information about the \$7.8 million for Parks Victoria infrastructure

Response

Parks Victoria infrastructure funding is for Stage One of the Shipwreck Coast Master Plan and is part of a wider TEI of \$66.033 million for *Regional Tourism Infrastructure Fund: Enhancing Victoria's world class nature based tourism destinations (statewide)*.