



2 July 2021

Ms Liz Savage
Chair
Tourism Industry Reference Panel
C/- tourismrecovery@dtis.qld.gov.au

Dear Ms Savage,

The NRMA welcomes the opportunity to provide input to the *Action Plan for Tourism Recovery*. The Action Plan will facilitate a crucial discussion about the future direction of tourism in Queensland (QLD), and identify opportunities for industry and government to work together to expedite recovery and ensure the sector's sustainability long-term.

More than just a roadside business, the NRMA has grown to become one of Australia's largest tourism and travel companies, with a growing footprint in QLD. The NRMA owns eight (8) holiday parks in the state, with our national Holiday Parks & Resorts headquarters based on the Gold Coast. Our Thrifty car rental business services metropolitan and regional QLD. We also have a minority stake in cruising company Coral Expeditions based in Cairns, with aspirations of growing our footprint further in the state.

In reviewing the *Action Plan for Tourism Recovery* discussion paper, the NRMA believes there are four (4) key focus areas that need to be addressed to aid the sectors recovery. These being:

- Providing industry with certainty over vaccination milestones and international border openings to prepare, plan and deliver product that meets the needs of international visitors
- Addressing labour and skills shortages through training, visa reform and student incentive programs
- Identifying iconic nature-based experiences that can be delivered in partnership with the private sector that also provide conservation outcomes for the state; and
- Facilitating private sector investment in new experiences by earmarking potential investment opportunities and guiding the private sector through the planning and approvals process.

These areas of focus must be accompanied by implementation plans and timetables for delivery, to guide the industry's own investment and operating decisions.

International border openings

Providing industry with certainty over the expected return of international travel is necessary to allow operators to design and deliver product appropriate for inbound markets when travel resumes. At the time of writing this submission, the NRMA is cognisant state efforts remain firmly focused on containing local outbreaks and protecting the community.

However, predictions by Deloitte Access Economics and the Boston Consulting Group indicate international travel could potentially return to the country by 2023-24. Delays to potential reopening timelines will lead to significant opportunity costs for the industry as competitor destinations secure a larger share of source markets that are vaccinated and have the confidence to resume travel.

Further, in order to appropriately prepare for international arrivals, significant work must occur now with international travel wholesalers to package, price and promote itineraries ready for when borders reopen. This will also require discussions with airline carriers who are critical in facilitating visitation to regional destinations. These carriers are likely to require support in the first instance in order to make routes viable.

Australia already trails many international countries that have developed a plan to open their borders to international travellers. The Council of the European Union recently agreed a common approach to temporary restrictions and the possible lifting of restrictions for certain countries including the US, NZ, Australia, Singapore, Japan and South Korea.

The industry is cognisant any decision to reopen borders remains the responsibility of the Australian Government, and must be considered carefully in the context of local vaccination rates and maintaining the safety of the Australian people. The industry would strongly encourage State and Territory Governments in conjunction with the Australian Government to develop and communicate a clear pathway for the eventual return of international arrivals, with an indication of key milestones that need to be met prior to borders reopening. Such pathway and milestones provides certainty to operators of potential timeframes for reopening, which in turn allows them to appropriately prepare, plan and scale their businesses accordingly.

Addressing labour and skills issues

One of the biggest obstacles facing the future success of the tourism industry is labour and skills shortages, particularly in the regions. Labour and skills shortages have long affected the sector, but COVID has exacerbated these shortages by restricting the vital flow of skilled and unskilled labour required to supplement the Australian workforce.

Despite the buoyancy of the domestic tourism market, some operators remain unable to reopen fully, or have limited their suite of services as a result of lack of staff. This affects the quality of the experience provided to the visitor and ultimately the brand and reputation of the destination.

Without a concerted effort, the service offered to both domestic and eventually international visitors will be suboptimal if we cannot train and incentivise work in the industry. The Action Plan should seek to identify innovative solutions to our current and future labour force needs in the state. This could include, but is not limited to:

- Incentivising and attracting school leavers into the industry through training pathways and on-the-job training with a greater number of industry partners, allowing school leavers to expedite their qualifications while working in industry.
- Pilot programs (similar to NSW) to allow international students from low-risk countries to return to complete their studies (subject to state quarantine measures) and support for amendments to working hours if they undertake part-time work in a sector identified with severe skills shortages.
- Incentive payments to individuals who relocate to regional destinations to undertake employment in tourism and hospitality. Alternatively, incentive payments could be offered to businesses and/or reduced payroll tax to offset higher rates of pay being offered to attract workers to in-demand roles (eg Chefs, Marine Engineers, Expedition Guides).

Bolstering nature-based tourism experiences

QLD is synonymous with nature-based tourism experiences. These experiences are not only core motivators of travel to the state, but often to the country by international visitors.

When we think about how we want the sector to be defined beyond 2020, nature-based tourism will play a large part in shaping the state's appeal; we want QLD to offer world-class, brag-worthy experiences that are unique, immersive, inclusive and sustainable. This includes better connecting visitors, and tourism operators, with the traditional owners of the land, creating job and education opportunities in more locations.

The Action Plan has rightly identified that sustainable tourism (or responsible tourism) will not be considered a unique selling proposition, but will be a necessary licence to operate. Visitors will demand to know what operators are doing to support the local communities and the environments they work in, and what they can do to contribute.

Therefore, the Action Plan should consider the following initiatives to boost nature-based experiences in the state:

- Bring together the private sector, NGOs and government to deliver pre-identified conservation programs and initiatives. This could include incentives for volunteers that work and support these programs while travelling in QLD. By identifying and developing shared value projects that give back

to the community, the visitor experience is enriched as travellers are able to contribute to the conservation of the region they visit;

- Identify potential sites and experiences appropriate for private sector investment and bring them to market with support for pre-approvals and enabling infrastructure. This could include a limited number of pre-approved permits or licences to operate in certain areas (See facilitating investment opportunities below);
- Toolkits for smaller operators on how to connect, establish and support localised programs within their region to demonstrate their commitment and contribution to sustainability; and
- Facilitate greater connection between traditional owners and tourism operators looking to strengthen and acknowledge connection to country through product development, employment and interpretative experiences.

All initiatives above need to be accompanied by strong destination marketing, particularly in international markets unfamiliar with the size and breadth of experiences offered across the state.

Further, consideration should be given to how the future of mobility and alternative drive train technology (electric and hydrogen) will change visitor journeys in the future. QLD has made in-roads connecting the state's Electric Super Highway from Coolangatta to Port Douglas. Expanding the network to include inland destinations will be critical to support a greater number of drive tourism journeys in the future.

Facilitating investment opportunities

The Action Plan and the Department of Innovation, Tourism and Sports' *Strategic Plan 2020-24* identifies the importance of private sector partnerships in facilitating investment and employment opportunities in the future. New and exciting experiences that meet the future needs of visitors will be critical in generating interest and creating new reasons to travel (or return) to QLD.

The Department, through the Tourism Investment Attraction Unit (or equivalent), should consider developing a prospectus of potential investment opportunities likely to become available and facilitate discussions with interested parties to bring refurbished and innovative experiences to market. This should include collaboration with regional development boards and local councils to develop a pool of state-based investment opportunities with site pre-approvals, licences and enabling infrastructure works included in proposals to expedite investment.

A similar process already exists in NSW through Investment NSW, which brings together all areas of government including Treasury, Regional Development and Tourism to facilitate investment discussions with interested parties.

The NRMA is pleased to tender the above comments to the QLD *Action Plan for Tourism Recovery Action Plan for Tourism Recovery* discussion paper. Should you require any further information with regards to this submission, please contact Carlita Warren, GM – Business Development & External Affairs on carlita.warren@mynrma.com.au or 0415 877 409.

Sincerely,



Paul Davies
CEO – NRMA Holiday Parks