

MEDIA STATEMENT

11 May 2021

Targeted Federal support for Australian tourism still critical due to closed borders.

Peak body ATIC said more targeted Federal support for impacted tourism enterprises, regions and cities due to the hard-closed international border, is the unfinished business from this Budget.

ATIC Executive Director Simon Westaway said the Budget outlook for Australia's international border, beyond New Zealand, only 'gradually opening' through 2022, does not give any confidence to the sector.

"Tourism remains one of the most affected sectors in Australia's impressive economic recovery. It remains impacted by consumer concerns and disruptions to interstate travel due to regulatory restrictions," Mr Westaway said.

"The Federal Budget outlook indicates no foreseeable international market recovery for Australia's visitor economy, and this sadly spells further tourism business and job losses.

"Australian tourism's economic value more than halved during the pandemic and was the largest job-shedding sector. Recovery has still some way to go for many.

"Low national COVID-19 vaccination rates need to be rapidly lifted urgently, to enable industry to work constructively with the Government on a safe, if staggered, future border re-opening timetable.

"ATIC welcomes the Budget's commitments to measures which fast-track the national vaccine rollout, small business tax and support measures and bolstered traineeship funding.

"Tourism depends on the capacity of thousands of small businesses delivering our tourism experiences. The Budget's extension of the provisions to fully expense depreciable assets and loss carry-back will be welcomed by tourism business.

"ATIC supports ongoing, strong funding to Tourism Australia. The national agency will play a critical demand-driving role when Australia can again welcome overseas visitors, backpackers and students.

"We continue to urge more engagement between industry and government around the current challenges, including labour market and skill issues that will affect the recovery of tourism, a sector that is critical to Australia's sustainable growth.

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