



MEDIA RELEASE

SENATOR THE HON NICK SHERRY

Minister for Small Business
Minister Assisting on Deregulation
Minister Assisting on Tourism

UNLOCK PRODUCTIVITY TO MEET TOURISM EXPORT CHALLENGES

The Minister Assisting on Tourism, Senator Nick Sherry, has today highlighted the need to unlock productivity in the tourism industry as a way of facing the twin challenges of a high Australian dollar and fragile international visitor markets.

Senator Sherry outlined the Australian Government's plans to secure the future growth of Australia's tourism industry in an address to the Adventure and Backpacking Industry Conference in Sydney.

"In a challenging operating environment, the Australian Government is working to address inefficiencies in regulation between the states and Commonwealth, unlock productivity, and reduce the cost of doing business in Australia," Senator Sherry said.

"The National Long-Term Tourism Strategy work plan outlines our goals and charts the progress to date as we work through issues vital to the industry."

"This strategy is focusing on preventing future skills shortages, ensuring consistent and effective regulation of the industry between jurisdictions and securing much needed investment."

"The goal of boosting tourism industry growth will be helped by the Australian Government's broader reform push to reduce the administrative and tax burden on Australian business," Senator Sherry said.

"COAG's National Partnership to Deliver a Seamless National Economy is well underway to removing inconsistent and unnecessary regulation across 27 areas of business regulation."

"These reforms will yield real long-term benefits for the economy, removing the burden of red tape off the back of business, driving productivity and creating jobs."

"Meanwhile, our proposed tax package stands to offer direct assistance to small businesses, allowing them to immediately write off assets of up to \$5,000, as well as lowering the company tax rate, from 30 to 29 per cent."

The Minister praised the backpacker sector's contribution to the tourism industry – having grown from a niche market to represent one in every five tourist dollars flowing into this country.

"If backpackers were a country, they would be our third largest destination market by volume and our largest by value," Senator Sherry said.

“In 2009-10, Australia attracted over 580,000 international backpacker visitors - that’s 11 per cent of all international visitors and they spent \$3.4 billion around the country.”

The Minister reinforced the Australian Government’s commitment to investing heavily in tourism marketing to secure stability and growth in our important international visitor source markets.

“Our investments will help offset the impacts of a high dollar, help to promote Australia as a destination and build on our brand and reputation,” Senator Sherry said

With the \$150 million *There’s Nothing Like Australia* campaign as the centrepiece, governments of all levels will invest over \$500 million in tourism marketing in this year alone.

“With cautious optimism returning in international markets, the Australian backpacker industry has reason for optimism in the year ahead,” Senator Sherry said.

“Our marketing investments will ensure that Australian tourism will be best positioned to make the most of the any recovery in international markets and upturn in visitor numbers.”

SYDNEY

4 November 2010

Media contact: Joe Scavo – 0413 800 757