

January 27, 2021

The Hon Michael Sukkar MP
Assistant Treasurer, Minister for Housing, and
Minister for Homelessness, Social and Community Housing
PO Box 6022
House of Representatives
Parliament House
Canberra ACT 2600

via email - prebudgetssubs@treasury.gov.au

Dear Minister,

After a tumultuous 2020 and an outlook of uncertainty into 2021, the Gold Coast's tourism sector continues to suffer from the impacts of the COVID-19 pandemic. The Gold Coast visitor economy supports 15 percent of all employment on the Gold Coast or an estimated 43,700 jobs indirectly and 29,800 jobs directly.

From a global standpoint, Australia's management of COVID-19 has been excellent. Importantly, there is a narrow window of opportunity for our economy to capitalise on the sacrifices endured to protect Australians. I implore you to consider budget allocations that will be critical to the recovery of an industry ravaged by the loss of all international tourism and ongoing interstate border closures which make up the majority of our region's \$7.1 billion visitor expenditure.

Property and Public Liability Insurance Costs

According to many of our key tourism operators who are exposed to the impacts of natural disasters, property insurance costs have risen exponentially or are unavailable entirely.

A national approach to ensuring that critical tourism businesses have access to **affordable commercial property insurance** needs action immediately.

The open-ended nature of injury claims has seriously limited the obtainability of insurance for many small and medium businesses, particularly for tourism operators who offer outdoor activities.

It is highly recommended that Australia adopts the **National Injury Insurance Scheme (NIIS)** model (or similar program) implemented in New Zealand. Such a system would provide affordable and accessible liability insurance for small and medium businesses.

Extension of Job Keeper beyond March 2021

A significant number of Gold Coast accommodation providers, tour and attraction operators and the aviation sector are reporting very soft forward bookings in the lead up to and during the Easter holiday period. This is compounded by the loss of all international source markets who traditionally contribute nearly \$2 billion in expenditure. Based on this trend, there are grave concerns for the sustainability of our regional workforce. As domestic and international markets re-emerge, a robust workforce will be required for the visitor economy's recovery.

In consideration of what will be consecutive years of all international markets being decimated and the severely impacted domestic tourism market, it is recommended that **Job Keeper be extended in some form beyond March 2021.**

Export Market Development Grant (EMDG) – Turnover Threshold and Reset for Operators

Many of our region's high value international connections have been compromised and, in many instances, (due to the collapse of some overseas businesses) completely severed. As tourism and other exporters seek to re-engage with their markets, reducing the cost to do business will be vital to the recovery efforts.

The time to leverage our global reputation and the quality of our exports (particularly tourism) is now. **Established exporters should be encouraged and supported in their re-entry efforts, not excluded** based on the turnover threshold's reduction from \$50 million to \$20 million. Furthermore, **'resetting' the current eight-year limit on EMDG eligibility** for existing operators would encourage investment to attract Australia's high growth international tourism source markets.

On behalf of the Gold Coast's tourism industry and the more than 43,000 supported jobs at stake, please carefully consider these recommendations as we navigate what has been a calamity for our Australian economy and for our society in general.

I appreciate your time reviewing these recommendations. Please feel free to contact me directly on **0414 747 021** if you have any questions.

With My Kind Regards,

A handwritten signature in black ink, appearing to read 'Paul Donovan', enclosed within a large, loopy oval shape. A long horizontal line extends from the right side of the signature.

Paul Donovan

Executive Chairman, Destination Gold Coast

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