



**Submission to the
Treaties Committee
regarding
Australia's
Withdrawal from the
World Tourism
Organisation**

Queensland Tourism Industry Council

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Introduction

The Queensland Tourism Industry Council (QTIC) welcomes the opportunity to provide a submission to the Treaties Committee regarding the inquiry into Australia's withdrawal from the World Tourism Organisation under Article 35 of the World Tourism Organization (WTO) Statutes.

As first eluded to in a letter from QTIC Chief Executive Daniel Gschwind to First Assistant Secretary to the Trade and Economic Diplomacy Mr Sam Gerovich in November 2014, QTIC strongly recommends to the Committee that Australia does not withdraw from the World Tourism Organisation.

Tourism in Queensland

Tourism is a key economic driver in many Queensland regions, supporting regional employment and community growth, employing over 241,000 people directly and indirectly, or 9.9% of all people employed in Queensland.¹ This is substantially more than the mining sector (79,000 direct jobs) or even agriculture, forestry and fishing combined (56,900 direct jobs)². The tourism industry in Queensland contributed \$23 billion to Queensland's Gross State Product (GSP), representing 7.9% of total GSP and generated \$5.9 billion in exports in 2013, making it the second largest export earner behind coal³.

Queensland Tourism Industry Council

QTIC is the State peak body for tourism in Queensland. The voice of tourism, QTIC represents the interests of the tourism industry, including business operators, Regional Tourism Organisations (RTOs) and sector associations.

A private sector, membership-based tourism industry organisation; all of Queensland's 13 RTOs are members of QTIC as are 20 of the industry sector associations and in excess of 3,000 regional members, operating in all sectors of the tourism industry. QTIC works in partnership with government agencies and industry bodies at a local, state and national level (National Tourism Alliance), to strengthen the voice of tourism in all relevant policy forums.

QTIC remains committed to working with government and industry through the following national and state strategies and working groups:

- Australian Government, Tourism 2020, Tourism Industry Potential
- Labour and Skills Working Group
- Queensland Government, DestinationQ Industry Partnership Agreement and 12 Month Action Plan

Federal Tourism Initiatives

In December 2011, the Federal Government announced its national strategy *Tourism 2020*, with a goal of doubling the value of tourism to \$140 billion by 2020.

¹ Tourism Research Australia, Tourism Key Economic Facts December 2013

² *ibid*

³ Tourism Queensland, Tourism Economic Key Fact December 2010

In the recently released report by Deloitte titled *“Positioning for prosperity? Catching the next wave”*, global growth trends and Australia’s areas of advantage were examined and the results showed that our next waves of prosperity were likely to come from five sectors of which tourism was one (tourism, gas, agribusiness, international education and wealth management).

The report stated that *“there is a lot more potential growth in the pipeline [for Australia], with tourism projected to be among the world’s fastest growing industries. Our forecasts have it growing 4% a year from now to 2033 – that is, more than doubling in size over the next two decades. Even better, many of those new travellers will depart from Asia”*.

Industry Feedback

In December 2014, the Australian Government announced its decision to withdraw from the United Nations World Tourism Organisation (UNWTO). The decision to leave the UNWTO was taken by Federal Trade and Investment Minister Andrew Robb together with Foreign Minister Julie Bishop and has been justified by claims that the benefits from membership do not outweigh the membership costs of \$1.7 million over the forward estimates⁴.

Given these circumstances and given the commitment of the Federal Government to the promotion of tourism, it seems incongruent that it would now contemplate disengaging from the most important international forum for tourism. To achieve the Government’s *Tourism 2020* goal of doubling the value of tourism to \$140 billion by 2020, Australia needs to play a role in the UNWTO and be heard at the global tourism forum.

Globally, tourism is a booming industry with international tourist arrivals growing 5% during the first eight months of 2014 according to the latest United Nations World Tourism Organisation (UNWTO) World Tourism Barometer. International tourists (overnight visitors) travelling the world between January and August 2014 reached 781 million, 36 million more than in the same period of 2013. International tourism continued to grow well above the long-term trend projected by UNWTO for the period 2010-2020 (+3.8%).

Tourism reaches into many areas of international policy, including aviation, border control, visitor charges, trade liberalisation, education, community development etc. Many of these issues benefit from the discussions and the engagement of nations and stakeholders through the UNWTO, bringing a tourism perspective into the wider considerations. It would be a great loss to Australia and stakeholders in the local tourism industry to be rendered irrelevant in this global forum.

Australia prides itself for its role in international policy and development. Given our relative geographic isolation it requires more effort on our part not to be disadvantaged by distance. The tourism industry is particularly aware of this. Our engagement in the UNWTO may not consistently deliver readily measurable “value of benefits” but it is an important piece of infrastructure in our international engagement. It is a long term investment in our relationships that yield benefits that can be grown significantly if we chose to make the opportunity work for us.

The membership cost of \$1.7 million over the forward estimates is well worth the value of the international exposure and policy development which UNWTO membership gives Australia. According to the latest International Visitor Statistics, for year ending September 2014, the international tourism

⁴ Australasian Leisure Management, Anger over Australia’s Withdrawal from UNWTO, 12/12/14.

market is worth \$30.7 billion to the Australian economy. To continue to grow this international expenditure Australia needs to have a voice on the global stage for Tourism.

We believe it would be a great disappointment for Australia to abandon its membership of the UNWTO and it would not reflect well on a nation that depends as much as ours on our international relationships.

Australian UNWTO Affiliate Members

QTIC strongly encourages the Government to maintain its membership within the UNWTO as many Australian organisations are affiliated members of UNWTO. Australia abandoning these members could potentially put at risk some of the many programs the UNWTO partners with these members. The government must maintain its membership in the UNWTO to provide the support necessary for tourism researchers and entrepreneurs to take part in the global forum and access the wealth of information that UNWTO brings. The list of affiliate members is⁵:

- Australian Tourism Export Council
- Central Queensland University
- Griffith University
- James Cook University
- Tourism and Transport Forum Australia
- University of Queensland
- University of Technology – Sydney Leisure, Sport and Tourism
- Victoria Tourism Industry Council
- Victoria University – Centre for Tourism and Services Research

FURTHER ENQUIRIES

We welcome the opportunity for further discussion regarding the points raised in this submission. For all enquiries, please contact QTIC Policy Team on (07) 3236 1445 or email policy@qtic.com.au

⁵ UNWTO Affiliate Members