

MEDIA RELEASE

TAA calls on Government to *grow* tourism marketing and reject Commission of Audit recommendations for cuts

2 May 2014: Tourism Accommodation Australia (TAA) has called on the Government to reject the Commission of Audit's recommendation to make major cuts to Tourism Australia.

"The tourism and hospitality sector has been consistently identified as one of Australia's principal growth industries for the future, with the capability of employing thousands of new workers, generating significant foreign income, and producing a strong flow of tax revenue for the Government – it would be very short-sighted if the Commission of Audit recommendations were to be adopted," said Managing Director of TAA, Rodger Powell.

"The accommodation sector is driven by marketing, and that's the chief function of Tourism Australia.

"Destination marketing has become highly competitive and sophisticated in recent years and Australia is already significantly outspent in our principal source markets. There are major tourism infrastructure projects being planned around the country, and to justify these projects we need to build our market share, which can only be achieved by a well-resourced and professional national tourism body. This responsibility can't be devolved to States, people generally come to Australia, not one State.

"It is not simply about advertising, it is about working in our key source markets to ensure that Australia wins its fair share of business, and Tourism Australia has been doing that very effectively in recent years.

"The vast majority of accommodation businesses are too small to be able to fund significant marketing efforts in international markets on their own, and the TA marketing and co-ordinating roles have been very significant for a vast range of enterprises, which allows them to grow their business, employ more people and contribute more income to the economy.

"Tourism Accommodation Australia members call on the Government to reject the Commission of Audit recommendations, and keep on the path that they have commenced under Andrew Robb's leadership. In fact, we call on the Government to do the opposite of the recommendations and *increase Tourism Australia funding* so as to capitalise on the recent free trade agreements. If jobs and revenue are the key priorities of the Government, to cut back the tourism and hospitality sector would be a counter-productive move."

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