



MEDIA RELEASE

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REGIONAL TOURISM PLAN WELCOMED, BUT A FAIRER DEAL NEEDED FOR HOSPITALITY AND ACCOMMODATION

The Australian Hotels Association and Tourism Accommodation Australia have welcomed the Federal Government's targeted regional tourism plan, but have called for a "fairer deal" for struggling capitals and more regional areas.

AHA CEO Stephen Ferguson said any assistance to get areas back on their feet was a good first step and he looked forward to working with government on further stimulus packages around protecting hospitality jobs.

"The Government's plan focuses on regional areas hard hit by COVID - and, in some cases bushfires and drought - and we welcome that," Mr Ferguson said.

"While it is great to see Government assistance for battling tourism areas like Far North Queensland and the entire aviation industry, we need to ensure all businesses still affected by the pandemic are looked after, especially with a 'job cliff' coming.

"Hospitality businesses were the first to close a year ago. We are proud of the role we have played in keeping the community safe, but we need to remember most hospitality and accommodation businesses are still heavily impacted by a wide range of restrictions such as international border closures. With JobKeeper winding up on 28 March, we are still very concerned at redundancies in our businesses which have been left out of this new plan."

Mr Ferguson said the hospitality sector across the nation was struggling financially and the Government needs to keep a "laser focus" on our sector moving forward.

"While the interest free loans announced today are welcome to some extent, the last thing most of these well-loved local venues need at this time is more loans and even more debt – most pubs are already servicing pre-existing debt due to COVID," Mr Ferguson said.

Tourism Accommodation Australia CEO Michael Johnson said Australia's main international gateway cities Sydney and Melbourne are struggling with less than 35 percent hotel capacity, but were largely ignored in today's Federal Government \$1.2b tourism package.

"Accommodation occupancy rates in both Sydney and Melbourne are below the 35% mark - that means only 35% of our workforce is employed with JobKeeper set to end," he said.

"While some regional tourism areas are actually flourishing, occupancy rates in Sydney and Melbourne CBDs are languishing. That figure will not improve for some time yet given the lack of corporate travel, conference and events and international tourism.

"We need large numbers of visitors to come to both Sydney and Melbourne to make up the huge short-fall – otherwise we will lose even more of our skilled staff. How are businesses in Sydney and Melbourne meant to retain what's left of their skilled workforce without any assistance?"

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