

BRAND WA



WA Labor | Plan for Jobs

BRAND WA

Brand WA will provide a global toolkit of consistent concepts, packaging and messaging that will promote our wonderful State to the rest of the world.

Western Australia is unique in so many ways and our diverse population is increasingly making us more connected to all parts of the world.

As a brand, WA has much to celebrate and has many desirable products to sell both nationally and internationally. However, the State lacks an instantly recognisable message.

We currently have a State Government strategy that involves numerous agencies developing various marketing materials, duplicating effort and competing for market share.

How we currently market ourselves to the world is not the best use of our resources.

Western Australia needs an overarching consistent brand that can be used by both the public and private sector as we seek to promote our wonderful state to the rest of the world.

Echoing the WA Birthmark program, developed in the 1960's, Brand WA will ensure we capitalise on every marketing dollar we spend. Brand WA will create a connection between all of the efforts of the public sector and private sector and ensure our messaging voice is interpreted the same way around the world.

- ***A McGowan Labor Government will consult with industry to fast-track Brand WA enabling a consistent but flexible approach to marketing WA as a brand across all industries to secure a greater share of growing markets.***

A McGowan Labor Government is committed to working with industry stakeholders to implement a consistent but flexible approach to marketing WA as a brand. There are many examples of globally successful brands that have built market share through a global toolkit of consistent concepts, packaging and messaging such as Red Bull, World Wildlife Fund and Coca-Cola.

The economic benefits that come from a Brand WA are far reaching and would benefit local industries including manufacturing, agriculture, new technology and service industries like education, tourism and hospitality as well as small business.

Brand WA will have a broader contribution to the economy in terms of business investment, job creation, trade and government to government relations with our regional neighbours.

Creating Jobs in Tourism

A McGowan Labor Government will inject \$425 million over five years to establish WA as one of the world's great tourist destinations and support the tourism and hospitality sectors to create jobs and diversify the economy.

Tourism is a key focus of WA Labor's plan to create jobs and broaden our economy beyond resources. Figures provided by Tourism Council WA show that the industry employs 94,000 people and inserts \$9.3 billion in the WA economy.¹

Western Australia competes with the other states in Australia to attract both interstate and overseas visitors. In recent years Victoria, Queensland and NSW have significantly increased their tourism spend. This increase in the funding available for events and marketing will have a positive boost for their economies and drive their share of the tourism market. It is important that WA is not left behind.

New Tourism Funding Model

The Liberal Government allocates much of the tourism funding through tied grants over short periods of time. The nature of the tied funding makes it difficult for organisations to forward plan and secure the best outcomes for the economy. This includes the capacity of Tourism WA to maximise the return on investment from both public and complementary private sector investment in tourism.

A McGowan Labor Government will restructure the Tourism WA budget by consolidating the multiple tied budget lines into three budget lines, these being: Destination Marketing, Events Tourism and Tourism Infrastructure and Investment.

This model of funding will provide certainty and security for the tourism industry and will maximise the return on investment and create jobs in this important part of the economy.

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Destination Marketing

A McGowan Labor Government will deliver \$45 million per annum for five years for Destination Marketing to establish WA as one of the world's great tourist destinations.

In the 2015-16 State Government Budget the forward estimates for destination marketing show a 36 per cent cut over the next three financial years from \$43 million in 2015-16 to \$28 million in 2018-19. This comes at a time when other state governments have significantly increased their tourism spend. WA's market share, relative to other states has declined. This will only get worse given this lack of investment by the Liberal Government.

The return on investment for taxpayer's dollars in the tourism sector is high. Currently domestic leisure visitors result in a return of \$22 for every \$1 of state government expenditure.² International leisure visitors provide the greatest return with the State's economy receiving \$93 for every dollar spent on attracting these visitors.

¹Tourism Western Australia, Economic Contribution - April 2015

²Tourism Council WA, Pre-budget Submission for WA State Budget 2016, p6

At these levels of return on investment, the 36 per cent cut in destination marketing over the next three years will result in a loss of tourism economic output of \$747 million and 2,300 jobs by 2018-19.

In order to diversify the economy it is important that a significant investment be made in the tourism sector.

- ***A McGowan Labor Government will invest \$45 million per annum for five years for Destination Marketing including business events, domestic marketing and international marketing, delivering \$225 million in secure funding to grow this industry.***

Destination marketing includes business events, domestic marketing and international leisure. This marketing is delivered through the Perth Convention Bureau, Regional Tourism Organisations and Tourism WA directly.

Event Tourism

A McGowan Labor Government will deliver \$40 million per annum for five years to attract events to WA drawing a much greater share of visitor numbers to Western Australia.

More than 2,000 additional hotel rooms will be added to the Perth market in the near term. This represents a serious challenge for events planning and funding. Unless the State builds or attracts suitable events that draw much greater numbers of visitors from interstate or overseas, the boost in hotel room capacity will be seen as a threat to hospitality businesses rather than an opportunity for the entire tourism sector.

The other significant change impacting events is the increased capacity that will be introduced by completion of the stadium. Apart from the obvious opportunity for larger crowds at high profile sporting events, the stadium will incorporate a number of venues capable of hosting additional conference style events. This capacity will be wasted unless a plan is developed and funded to grow visitor numbers as necessary to fill the capacity.

- ***A McGowan Labor Government will provide \$40 million per annum for five years for Event Tourism, delivering \$200 million in secure funding to grow this industry.***

Perth Convention Bureau

A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau to boost the hospitality and tourism sectors' ability to create jobs and diversify the economy.

Business events brought to the State via the efforts of the Perth Convention Bureau (PCB) result in a return of \$30 for every taxpayer dollar expended.¹ WA Labor is committed to ensuring that the level of funding provides certainty and security for the PCB.

The success of the PCB will be complemented by WA Labor's Brand WA, a consistent but flexible approach to marketing WA as a brand, value adding to the work of the PCB.

As part of WA Labor's Plan for Jobs:

- ***A McGowan Labor Government will invest \$5 million per annum in the Perth Convention Bureau to attract conventions and conferences and grow WA's share of the Business Event Market.***

The commitment to invest \$5 million per annum in the PCB is a 62 per cent increase in funding compared to the funding cuts announced by the Liberal Government in the 2015-16 State Budget.² This will be funded through the \$425 million investment into tourism.

Tourism Council WA estimates that Labor's \$5 million annual investment to Perth Convention Bureau would create over 340 new jobs in WA and maintain a total of 1,260 jobs each year.³

The Tourism Council WA estimates that it will deliver:

- 340 new jobs;
- 941 direct full time equivalent (FTE) employment;
- 324 indirect FTE employment;
- Total 1,263 FTE's each year; and
- \$155 million in direct delegate expenditure.⁴

In the most recent budget, State Government funding for PCB was cut by \$5.3 million over the three years. It is estimated that this cut will result in a loss of \$85.4 million in direct delegate expenditure and the following aggregate economic loss over the three year period:

- 715 jobs;
- \$138 million in output;
- \$61 million in gross value added (similar to gross state product);
- \$35 million in local incomes and wages;
- \$2.17 million in future state government taxes; and
- 170,000 room nights and lost opportunity of \$36.6 million in revenue for Perth hotels.⁵

The PCB is a long established, part government funded body dedicated to assisting non-for-profit associations, corporations and agents bringing conferences and incentive groups to Western Australia.

Through the PCB, the WA Business Events Market directly contributed \$112 million to the State economy and created over 900 jobs in 2014-15.⁶

PCB regularly provides a return on investment more than two to three times its Sydney and Melbourne counterparts and operates on a much lower cost basis than competing bureaus.

¹WA Business Events, Impact of Reduced Funding, September 2015, p8

²WA State Budget 2014-15; Budget Paper 2; Vol 1; p150

³Evan Hall, CEO Tourism Council WA

⁴Evan Hall, CEO Tourism Council WA

⁵AEC Group, Western Australian Business Events Impact of Reduced Funding Perth Convention Bureau final report, September 2015, p3

⁶AEC (2015) Western Australia Business Events Impact Assessment Final Report December 2015

Tourism through the Knowledge Economy

There is a growing opportunity in Western Australia to increase our share of the international student visa market which will have a direct impact on the WA tourism dollar.

International students are worth \$17 billion to the national economy. However, Western Australia attracts only 7.8 per cent of the Australian student visa market, a net worth of \$1.3 billion to the WA economy. According to the Quarterly Visitor Snapshot, per person, international students spend more than six times the average for all other international visitors to WA.¹

Average spend per person:

- **\$13,511 international student**
- **\$2,866 international tourist**

Study Perth is a state government funded agency that has worked for decades to attract international students to Western Australia. International education is the second largest service industry after the tourism sector more broadly. It attracts 52,000 international students to the State, directly and indirectly employs 10,000 Western Australians and contributes \$1.284 billion annually to the State economy.²

Funding for Study Perth is drawn from the Departments of State Development and the Department of Education Services. The board of management has high level representation from the tourism industry and State Development. However, the agency needs increased support from the State Government in promoting Perth as a destination for international students and marketing projects with an export focus.

¹www.studyperth.com.au facts sheet – August 2015

²Study Perth Fact Sheet published on website www.studyperth.com.au

- *A McGowan Labor Government will promote tourism opportunities by growing the international knowledge economy as part of a broader strategy to diversify the economy and create new jobs.*

Read more about our plan at page 66.

Growing Opportunities in the Hospitality Industry

A McGowan Labor Government is committed to doing more to encourage a tourism friendly hospitality culture by cutting red tape.

As the architect of Western Australia's vibrant small bar scene, WA Labor Leader Mark McGowan has led the change in liquor licensing, creating more jobs and a vibrant culture attracting visitors from overseas and interstate.

The hospitality sector employs almost 90,000 people in Western Australia,³ however there are many low-risk hospitality and tourism businesses which have been held back from creating more jobs as further necessary reforms have been hampered by the Liberal Government.

Some examples of sophisticated tourism developments that have been stymied as a result of well intentioned but often poorly targeted interventions by the Police Commissioner and Executive Director of Public Health include:

- an application for a 24-hour licence by the six-star Treasury Hotel;

³ABS Labor Force Survey November 2015

- a request by the State Theatre Centre to run a café and restaurant outside of performance times; and
- imposing irrelevant conditions on the licence for a fine dining restaurant at the National Anzac Centre in Albany.

The Government's own Metropolitan Redevelopment Authority believes that the requirements of the tourism and hospitality industries need more consideration in liquor licensing decisions.

*"Given that one of the objectives of the Act is to have regard for the development of tourism and hospitality industries, [the Metropolitan Redevelopment Authority] recommend[s] that consideration should be given to the particular licensing needs of tourism and hospitality precincts and the advice and opinions of professional industry associations, tourism and hospitality groups. For example, consideration of the hospitality and tourism needs of State Government redevelopment areas and tourism precincts, and referral of applications to Tourism WA for comment."*¹

- **A McGowan Labor Government will amend the Liquor Control Act 1988 to:**

Add a new public interest assessment category which allows for a venue's tourism, community and cultural benefits to be considered in licence applications.

Give equal legal weight to the representations of tourism bodies as those of the Police Commissioner and Executive Director of Public Health.

- ***A McGowan Labor Government will review the occasional licence and extended trading permit systems with the aim of addressing ways of reducing red tape for licensees with a good history of compliance.***

There are many low-risk hospitality and tourism businesses which are being hurt by excessive and often unnecessary liquor licensing regulation. For small businesses, this ties up much-needed time and money to get their business off the ground and creating jobs.

For example, there is a three-year restriction on proponents applying for a liquor licence for a particular premise after it has been refused in the public interest. This red tape has adversely affected the development of sophisticated venues in important tourism precincts, as noted by Tourism Western Australia in a submission to the review of the Liquor Control Act 1988.²

- ***A McGowan Labor Government will remove the three-year restriction on proponents applying for a liquor licence for a particular premise after it has been refused in the public interest.***

We need to encourage a more tourism-friendly hospitality culture by allowing such simple measures such as making it easier for restaurants to sell alcohol without a meal and letting accredited tour operators offer an alcoholic drink on their tour, like a beer at the end of a tough bushwalk or a glass of champagne while watching the famed Western Australian sunset.

¹Liquor Control Act 1988: Report of the Independent Review Committee, December 2013, p75

²Tourism Western Australia, Submission to the Review of the Liquor Control Act 1988, 25 March 2013

- ***A McGowan Labor Government will allow accredited tour operators to sell and supply alcohol under prescribed circumstances, such as a glass of champagne at the start of a tour.***

In some instances the liquor licensing regulations are also failing to support innovative new businesses such as distilleries.

- ***A McGowan Labor Government will allow producers to serve mixers with their tastings, for example, whisky and soda.***

Cruises to See More of WA

The cruise ship sector provides WA with an opportunity to value add to this significant growth industry by developing the mechanisms by which more landside destination options can be provided to visitors before, during or after their cruise experience. This will be a priority for a McGowan Labor Government.

Passenger cruise ships visiting the many ports of Western Australia are a rapidly growing tourism sector, contributing \$275.3 million towards the WA economy in 2014-15.¹

In 2012, Tourism WA and the Cruise WA Committee developed the WA Cruise Shipping Strategic Plan 2012-2020. One of the aims was to increase the value of the sector to \$274.4 million by 2020. Due to the recent surge in growth, this target was reached five years earlier and highlights an opportunity to revisit how the future of cruise shipping in this State can be further supported.

It is estimated that the 101 cruise ships that visited WA in 2014-15 generated the equivalent of 1,188 full-time jobs in tourism and associated industries.

Landside destination options include touring the Swan Valley's many boutique breweries, wineries, Aboriginal art and culture; a tour of historical Guildford, and further afield to Kalamunda National Park or Lesmurdie Falls National Park.

- ***A McGowan Labor Government will work with industry to develop more landside destination options to the cruise ship sector thus generating additional visitor spend and more local jobs.***

As passenger cruise ships visit our regional ports more regularly, it provides regional WA the opportunity to sell the many and varied shore excursion options for cruise ship visitors. Examples include the Ferguson Valley, Aboriginal cultural and heritage tours and the many wineries and breweries of the South West. Generating additional visitor nights has positive economic benefits for our regional communities.

Western Australia has some of the most unique and oldest Aboriginal art, culture and heritage in the world. A McGowan Labor Government will work with the WA Indigenous Tourism Operators Council (WAITOC) and relevant stakeholders to expand opportunities for Aboriginal tourism to be packaged for the cruise shipping sector.

- ***A McGowan Labor Government will work with WAITOC and communities to strengthen and diversify the range and quality of Aboriginal tourism offerings to meet the demand of the cruise shipping sector.***

¹Cruise Down Under; Economic Impact Assessment of the Cruise Shipping Industry in Australia, 2014-15

With more coordination between WA's cruise sector, tourism operators, communities, local government and the private sector, a wider range of experiences can be packaged for the consumption of the cruise ship industry.

WA's ten cruise ship destinations are:

- Fremantle
- Esperance
- Albany
- Bunbury
- Busselton
- Augusta
- Geraldton
- Exmouth
- Port Hedland
- Broome

Supporting the Regions

Tourism WA estimates that about 1.1 million visitors took part in food and wine experiences in 2013, with local specialties a key attraction. Western Australia can do more to capitalise on the boom in food and alcohol tourism, especially in promoting regional specialties.

We need to make it easier for tourists to try our unique local products by freeing up the regulations around regional collectives and farmers markets. Currently, regional collective cellar door facilities can showcase wines and beers from a particular region, but not distilled alcohol products.

- ***A McGowan Labor Government will allow regional wineries, brewers and distillers to sell their products at regional farmers' markets and cellar door collectives including producers in the Swan Valley.***

Creating New Jobs – The Knowledge Economy

WA's Knowledge Economy is Not Growing

Western Australia needs a comprehensive strategy to stem the flow of international students that are currently bypassing Perth to study in the eastern states. A McGowan Labor Government will invest \$2 million over five years to implement a long term strategy to increase our market share creating direct and indirect jobs and diversifying the economy.

Deloitte Access Economics estimates that for every ten international higher education students enrolled, 2.9 jobs would be created across the economy. Moreover, only a quarter of these jobs would be in the education sector.¹

The international education market has grown significantly over recent years. Between 2000 and 2012 the number of tertiary students enrolled outside their country has more than doubled from 2.1 million to 4.5 million, with an average annual growth of almost seven per cent.²

However the same level of growth has not occurred in Western Australia. 2015 figures show that 15,434 international students were enrolled at WA tertiary institutions, which is a nine per cent reduction compared to 2012. By comparison, New South Wales and Queensland have grown their intakes by nine per cent, and Victoria eight per cent over the same period.³

Even if Western Australia were to deliver half the rate

of growth in the number of international students enrolling at its universities compared to eastern states, there would be an increase of almost 3,000 international students over the next four years. This would add an additional 1,500 family and friend visits who would spend an extra \$17 million in the local economy, and the creation of an extra 1,034 jobs.⁴

- ***A McGowan Labor Government will invest \$2 million over five years to implement a long-term international education strategy to increase WA's market share of international students.***

International education is the nation's largest services export industry contributing almost \$17 billion to the Australian economy in 2013-14. The sector supports nearly 130,000 jobs nationally. In 2013-14 international education contributed \$1.3 billion to the WA economy.⁵

Western Australia is geographically close and within the same time zone as many key Asian nations. With Perth universities listed in the top 35 most diverse universities,⁶ an excellent TAFE sector and the China free trade agreement, WA is ideally situated to capitalise on the international student sector.

A survey by Tourism Research Australia found international students were frequently visited by friends and family from abroad. The study found that for every ten international students, three family members and two friends would visit from abroad each year.⁷

¹<http://www.thebyte.com.au/are-international-students-important-to-the-australian-tourism-industry/>

²Education at a Glance 2014: OECD Indicators page 343

³David Harrison, Director, Government and Corporate Communications, University of WA

⁴David Harrison, Director, Government and Corporate Communications, University of WA

⁵[www.studyperth.com.au facts sheet – August 2015](http://www.studyperth.com.au/facts-sheet-August-2015)

⁶<http://studyperth.com.au/about/news-feeds/2015/02/wa-universities-recognised-world%E2%80%99s-most-international-universities>

⁷<http://www.thebyte.com.au/are-international-students-important-to-the-australian-tourism-industry/>

Furthermore, a recent report on the expenditure patterns of visitors to Western Australia showed that, whilst visitors coming to Western Australia for leisure spent approximately \$2,866 per person, international visitors coming for the purpose of education spent approximately \$13,511 per person.¹ That is six times the average of all other international visitors to WA.

A world-wide demand for international education is growing and forecast an extra three million students globally by 2020. This increasing demand for international education provides a great opportunity for Western Australia to diversify the economy and create new jobs.

A WA international education strategy will be enhanced by the establishment of Brand WA.

Study Perth

The Perth Education City (PEC) initiative is funded by the Department of State Development and Department of Education Services for the coordinated marketing of the WA brand of international education overseas. Capitalising on WA Labor's initiatives such as Brand WA and as part of our international education strategy, PEC will be supported to increase the market share of international students studying in WA.

Increasing the demand for international education provides a great opportunity for WA to diversify the economy and create more job opportunities in the knowledge economy.

PEC, also known as Study Perth, originated under a previous Labor Government in 1987 when interested institutions identified a need to meet and discuss issues of common interest in regards to international education.

Over time, more institutions expressed an interest in the group and in 1996 a registered association with its own secretariat was launched.²

In collaboration with governments, educational institutions and stakeholders, Study Perth provides a leadership role in building the profile of international education in WA and overseas. It is also the first point of contact for anyone wishing to obtain information on studying and living in Perth.³

The economic benefits that come from the international education sector reach further than student fees alone. They have a broader contribution to the economy in terms of domestic participation in higher education, job creation, increased tourism, migration to address skill shortages and government to government trade relations.

- ***A McGowan Labor Government will continue to work with Perth Education City on marketing projects that include specific support from relevant government agencies with an export focus.***

¹Tourism WA, Quarterly Visitor Snapshot Year Ending June 2015

²<http://studypertth.com.au/about/about-study-perth>

³Ibid

International Trade and Investment

Under a McGowan Labor Government, the WA Premier will lead a trade delegation to raise the profile of Western Australia as an emerging business destination, strengthen government to government relationships and grow the State's international networks.

Government can play an important role in promoting and facilitating collaboration between business, educational institutions and government agencies to create economic opportunities.

The Western Australian economy has seen an overreliance on investment in the natural resources sector to the detriment of many other industry sectors. The economy of the future is one that requires WA business to compete and win in the global marketplace.

The role of government in this space is to break down trade barriers where they exist, address policy and regulatory impediments and ultimately increase international trade and the capacity for local business to export.

International trade delegations play an important role in facilitating support for WA exporters and businesses seeking trade in both international and domestic markets.

- ***Under a McGowan Labor Government the WA Premier will lead at least one international trade delegation annually to promote Western Australian business and trade on the international stage.***

The objective of an international trade delegation is to promote the State as a preferred location not only for investment, but for the relocation of overseas businesses to the State thus diversifying the economy. An international trade delegation policy also complements the commitment to an Asian Business Strategy.