

Federal Budget 2024 - Tourism Impact

Background

International tourism to Australia has not recovered. The most recent March arrivals data shows that the critical international holiday-maker market was down -27% YTD compared to pre-Covid.

International tourists and working holiday makers are critical to small tourism businesses and regional destinations. The Australian Tourism Industry Council (ATIC) [Budget Submission](#) advocated for a major funding increase for Tourism Australia to recover international tourism.

The Federal Budget 2024 has not invested in our international tourism recovery. ATIC will continue to advocate for a real funding increase to recover international tourism in the run up to the Federal Election in 2025. The following Federal Budget 2024 analysis shows the most significant impacts of the budget for tourism businesses:

Tourism and International Visitors

- **Tourism Australia** budget funding decreases from the current \$173M to \$170M in 2024-5. There is no substantial increase in future years to achieve the recovery of international visitors which remain 23% below pre-Covid levels in 2019.
- Austrade will receive \$8M over four years to restart the **Approved Destination Status (ADS) scheme** to support Chinese group guided tours to Australia in guided groups. Importantly there is a commitment to \$2.5M p.a. past the four year forward estimates to maintain the ADS scheme in the long term.
- No funding changes for **Export Market Development Grants** for tourism businesses, with funding forecast to decline from \$158M 2024 to \$110M in future years.
- A pre-application charge of \$25 will apply for **Work and Holiday 462 visa** for **China, Vietnam and India** from 2024–25. These visas are capped and already oversubscribed.

Small Business and Workforce

- Eligible small businesses will receive **\$325 rebate on electricity bills** over 2024-25.
- The **instant asset write-off** will be extended. Small businesses with annual turnover of less than \$10 million will be able to immediately deduct eligible assets costing less than \$20,000 until 30 June 2025.
- The Government will reduce the work experience requirement for the **Temporary Skill Shortage (subclass 482) visa** from two years to one year for all applicants from 23 November 2024 onwards.

Events and Venues

- The **Revive Live** program will provide \$8.6 million in 2024-25 to support Australian live music venues and festivals.

Federal Budget 2024 – Tourism Impact continued:

Tourism Infrastructure and National Parks

- The last \$4M of the **National Tourism Icons** program, secured by ATIC in 2019, to develop major tourism attractions in each state will be finalised in 2024-5.
- \$102M over five years from 2024–25 to extend the **Remote Airstrip Upgrade Program** and the **Regional Airports Program** for two additional rounds.
- \$11.4 million over four years from 2024–25 to continue delivery of priority remediation projects in the Jabiru township located within the **Kakadu National Park**.
- \$5M in 2024–25 for the Great Barrier Reef Marine Park Authority to engage tourism operators to conduct reef monitoring, protection and other stewardship activities to protect the Great Barrier Reef.