21 May 2025

Hon Roger Cook MLA
Premier; Minister for State Development; Trade and Investment; Economic Diversification
Dumas House
2 Havelock Street
West Perth WA 6005

Cc. Minister for Police; Road Safety; Tourism; Great Southern, Hon Reece Whitby MLA

Dear Premier,

RE: Made in WA Plan, Tourism Decline and Destination Marketing Budget 2025-2027

Growing tourism and visitor spending is a key pillar of your Government's Made in WA plan. I write to advise you on the current state of tourism growth and key issues for the upcoming State Budget.

Visitor Economy Decline in 2024
The latest National and International Visitor Survey data from Tourism Research Australia showed overnight visitors in WA declined in 2024 compared to 2023, particularly in regional WA. The decline in overnight visitors resulted in a decline in visitor spending of $277 million from the WA economy.

Western Australia was the only State to decline in 2024, compared to a national average growth of 3 per cent. To deliver the Made in WA plan, retain tourism's current contribution to the State economy and cover wages growth, visitation to the State needs to grow by at least 3 per cent per annum.

Destination Marketing Budget
Tourism WA's Destination Marketing budget funds marketing campaigns, regional tourism marketing, business events, aviation partnerships and WA brand activities. The marketing activities funded by this budget line have the most significant impact on tourism growth and visitor spend.

As an election commitment, the State Government has delivered consistent annual destination marketing funding since 2017. The State Labor Government also increased destination marking funding in 2019. This budget measure, known initially as the *International Marketing Boost*, successfully delivered tourism growth. The State Government has maintained this higher level of destination marketing funding as an election commitment since 2020, during your time as Tourism Minister.

Unfortunately, this $12.2M per annum boost to destination marketing ends 30 June 2026. If this eventuates, it would be the first cut to destination marketing under this Government. The impact is that Tourism WA will need to reduce planned marketing activity in 2026 and beyond. Just as the increased marketing funding boosted tourism growth, a decline in that funding will reduce tourism growth.

Consistent long term destination marketing funding has been the hallmark policy of the State Government since 2017 and is the key budget measure to deliver tourism growth and economic diversity in the Made in WA plan.

Unless new budget measures are introduced in the upcoming State Budget, Destination Marketing funding will decline 47% from $73M FY24 to $39M FY27.

tcwa@tourismcouncilwa.com.au
T: +61 (08) 9416 0700
F: +61 (08) 9472 0111
1 Resort Drive, Burswood WA 6100
www.tourismcouncilwa.com.au

We ask that the State Government maintain the current level of core destination marketing funding beyond 2025-26 by rolling the $12.2M boost into the base funding for destination marketing. This will enable Tourism WA to at least maintain current levels of marketing activity throughout 2026 and into the future.

Post Covid Recovery and Destination Marking
Western Australia's visitor numbers in 2024 also remain well behind visitor numbers in 2019 pre-covid. In particular, Western Australia remains 13% behind on international visitors. A recovery to 2019 levels of international visitation would generate an additional $400 million in the WA economy.

Previous budgets have included aviation related funding lines in addition to the base destination marketing funding including the Aviation Recovery Fund and Affordable Airfares Fund. These budget measures expire this financial year.

While WA has recovered aviation capacity to pre-covid levels, the State has not yet leveraged that capacity to recover inbound international and interstate tourism to 2019 pre covid levels. We ask that dedicated aviation marketing funding continue in addition to the base destination marketing budget (and the $12.2M base marketing boost) until such time as visitation recovers to pre-covid levels.

Regional Tourism
The most significant decline has been in tourism to regional WA. Maintaining destination marketing funding will enable Tourism WA to refocus the marketing budget away from brand marketing to cooperative and tactical marketing. These marketing activities should be aimed at the interstate market travelling to regional WA, typically via Perth.

Maintaining the Affordable Airfares Funding is also critical to regional tourism. This funding is due to end 30 June 2025. Again, a reduction in funding would inevitably result in a reduction in tourism growth.

Tourism Events
The Tourism Events Budget also undergoes significant decline next financial year. Your government's commitment to building WA as an events destination is strongly supported by Tourism Council WA. At this point, Tourism WA has no future funding with which to attract additional events. This means seeking additional funding event by event. We recommend Tourism WA be given discretionary funding in order to procure new events to fill a year round 'always on' calendar and to focus on new events that contribute to tourism growth including visitation to regional WA.

Made in WA Plan
The tourism industry is committed to your government's Made in WA plan announced at the recent election. Our primary ask is that current destination marketing funding be retained in order to return to tourism growth in accordance with the Made in WA plan.

Please contact Tourism Council WA if you have any questions or wish to discuss the state of the tourism industry and these recommendations in more detail.

Yours Sincerely,

Evan Hall

Chief Executive Officer