



## Association of Australian Convention Bureaux

19 November 2014

Chairman Peter Harris AO  
Productivity Commission  
Tourism Research Project  
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RE: Australia's International Tourism Industry

Dear Chairman Harris,

Please accept this submission to the Tourism Research Project on Australia's International Tourism Industry on behalf of the Association of Australian Convention Bureaux.

Around the world, international business events are being used as strategic tools for attracting trade, investment and global talent. Governments invest in and support the international business events industry because they recognise the high yield and long-term benefits accruing in the sector.

### About AACB

The Association of Australian Convention Bureaux (AACB) is the peak business events network driving economic prosperity for Australia.

The AACB brings together 15 city and regional bureaux dedicated to marketing their specific region as premier business events destinations to intrastate, interstate and international markets. Bureaux recognise their collective responsibility to promote Australia as a whole.

Our mission is to ensure that the business events industry is understood and recognised as a key sector of the visitor and knowledge economies. This year AACB partnered with Deloitte Access Economics to examine Australia's international business events sector and outline the economic and strategic value proposition.

Key findings, derived from international studies, national data and AACB market intelligence, identify industry trends, drivers and barriers as detailed below and in the attached documents:

- *Australia's International Business Events Sector: The Economic and Strategic Value Proposition*, Deloitte Access Economics, 2014
- *Business Events: Delivering Economic Prosperity for Australia*, Association of Australian Convention Bureaux, 2014



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### Direct Economic Value

**The international business events sector is a high-value, high-yielding and fast growing component and driver of Australia's visitor economy:**

- One in five dollars spent by international visitors in Australia is spent by an international visitor attending some form of business event.
- Expenditure by international business events delegates generated an estimated \$2.2 billion in GDP and 22,500 jobs in 2012.
- International business events delegates spend 21% more than other international visitors over the course of their trip and 77% more per day.
- Days by international business events delegates have grown at twice the pace of overall visitation over the last four years, while expenditure has grown nearly five times faster.

**The sector also augments economic activity well beyond directly measurable metrics and drives many other positive impacts:**

- Attracting global talent
- Transferring knowledge
- Encouraging foreign investment
- Stimulating trade
- Fostering innovation
- Boosting productivity
- Nurturing research collaboration
- Promoting cultural exchange
- Delivering community benefits

**Australia's convention bureaux are instrumental to the performance of the international business events sector and the major driver working to secure, facilitate and support international business events, while also marketing their city, region and Australia as a leading business events destination.**

- Visitors attracted to international business events are a high-yield subset of the broader business events and visitor market.
- International visitors whose primary purpose of travel is attending a conference or convention spend nearly three times that of an average international visitor (\$236 per day).
- International business events directly secured by convention bureaux in FY 2013 contributed an estimated \$241 million to the nation's GDP.
- In FY 2013, convention bureaux secured 356 international business events – this has remained stable over the last four years.



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### Policy Alignment

There is a significant level of alignment between the endeavours of convention bureaux and the strategic imperatives of industry and government.

- Convention bureaux align with industry and government targets, goals and key priority areas.
- Convention bureaux can help achieve the Tourism 2020 target of increasing overnight expenditure to \$140 billion.

Convention bureaux activities directly augment several of the Australian Government's stated policy priorities and imperatives:

- ***Building a stronger, more productive and more diverse economy.***
  - Delegate expenditure from business events is high-yield and drives the economy.
  - Creation of knowledge and exchange of information and ideas are facilitated by business events.
  - Professional development and exposure of Australia's human capital to international expertise, networks and best practices directly benefits the Australian labour pool.
  - Innovation, new technologies, ideas and networks are introduced and facilitated at international business events.
- ***Delivering more growth from Asia.***
  - 30% of international business events delegates are from Asia.
  - Growth prospects from Asia are greater than any other market.
  - Business events help establish and expand professional networks, promote cultural exchange, and build relationships and economic linkages.
  - Business events showcase Australia as a place to invest, live and do business in.
- ***Building a diverse, world-class 5-pillar economy*** by strengthening manufacturing innovation, advanced services, agriculture exports, education and research and mining exports.
  - Convention bureaux align business events bids with priority areas identified by government and with the fastest growing global industries which offer a high level of advantage.
  - 78% of delegates expected to attend international business events won by convention bureaux fall within the 5-pillar economy.
- ***Delivering stronger and better communities*** and promoting growth and development in regional Australia.
  - 46% of business events delegates participate in pre and post tourism.
  - 26% of delegates are accompanied by at least one family member or friend.
  - 60% of delegates are likely to visit Australia again within two years.



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### Opportunities, Challenges and Imperatives

- Australia remains well placed to continue to capitalise on international business events - given our highly sought facilities, expertise, tourism assets and proximity to fast-growing Asia.
- Competition for business events is increasing as foreign governments recognise the economic and beyond tourism benefits of hosting international business events.
- Funding provided by governments in competing destinations exceeds the level of government support provided in Australia thus reducing the number and size of international business events which convention bureaux can competitively bid for.
- Increased support by both industry and government is required to help maintain and enhance Australia's position as a leading international business events destination.

The Federal Government benefits from international business events when trade and investment opportunities are leveraged to best effect. A successful partnership with the business events industry will result in increased international bid wins targeting the nation's priority industries and enabling a platform to promote Australia as 'open for business'.

Given the strong economic and beyond tourism benefits, the strategic policy alignment and the current opportunities and challenges faced in the international business events sector, there are several sound arguments that justify support of convention bureaux endeavours by all levels of government and industry.

International business events can continue to play a significant role in building and driving a stronger, more productive and diverse Australian economy – that said, we must continue to work together under a 'Team Australia' approach to promote Australia as a premier business events destination.

AACB would like to thank the Productivity Commission for the opportunity to submit to this important research project. Please do not hesitate to be in touch should AACB or any of our member bureaux be able to offer additional data, information or support.

Sincerely,

Andrew Hiebl AFMEA  
Executive Director