

Canberra Region Tourism Leaders Forum

***ACT Government Budget 2026-27
Forum submission***

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Introduction

This submission sets out the *Canberra Region Tourism Leaders Forum's* views and proposals in relation to the ACT Government developing its 2026-27 Budget.

Key points

- The Forum recognises the ACT Government's tight Budget situation;
- The Forum also notes the Government's priorities, identified in the *ACT Economic Strategy 2023 and the T2030 Tourism Strategy*, to grow the economy and in particular support business and encourage inbound investment and jobs through appropriate investment;
- The Forum supports this approach and here makes positive, constructive and practical proposals we believe make best use of scarce Government resources to advance its economic and tourism goals;

Background

The Forum recognises the existing challenging financial situation the Territory finds itself in, including recent comments by Treasurer Chris Steele MLA, and establishment of an Assembly Committee to investigate the sustainability of the Territory's finances.

In this submission the Forum aims to make positive, constructive and practical proposals on best avenues to invest scarce cash and non-cash resources to best position the Territory to achieve its aim of *growing demand and strengthening foundations* (ACT Gov *T2030 Strategy Phase 2, 2025 p 6*).

Objectives for the industry

We note the Government's objectives of growing the visitor economy by \$1 billion by 2030, identifying the following four economic growth drivers:

- Increase domestic visitation and spend;
- Grow visitation driven by events;
- Make it easier and more affordable to visit; and
- Realise Canberra's potential with international visitors.

Source: Exec Branch Manager presentation *Getting Behind T2030 Phase 2*, CRTAF December 2025.

The Forum strongly supports these objectives and commends the Government's desire, shared by industry, for increasing alignment between government and business in pursuing these goals, to the benefit of both.

Current initiatives

The Forum recognises the significant efforts the Territory Government has made in recent years to implement the T2030 Strategy through Phase 1 and now Phase 2 in supporting both the government and private sector components of the industry.

In particular, the Forum notes Government support through -

- Direct funding for policy-making, capacity development, marketing and representation through VisitCanberra and Events ACT (and non-government bodies such as the Canberra Convention Bureau);
- Funding to support event development and operations through the Event Development Fund; and
- Indirect support through funding for ACT Government bodies such as Transport Canberra, ACT Parks & Conservation, Heritage ACT and investing in and maintaining business and community infrastructure, facilities and services.

Current state of the industry

As noted in recent industry presentations, the ACT tourism industry is progressing:

- Visitor spend year ending Dec 2024 \$3.1 billion (up from \$2.3 billion Dec 2023);
- 4.5 million visitors, year to Dec 2024;
- Jobs: 22,200 total (1 in every 13 workers), of which 11,700 direct jobs;
- 4,804 industry-related business (one in every 8 businesses).

The Territory ranks second nationally for tourism business growth over the last five years.

Sources: Exec Branch Manager Visitor Canberra & Chief Minister presentations to the CRTAF, Dec 2025.

Challenges

However, the Australian domestic market is flat, and trip duration is shorter than before the Covid pandemic, partly due to potential visitor concerns about cost of living pressures. Outbound travel is also increasing. These factors have resulted in strongly increasing competition between destinations, flat or declining business profits (with flow-on impacts for business viability), and industry malaise across sectors.

These factors are exacerbated by characteristics of the ACT industry, including:

- Relatively small industry size of the ACT industry, and its structure in comprising a large proportion of SMEs with a comparatively small number of large enterprises, mostly hotels;
- Significant role played by governments and government agencies at ACT and Commonwealth level – not just VisitCanberra, Events ACT and at the Federal

level, the national cultural institutions, but also ACT agencies such as Parks and Conservation, ACT cultural agencies, ACT municipal maintenance and planning agencies, NCA etc. This creates a vulnerability for the industry to Government policy positions and changes in spending, priorities, etc.

In considering these factors, the Forum has identified significant challenges in achieving the goals set by Government including:

Infrastructure

We raise three issues here.

Look and feel of the city

The look of any city is often critical to investment decisions and to where people want to live and work. The ACT Government's provision and maintenance of services and facilities is a major part of this. Yet the Government is if anything reducing the provision and level of such services and facilities. Some examples:

- Many parts of the city centre are considered unsafe. This situation is exacerbated by antisocial behaviour and by individuals gathering and drinking in public places often from mid morning. These people also abuse pedestrians;
- Crumbling buildings at street level in the city centre and suburban shopping areas reflects poorly on the National Capital. Vandalism left un-repaired adds to the dilapidated and unsightly state of some areas, particularly in Civic and the town centres;
- The sad sight of the homeless camping in the city and some suburban shopping areas needs a special focus on finding these people suitable accommodation and other forums of assistance as a priority;
- Parking in the city centre has become a critical problem in recent months and looks likely to continue for many years as construction impacts on parking availability. Solutions need to be considered or the viability of businesses in the city centre will be significantly impacted;
- The paving stones used in pedestrian and some road surfaces are old and present trip hazards. The overall cleanliness of the precinct and the many deteriorating concrete features need attention (the upgrading of Garema Place and City Walk is welcome and will be closely watched as further work is undertaken to beautify this area);
- Graffiti on public (and some private) buildings and other infrastructure is both unsightly and adds to a look that the city is unkempt and rundown;
- Rubbish discarded on major road links and not picked up by City Services reflects poorly on the Territory. This also applies to the weeds on roadway gutters;

- Fading and peeling directional signs reflect badly on Canberra's National Capital status and undermines the pride which the ACT Government is keen to engender among Canberra's growing population.

CRTLTF recognises the significant efforts the City Renewal Authority and the CED Directorate have made in addressing some of the matters we have raised in this list of areas needing attention.

However, we believe they require more human resources and financial support to undertake these tasks. We believe it is critically important they receive an additional injection of funding to focus on these areas which are so prominently in the face of visitors to Canberra and the residents of this city. It reflects poorly on the ACT Government and damages the image of the National Capital when these issues are not dealt with quickly as they arise.

Sports facilities inadequate and of poor quality

We again note some Government action in this sector, but the condition of sports facilities, both amateur or community and professional, are inadequate and many are in a very poor state. This includes the facilities themselves but also change rooms and ovals. Lack of appropriate facilities impacts on community sports but importantly also on sports tourism – meaning many national competitions and other sports events are not considering Canberra as a host city.

Slow planning processes

We again reiterate a point made by business many times previously – the Government's planning and approvals processes for both new developments and for re-purposing / renovating existing buildings and facilities are too slow.

Despite many reviews and reports, the response times and (often) the rigid and restrictive criteria used for assessment mean that developments are drawn out, or discouraged.

Fees and charges

High and increasing fees and charges on businesses. The cost of rates and taxes, licence fees and charges and the plethora of other Government charges are a major impost on businesses in the ACT. This is particularly so in the tourism, hospitality and associated sectors.

This includes *direct charges and other imposts* on businesses, such as through liquor licencing, outdoor seating, etc., but also *indirect charges*. One such indirect and inequitable charge has been highlighted recently by Gwyn Rees on Government charges for water and sewerage – where residential and business charges are the same, though businesses may operate under quite different conditions. Mr Rees goes on to detail the so-called 'toilet tax' levied on accommodation houses, which unfairly impacts on hotels and other accommodation providers. We note the Independent Competition and

Regulatory Commission is reviewing the Territory's sewerage tariff framework, a long-overdue reconsideration of the framework. We argue the ACT Government should be similarly reviewing other such imposts on business. This could build on the work of the Red Tape Taskforce undertaken some few years ago.

A related point is that beyond the level and means used for such taxes and charges, there is a feeling the provision of municipal level facilities and services is not up to standard and a poor return on such investment by ratepayers, both business and residential.

The ACT Government should look to increase the provision of municipal services to clearly demonstrate the value of the investment made by ratepayers

Marketing and promotion

Though raised on many previous occasions, the very modest budget provided to VisitCanberra is very small compared with our competitors – the other states and the NT, but also NSW and other regional destinations. The VisitCanberra budget is about \$15 m p.a, but our nearest state level competitor, Tasmania, has a budget of about \$40 m for its tourism agency. Despite having world class attractions and facilities to attract and retain visitors (and investment), the ACT is being out-gunned in making markets and potential markets aware of the city as a tourist destination and the many reasons for visiting.

Recommendations

In light of the above, the Forum presents the following recommendations for Government consideration in developing the 2026-27 Budget:

Infrastructure

- Complete planning for the new Canberra Convention Centre;
- Continue planned developments at EPIC, Manuka Oval and Telstra Tower; and
- Work with affected businesses and landowners to revitalise the look and feel of the city centre.

Skills and workforce

- Expand skills and workforce attraction through continued support for events such as the VisitCanberra *Choose Tourism Expo*, but also through encouraging further partnerships between tourism, events and hospitality education and training providers such as between UC and CIT to attract and support increased student numbers, including promotional exercises in regional NSW;
- Support stronger engagement between vocational and tertiary education providers (government and private sector) and industry, including through stronger support for Workforce Australia's Capital Region Local Jobs and Skills Taskforce;

- Stronger support through enhanced representation by the ACT to the Federal Government on immigration policy, including tailored work visas, skills in demands lists and regional certifications to meet industry demands in the Territory and region.

Business support

- Maintain current support programs for industry and business capacity building;
- Develop and implement an effective night-time economy strategy (noting the current assembly Committee inquiry);
- Fully implement the Better Regulation agenda, and the findings of the Micro, Small & Medium Business report;
- Assist licenced clubs transition to less reliance on electronic gaming machines, but also recognise the contributions clubs make to the community through facilities and services and including through its response to the current Independent Review into the future of clubs;
- Noting the impact of Light Rail construction on businesses affected by its construction. The scale and timeline for the Light Rail construction is impacting on affected businesses and will do for some years to come. The Forum recommends a business support package, similar to that used to support business during the Covid pandemic to assist business survive this very significant and extended construction project. We also note the businesses affected are in central Civic, a precinct the Government is trying to attract further investment in hospitality and accommodation to, and to attract more visitors to as well. Such a package could comprise reductions in rates, taxes and other charges commensurate with the loss of revenue each business faces as a result of the Government construction project. The package could also include lease charges / land tax relief, again commensurate with the loss of revenue. Failure of these businesses will have a significant impact on the look and feel of Civic to investor and potential investors, as well of course on the owners, employees and suppliers to the businesses themselves.
- Noting the importance of events in attracting and extending visitation duration, separate the functions of 'community events' and 'visitor events' (accepting there is overlap) and better funding the development and marketing of visitor events through an enlarged Event Development Fund solely focused on visitor events

Reconsider revenue stream and targets

- Review current fees and charges, begun with the Better Regulation Taskforce to lighten the burden on business and to address the inequalities in current arrangements.

About us

The *Canberra Region Tourism Leaders Forum* is the ACT and region's peak tourism and events industry representative organisation. The Forum is a not-for-profit, comprising heads of the key tourism, business, sports, arts, cultural, aviation and educational sectors in the ACT, with representation from Destination Southern New South Wales.

The Forum's focus is on promoting the value of tourism, events & hospitality in the ACT visitor economy and acting as a 'think tank', advocate and policy generator.

Further information

The Leaders Forum looks forward to participating in consultation on the Budget, and welcomes the opportunity to provide further information in support of this submission.

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