

29 January 2021

The Hon Michael Sukkar MP
Assistant Treasurer
Treasury of Australia
Langton Crescent
PARKES, ACT 2600

PRE-BUDGET SUBMISSION 2021-22

Dear Assistant Treasurer,

Australia's business events industry has the potential to reignite the post-COVID economy with a more coordinated policy focus and effort. The attached Recovery and Rebound Framework provides the basis for the Business Events Council of Australia (BECA) to enhance the effectiveness of its engagement with Government on behalf of its members and the broader business events industry.

A unified industry

I write on behalf of BECA, which is the peak body representing industry associations and key infrastructure of the business events industry (meetings, incentives, conventions, and exhibitions):

- Association of Australian Convention Bureaux (AACB),
- Australian Convention Centres Group (ACCG),
- Exhibition and Events Association of Australasia (EEAA),
- Meetings and Events Australia (MEA), and
- Professional Conference Organisers Association (PCOA).

A strong united sector sharing headline policy priorities, goals, and ambitions will unlock greater potential for the nation.

The value of Business Events

Australia's business events industry has been one of the quiet achievers of the Australian economy – growing at around 6% annually since 2014, directly generating over \$35 billion in economic activity and employing over 229,000 people across a broad range of sectors and trades. In 2019, 43.7 million people attended more than 484,000 business events across Australia.¹

Government partnership and collaboration

Business events warrant recognition as a critical catalyst for the business-led, post-pandemic recovery of the Australian economy.

Beyond the immediate benefits of visitation, business events will play an important role in driving demand by providing a marketplace for rebuilding industries and public-sector networks – creating future employment, innovation, investment, and knowledge exchange.

¹ *Value of Business Events to Australia 2018/19*, Ernst & Young, March 2020



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The response to COVID-19 will require a stronger framework for driving business events with government and a new style of partnership with industry. A refocus is required to enhance coordination and drive partnership activity to deliver better outcomes for Australia.

BECA is committed to partnership and collaboration with government to see the business events industry play its part in the recovery of the Australian economy.

COVID-19 Recovery and Rebound Framework

The accompanying COVID-19 Business Events Recovery and Rebound Framework aims to sustain the business events industry and position it to rebound and grow effectively following the pandemic. It is a working document designed to adapt to a quickly changing environment and identify opportunities for collaboration.

The framework is divided across two phases – recovery and rebound – each pursuing different priorities across the short, medium, and long-term. It has been written with the belief that although the market for business events will be forever changed, the new world will see a surge in demand driven by a renewed premium on in-person contact for governments, businesses, and associations.

Government support for the visitor economy beyond March 2021

BECA recommends an ongoing targeted package for the tourism and events industry following the end of JobKeeper 2.0 as an urgent priority to ensure we can sustain our industry and retain our event professionals into the future. BECA endorses proposals such as *Tourism Saver* by Australian Chamber – Tourism.

The business events industry was one of the first industries to be impacted by COVID-19, one of the hardest hit and may be one of the last industries to recover due to the long lead times between booking and holding a major business event.

The Australian Government's economy-wide measure, JobKeeper Payment, to support businesses, employers, and employees has been a critical lifeline to many and has helped support some of the business events industry's workforce in the immediate term through to the cessation of JobKeeper 2.0 in March.

However, border restrictions continue to impose the most significant challenge impeding the recovery of the business events industry. Throughout 2020, the industry invested heavily in preparing its businesses to deliver COVIDSafe events in terms of protocols, training and infrastructure and has demonstrated its ability to do so safely and effectively. Yet one month in to 2021 and business events businesses continue to face severe travel restrictions and gathering limitations through no fault of their own – compromising opportunities for survival and a pathway to recovery.

Today, the business events industry challenges extend well beyond March 2021. Without continued Government support the business events industry is not just facing a hiatus; it is facing a total dislocation and complete loss. We would be encountering a total rebuild of an industry from the ground up. We are uncertain whether we will ever get back to being able to compete globally if this situation transpires.

Business Events: delivering innovation, knowledge and performance for Australia

Business Events Council of Australia is an alliance representing: Association of Australian Convention Bureaux • Australian Convention Centres Group • Exhibition and Event Association of Australasia • Meetings and Events Australia • Professional Conference Organisers Association



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Investment boost to Business Events Australia

Tourism Australia not only plays a critical marketing role through its specialised unit, Business Events Australia, but it also positions Australia's brand globally, as the best place in the world to meet and do business.

An immediate decision for the 2021-22 Federal Budget process will be to renew and boost Tourism Australia's successful \$12 million Business Events Bid Fund, scheduled to conclude in June. Convention bureaux, convention centres, event organisers, and their clients need certainty in the ongoing nature of the program to bid for opportunities beyond its initial three-year term, and the Bid Fund is an effective co-funded mechanism to improve our global competitiveness.

COVID-19 has not only decimated global business events markets, but Australia's response to managing the pandemic has placed severe restrictions and limitations on the domestic sector that will require dedicated short to medium term support from Business Events Australia in the recovery and rebound phases. This role will be influenced by accompanying BECA initiatives *1.3 New national business events growth and marketing strategy* and *2.4 International research, marketing, and promotion*.

I have attached our Recovery and Rebound Framework recommendations as they apply to the 2021-22 Federal Budget and forward estimates, which supports the business events workforce and businesses, and positions the sector to rebound and grow effectively following the pandemic.

I welcome the opportunity to provide further advice on the industry's strategic value to the Australian economy and BECA's recovery response to the global pandemic.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'V. Findlay', is written over a light blue horizontal line.

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Members of the board of the Business Events Council of Australia:

Geoff Donaghy
(BECA Deputy Chair)

Chief Executive Officer,
International Convention
Centre Sydney

Australian Convention
Centres Group

Michael Matthews

President,
Association of Australian
Convention Bureaux



Association
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Barry Neame
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President,
Professional Conference
Organisers Association



**KEEPING
AUSTRALIA
MEETING**

Matt Pearce

Director,
Exhibition & Events
Association of Australasia



EXHIBITION & EVENT
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Simon Burgess

General Manager,
Adelaide Convention Centre

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MEA
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BECA COVID-19 Recovery and Rebound Framework

Phase 1: Recovery

1.1 Government as an events leader	<p>BECA proposes a coordinated approach across government departments and agencies to maintain booked meetings and events (where appropriate) and to bring forward planning and procurement for their planned business events over 2021 and 2022. This could initially be led at the Commonwealth level with an eye to expanding the initiative to include States and Territories.</p>
	<p>Secondly, BECA asks that Commonwealth departments and agencies not cancel existing registrations and sponsorships of business events including not to seek return of deposits, but rather put all bookings that are in the risk category on-hold to be rescheduled for a later date.</p>
1.2 Australian business events catalyst fund and loan facility	<p>A rebate to Australian businesses and associations in key recovery industries to cover the costs of changing their existing business event bookings due to COVID-19.</p>
	<p>An incentive payment to Australian businesses and associations to book and hold major business events in Australia before the end of 2021. This could include covering part or all of an event deposit, providing a matching portion of the total event costs, providing a rebate per attendee or percentage of event cost at the successful completion of the event.</p>
	<p>A Government underwritten loan facility that allows business events to be booked, deposits paid and planning work to commence. If the event needed to be cancelled or postponed because of COVID-19 restrictions, the loan would not be repayable. Such an initiative could also be extended to provide a dollar-matched contribution from the Government (a loan repayment of 50 per cent of the total value) for events that meet key criteria and are held before the end of 2021.</p>
	<p>BECA fully supports a review of the \$50m Business Events Grant Program with the objective of realigning the guidelines with the primary intent and key principles of the program to take account of the changed circumstances.</p>
1.3 New national business events growth and marketing strategy	<p>BECA proposes the development of a new whole-of-government strategy for growing the business events industry and its economic and employment contribution to Australia. This should be developed in close collaboration with industry and form part of the efforts and strategies of Austrade's short to medium term rebuild agenda and the longer-term Tourism 2030 initiative.</p>
	<p>Invest in short-term funding boost to Tourism Australia's business events division, Business Events Australia, in line with domestic recovery strategy.</p>
	<p>Conduct research on the domestic and international markets (in a phased approach) and an accompanying creative marketing strategy aligned to Austrade's development of Australia's Nation Brand and Tourism Australia's 'Event Here This Year' initiative.</p>
	<p>Conduct a national audit and infrastructure study of local and regional capacity and potential, eg. transport, venues, accommodation, catering, attractions, events planners, local industries. Such an audit would support informed planning, investment attraction and growth, especially in regional areas. It would also underpin the creation of a public facing, interactive and online events planning tool that stimulates demand for business events and facilitates business event dispersal into more regional parts of the country.</p>
1.4 Fringe Benefits Tax Exemption	<p>Introduce a temporary Fringe Benefits Tax (FBT) exemption for Australian businesses undertaking corporate incentive travel programs.</p>
1.5 Education & Training Tax Incentive	<p>That the Australian Government introduces an incentive for businesses to train staff, like the R&D incentive, with tax deductibility of 125 per cent on all eligible training to encourage ongoing job training and stimulate the domestic business events market.</p>
	<p>That tax incentives (125 per cent) for approved training programs run by employers for employees stipulate that the training must be delivered within Australia.</p>

BECA COVID-19 Recovery and Rebound Framework

Phase 2: Rebound

2.1 Business Events Growth Facility – (a) Attractor (b) Activator	<p>Based on the significant success of the Business Events Bid Fund program, BECA is recommending that the government make the program permanent, boosted, and in addition to Tourism Australia’s annual appropriation.</p> <p>BECA recommends expanding on the successful Bid Fund program to establish a co-funded business events activation initiative which can be utilised to create new business events in industries and regional areas of competitive advantage.</p> <p>Investment required for the Business Events Growth Facility, to drive the combined attraction and activation initiatives, would be \$10m per annum.</p>
2.2 Improve visa competitiveness for incoming business events attendees	<p>Ensure the 2020-21 competitiveness review of visa charges, fees and processes is promptly published and acted upon.</p> <p>Consider enacting a mechanism by which the federal government can waive or reduce visa application fees for large groups of qualified international delegates to stimulate corporate incentive travel in the rebound phase.</p>
2.3 Invest in more robust business events data and metrics	<p>Invest \$500,000 to develop a national approach to delegate expenditure in partnership with industry. This would be achieved by building a national digital data collection platform, where industry takes responsibility for data collection across a wide range of business events.</p> <p>Enhance the national and international visitor surveys for business events and compliment by investing in robust aggregated and segmented data capability.</p>
2.4 International research, marketing, and promotion	<p>In addition to recovery initiative 1.3, a new whole-of-government strategy for Australia’s business events industry will include an expanded scope to research post-COVID-19 global market opportunities. BECA calls for Government investment to deliver international research, marketing, and promotional activities as identified in the strategy.</p>
2.5 Enhance the EMDG scheme for business events	<p>Continue to increase investment in the Export Market Development Grant scheme and reverse the rules applied to approved bodies on funding mix, restoring the initial intent of the program.</p>