

*Tendered by Hon G. Lewis
12/10/12
GP3 Tourism*

Parliamentary Question

Subject: China Tourism

Question: What is the Government doing to promote tourism from China to New South Wales?

ANSWER:

- The NSW Government, through Destination NSW, is aiming to double overnight visitor expenditure in the State by 2020.
- A key strategy in this quest is to substantially promote tourism to NSW from China...the fastest growing international tourist market...and the strategy is not just to promote our beautiful Harbour City, but also the magnificent regional areas of our state.
- "Surveys and forecasts have consistently shown that China will grow strongly to be our most valuable inbound tourism market – and continue to go from strength to strength in coming years.
- There were 303,000 visitors to NSW from China in 2011, spending a record \$1.2 billion.

- Chinese visitors were number one for visitor nights in NSW, at over 10.7 million, showing a 7.7 per cent growth in visitor numbers.
- China has grown to be NSW's third largest source market and was the highest spending international market to NSW.
- In February this year, Destination NSW conducted the state's largest ever overseas trade mission to China with 26 NSW tourism operators to visit the southern Chinese city of Sanya, Hainan province, to meet with more than 50 key tourism and media representatives from mainland China, Hong Kong and Taiwan. It is already starting to pay dividends.
- In April this year, Destination NSW worked with local industry operators to host a trade familiarisation tour by 17 Chinese tourism representatives to the Sydney, Port Stephens, Hunter Valley, Illawarra and Shoalhaven Regions.
- This group was shown first-hand the natural beauty and experiences available in these important regions and our businesses were able to forge invaluable business connections.
- These visits have paid enormous benefits to the State and I'd like to bring the House's attention to a very real case study in how Destination NSW is succeeding in driving international visitor expenditure.

- For example, one Chinese operator who participated in regional tours brought no fewer than 644 Chinese tourists to Sydney and the Illawarra, directly as a result of business relationships developed in the trade mission in Sanya and the follow up familiarisation visit.
- They stayed in our hotels, ate at our restaurants and visited regional attractions such as the Jervis Bay Dolphin Watch Tour....bringing economic benefit to Regional NSW.
- We also managed to secure one of the largest business events from China - The Perfect China Leadership Seminar 2013...for Sydney.
- This alone is expected to deliver an economic impact of \$21 million to NSW and re-enforces Sydney as Australia's premier destination for business events and conferences.
- Since the year 2000, there has been a rapid growth in tourism from China with more than 530,000 inbound arrivals to Australia in the year ending March 2012.

- And NSW is now Australia's market leader, with a 60 per cent market share of Chinese visitor arrivals and a 40 per cent share of visitor nights...injecting \$1.1 billion into our economy.
- We also managed to lure new airlines to NSW with the announcement that Asia's newest long-haul budget airline, Scoot, has chosen Sydney as its first and only Australian destination...the service expected to inject \$146 million annually to the NSW economy.
- We also announced last January that the NSW Government and its partners had secured Air Asia X services from Kuala Lumpur to Sydney which will generate 55,000 more international visitors to NSW and inject \$138 million in to the economy each year.
- And last December, the Premier announced that Destination NSW, in partnership with Tourism Australia, China Southern Airlines and Hainan Airlines, launched a \$1.6 million marketing campaign to promote Sydney and regional NSW As a top holiday destination for Chinese travellers.
- Also, Destination NSW now has an office in Shanghai and works with airlines and travel wholesalers to ensure NSW is kept in the spotlight as a holiday destination.

- Unlike those Opposite, who sat on their hands for 16 years and almost totally ignored the tourism sector...and completely lost the momentum of the Sydney Olympics...the NSW Government, through Destination NSW, will continue to build on the opportunities on offer in China, to ensure that NSW secures substantial market share and harnesses the potential of the China market.
- Recently, official figures showed an anticipated growth in international visitation to NSW in the next two years.
- State Tourism Forecasts, compiled by the Commonwealth Government, which were released in May, predicted visitors nights to New South Wales would grow by 2.8 per cent for 2012 and 4.1 per cent for 2013.
- Despite the adverse international financial conditions, the current short-term outlook is for moderate growth in overseas visitors to New South Wales, which shows that this Government's strategy in promoting and encouraging tourism as a major plank in our economic recovery, is working.

- All indications are that international visitors to our state will continue to grow and the emerging Asian markets – chiefly China – will continue to spearhead growth.
- The international visitor nights forecast for New South Wales in 2012/13 at 4.1 per cent is above predictions for Victoria, Queensland and Australia as a whole.
- New South Wales is expected to continue its strong resurgence in business travel and events worth more than \$224 million to the State's economy this calendar year".
- The effects from economic turmoil in Europe, with rising unemployment, the strong Australian dollar and low consumer confidence have all influenced tourism to the entire country.
- Despite this, NSW welcomed 26.8 million overnight visitors during 2011, pumping almost \$20 billion into our economy, which was \$620 million more than the previous year.

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