



QUEENSLAND
TOURISM INDUSTRY
COUNCIL

18 August 2026

The Honourable Kristy McBain MP
Minister for Emergency Management, Minister for Regional Development, Local
Government and Territories
Australian Government

Dear Minister McBain

Proposed Disaster Recovery Funding Framework: impact on Queensland's tourism and events sector

I'm writing on behalf of the Queensland Tourism Industry Council (QTIC) on the proposed changes to the Disaster Recovery Funding Arrangements (DRFA), ahead of the consultation close on 19 August 2026. QTIC represents Queensland's visitor economy, including tourism operators, attractions, accommodation providers, tour operators and events businesses across metropolitan, regional, remote and First Nations communities.

Queensland experiences around 60 per cent of the nation's disaster events, and under current arrangements spends almost double per capita on recovery and resilience than New South Wales, and more than three times all other states and territories combined. Under the current variable Commonwealth cost-share, averaging around 64 per cent and reaching up to 75 per cent for some categories, this exposure has been reflected in Queensland's funding. Queensland Government analysis indicates the proposed framework would have reduced Commonwealth funding by at least \$500 million a year over the past three years, and by \$713 million in 2025-26 alone. A uniform 50:50 split applied across states with materially different disaster exposure doesn't produce an equitable outcome, it shifts a disproportionate share of the cost onto the state carrying the greatest share of the risk.

Tourism businesses don't receive DRFA funding directly, but the sector has drawn on DRFA-funded recovery support after nearly every major Queensland disaster since Tropical Cyclone Debbie in 2017. Across twelve events we've reviewed using Queensland Reconstruction Authority records, tourism-specific programs, together with the small business, environmental and sporting/recreational asset recovery that tourism-dependent regions rely on, total around \$406 million over nine years. This includes dedicated tourism recovery officers, marketing campaigns to rebuild visitation after a disaster, infrastructure grants to help operators build back stronger, and the beach, national park and catchment restoration that underpins nature-based tourism across the state.

This matters beyond Queensland's borders. Queensland is Australia's second-largest tourism market, accounting for 23.8 per cent of national tourism output. In the year to December 2025 the sector generated \$44.3 billion in total visitor expenditure, or \$121.5 million a day, and directly and indirectly supports 1 in 11 Queensland jobs. Tourism raised \$3.1 billion in federal, state and local tax revenue in 2023-24, a quarter of all tourism tax revenue collected nationally.



t 07 3236 1445 | e info@qtic.com.au | w qtic.com.au |    

Level 5, 189 Grey Street, South Brisbane QLD | PO Box 13162, George Street, Brisbane QLD 4000

More than 9 in 10 Queensland tourism businesses are small businesses, and 52 per cent sit outside Brisbane, in the regional and disaster-exposed communities this framework affects most directly. A funding model that slows tourism recovery in Queensland after a disaster has consequences for the national visitor economy and for Commonwealth revenue.

The proposed move to a flat 50:50 cost-share, a higher activation threshold, and the removal of Category D Betterment and DRFA Efficiency programs would each reduce the funding pool and flexibility that has supported this recovery. A higher threshold risks excluding regionally significant events that still close tourism towns for days or weeks. Removing Betterment funding is a false economy. It means damaged tourism infrastructure is more likely to be rebuilt to the same standard rather than a stronger one, leaving it exposed again in the next event and increasing the total cost to both governments over time.

Tourism is also affected indirectly, through the public infrastructure, airports, rail, roads and bridges that connect visitors to regions and events. A reduced Commonwealth contribution increases the risk that this infrastructure is rebuilt more slowly or to a lower standard in the regions where much of Queensland's tourism economy sits. Further, the additional 15% resilience component that the reforms propose would not achieve the extent of betterment that programs such as the DRFA Efficiency initiative has been able to deliver.

QTIC asks that the Australian Government:

- Retain the current variable Commonwealth-state cost-share for Queensland, recognising its disproportionate exposure to natural disasters.
- Retain the current activation threshold or introduce a tourism-specific pathway for events that severely affect the visitor economy even where public asset damage falls below the proposed threshold.
- Maintain or replace Category D Betterment and DRFA Efficiency programs with equivalent funding.
- Confirm that tourism recovery programs, including infrastructure grants, small business support, marketing, event support and recovery coordination roles, remain eligible under the new framework.
- Undertake and publish an economic and regional impact assessment of the proposed framework before it is finalised, including its effect on the visitor economy and disaster-exposed regional communities.

I would welcome the chance to discuss this further, or to provide the detailed breakdown of DRFA-funded tourism programs behind these figures, ahead of your consideration of the proposed reforms.

Yours sincerely



Natassia Wheeler
Chief Executive Officer

CC:
Hon. Dr Anne Aly MP, Minister for Small Business, Australia
Hon. Ann Leahy MP, Minister for Fire, Disaster Recovery and Volunteers, Queensland
Pat Hetherington, Interim Coordinator-General, NEMA

