

**QUEENSLAND TOURISM
INDUSTRY COUNCIL
FEDERAL BUDGET SUBMISSION
2026-27**

January 2026



**QUEENSLAND
TOURISM INDUSTRY
COUNCIL**



1. Executive Summary

Queensland's visitor economy is a national asset, underpinning export earnings, regional employment and Australia's international brand. With Brisbane 2032 now less than seven years away, the next four Commonwealth Budgets represent the decisive delivery window to maximise the Games' national economic dividend.

QTIC's 2026–27 Federal Budget priorities focus on a small number of enabling levers that unlock growth at scale:

- International aviation access, demand recovery and border efficiency.
- Tourism workforce supply, skills, retention and housing.
- Insurance affordability as a structural market failure constraining regional economies and events.
- First Nations tourism as a high-value growth and legacy opportunity.

Targeted Commonwealth action in these areas will accelerate private investment, lift productivity, strengthen regional dispersal and ensure Australia is globally competitive in the lead-up to Brisbane 2032.

2. Queensland Tourism Industry Council

The Queensland Tourism Industry Council (QTIC) is the peak industry body and leading advocate for Queensland's visitor economy, committed to the growth and sustainability of the state's tourism industry.

As a not-for-profit, membership-based organisation, we take pride in ensuring that the concerns and needs of our members and the broader tourism industry inform all relevant policy debates and that businesses have strong representation in decision-making processes.

Through delivery of workforce and skilling programs, and advocating for attraction and infrastructure investment, QTIC serves members and industry. We also provide expert advice and support, including workforce and business development opportunities and access to vital industry insights.

3. Why Decisive 2026-27 Budget Action Matters

Queensland's visitor economy supports more than 260,000 jobs and is a major export engine for Australia, particularly in regional communities. Tourism will be central to Australia's ability to maximise the national economic dividend of Brisbane 2032 through higher-value international visitation, stronger regional dispersal, a skilled workforce pipeline and investment-ready destinations. The Queensland Government's Destination 2045 strategy provides a clear long-term growth framework. Commonwealth policy settings and investment must now align to accelerate delivery in the critical lead-up period to 2032. Decisions taken, or deferred, in the next four Budgets will materially shape Australia's competitiveness in aviation access, workforce supply, insurance affordability, infrastructure readiness and tourism decarbonisation.

4. Key Developments Since QTIC's 2025-26 Submission

Since QTIC's previous submission, several developments have progressed but remain insufficient in scale or impact:



- Border modernisation trials for a digital arrival's declaration have demonstrated potential efficiency gains but require accelerated national rollout.
- The Cyclone Reinsurance Pool continues to evolve, yet affordability and availability challenges persist for tourism and events SMEs in high-risk regions.
- Tourism Australia's funding remains under pressure in real terms, with inflation eroding marketing effectiveness in priority international markets.

These developments reinforce the need for targeted Commonwealth intervention in 2026–27.

5. Budget Requests for 2026

5.1 Grow international visitation and strengthen destination marketing

International aviation access, demand stimulation and border efficiency are time-critical to Brisbane 2032 success. QTIC recommends that the Australian Government prioritise:

- Increasing Tourism Australia's funding by an additional \$90 million per annum to restore marketing capability lost to inflation and intensifying global competition.
 - \$30m to leisure marketing
 - \$30m to business events
 - \$30m to aviation route development
- Commonwealth co-investment with states, airports and industry in aviation attraction and route development to secure direct international services and improve regional dispersal.
- Accelerating the national rollout of a digital arrivals declaration to replace paper processing and improve visitor experience at major gateways.

Supporting measures include:

- Expanding and adequately resourcing the Export Market Development Grant program for tourism exporters.
- Maintaining the Passenger Movement Charge at the current legislated rate for a defined recovery period.
- Increasing funding for business events attraction and bidding to \$20 million per annum, enabling regional destinations to compete for appropriately scaled international events.

5.2 Reduce the Impact of Rising Insurance costs on Tourism and Events SME's

Insurance affordability and availability now represent a structural market failure for tourism and events SMEs, particularly in regional and disaster-exposed areas. Inability to secure affordable insurance directly limits business operation, event delivery and post-disaster recovery.

The Commonwealth has a clear role in correcting insurance market failure where systemic risks, reinsurance dynamics and regulatory settings are beyond the influence of individual businesses or states. QTIC considers that federal action should focus on targeted market intervention and risk-sharing mechanisms that restore insurer participation and competition. This includes refining and, where necessary, expanding existing national reinsurance settings to better reflect the risk profile of tourism and events businesses, particularly those exposed to cyclone and flood risk. Current settings do not consistently translate into premium relief for SMEs or address coverage gaps such as business interruption and post-event recovery, leaving many viable operators underinsured or uninsured.



In parallel, the Commonwealth is best placed to drive nationally consistent civil liability and claims-cost reform, given the cross-jurisdictional nature of litigation trends and social inflation. A review of liability settings, legal cost drivers and the operation of “no win, no fee” arrangements is warranted to ensure a sustainable balance between consumer protection and business viability. Without this, premium escalation will continue irrespective of mitigation efforts by operators. QTIC also sees value in the federal government enabling structured group or pooled insurance models for defined tourism activities, supported by national risk standards and data sharing, to demonstrate that well-managed risk can be insurable at scale.

Finally, QTIC encourages the Commonwealth to complement market reform with time-limited, targeted premium relief or resilience incentives for high-risk but economically significant sectors such as regional tourism and events. When paired with accredited risk-mitigation measures, this can function as a circuit-breaker while longer-term reforms take effect. The objective is not ongoing subsidy, but stabilisation of supply, preservation of regional economic activity and protection of the national visitor economy pipeline in the lead-up to 2032.

QTIC calls for budget funding to be directed to a targeted, time-limited Commonwealth-led reform package, including:

- Establishing a co-funded annual grant or rebate program to offset a proportion of insurance premiums for eligible tourism and events SMEs in high-cost segments, designed as a circuit breaker until other reforms are implemented, rather than an ongoing subsidy.
- Strengthen and refine national reinsurance settings:
 - Review and adjust existing reinsurance arrangements so benefits are more directly passed through to SME policyholders.
 - Consider targeted extensions to better address business interruption, recovery costs and tourism-specific risk exposures.
- Lead nationally consistent civil liability and claims-cost reform:
 - Initiate a national review of liability settings, legal cost drivers and litigation trends impacting public liability premiums.
 - Examine the impact of “no win, no fee” arrangements and prolonged claims duration on affordability.
- Enable pooled and group insurance solutions:
 - Support development of structured group or pooled insurance models for tourism and events sectors, underpinned by recognised risk standards.
 - Facilitate national data-sharing and risk benchmarking to improve underwriting confidence and competition.
- Introduce time-limited premium relief and resilience incentives:
 - Establish a targeted, time-limited premium rebate or resilience incentive for high-risk but economically significant sectors and regions.
 - Link eligibility to accredited risk-mitigation and disaster-preparedness measures.
- Invest in mitigation to reduce long-term premium pressure:
 - Increase Commonwealth support for disaster-mitigation and climate-resilience infrastructure in tourism-dependent regions.
 - Align mitigation funding with insurance outcomes to reduce future claims and reinsurance costs.

5.3 Facilitate investment-ready tourism infrastructure and enabling approvals

To meet demand growth and capture Brisbane 2032 benefits, Australia requires an accelerated pipeline of investment-ready tourism projects supported by efficient approvals and enabling infrastructure.



QTIC recommends Commonwealth funding to:

- Strengthen single-window and concierge-style investment facilitation approaches for tourism and ecotourism projects, reducing regulatory delay and improving investor confidence.
- Optimise northern and regional development finance settings, including NAIF, to better support tourism-enabling projects through loans, equity and guarantee instruments.
- Align aviation, freight and access infrastructure investment with priority tourism regions and gateways to improve connectivity and dispersal.
- QTIC supports the establishment of a new Commonwealth-State National Icons Program to catalyse investment in demand-driving tourism attractions that strengthen Australia's global competitiveness and regional dispersal. A dedicated funding pool of \$140 million over four years, delivered on a matched-funding basis with states and territories, would unlock private co-investment in new and enhanced iconic experiences that extend length of stay, drive higher visitor yield and reinforce Australia's international brand. In the lead-up to Brisbane 2032, such a program would provide a practical legacy mechanism—accelerating investment-ready projects, supporting regional economies and creating long-term tourism assets that generate export earnings and tax returns well beyond the Games period.
- In addition, QTIC supports the position of the Australian Tourism Industry Council in calling for practical implementation of the revised EPBC framework to remove unnecessary duplication for low-risk nature-based tourism on public conservation land. Specifically, this includes the use of ministerial declarations, targeted regulations and National Environmental Standards to create a streamlined pathway for small-scale, largely demountable tourism infrastructure under \$10 million where robust state conservation frameworks already apply. The intent is not to weaken environmental protection, but to recognise competent state land management, focus federal oversight on genuinely high-risk proposals, and unlock sustainable regional tourism investment that supports conservation funding, jobs and visitor management outcomes

5.4 Tourism Workforce Supply, Skills and Housing to 2032 Games

Workforce constraints remain one of the most material barriers to tourism growth. With Brisbane 2032 approaching, workforce policy must focus on supply, retention and productivity.

QTIC recommends:

- Dedicated Commonwealth investment in tourism and hospitality training, apprenticeships, micro-credentials and work-readiness pathways aligned to priority regions and Games-related sectors.
- A consolidated Working Holiday Maker reform package focused on retention and continuity, including extended stays with single employers in priority regions, role progression without visa breaches, and visa extensions linked to continuous employment.
- Targeted investment in tourism workforce housing solutions, including pilot programs and co-investment mechanisms aligned with broader housing initiatives.
- Simplification of employer compliance requirements for low-risk tourism roles and improved digital systems for visa checking and reporting.
- Targeted funding for AI and digital uplift in tourism would deliver immediate productivity gains and long-term competitiveness for Australian destinations. Many tourism SMEs remain capital-constrained and risk falling behind in areas such as AI-enabled marketing, dynamic pricing, data



analytics, customer personalisation and automated business systems. A dedicated program supporting digital adoption, training and advisory services would help operators lift yield, reduce costs and better reach high-value international markets. Framed as a productivity and capability measure, AI and digital uplift funding aligns strongly with national economic priorities, supports workforce modernisation and ensures the visitor economy keeps pace with global digital transformation.

5.5 Support Industry Business Sustainability by extending funding for the Quality Tourism Framework (QTF)

The Quality Tourism Framework (QTF) is a proven, nationally recognised capability and sustainability program supporting tourism small and medium enterprises to lift productivity and resilience. Commonwealth investment to date has enabled businesses to strengthen operations and keep pace with emerging requirements including AI adoption, sustainability and emissions expectations, accessibility, and broader business capability uplift.

Extending QTF funding will protect and scale these gains, particularly for regional operators, and support a more investment-ready, competitive visitor economy in the lead-up to Brisbane 2032.

QTIC recommends:

- \$4 million over four years (2026–30) to extend the Quality Tourism Framework (QTF) and increase SME industry business participation.

5.5 Support Tourism’s Net Zero Transition and Climate Resilience

Tourism decarbonisation requires practical support that reduces operating costs and strengthens long-term competitiveness.

QTIC recommends:

- Expanding transition support for tourism SMEs, including energy efficiency upgrades, electrification and advisory services.
- Continued investment in a national EV charging network with coverage across regional tourism routes.
- Accelerating development of a domestic Sustainable Aviation Fuel industry through targeted investment and enabling policy settings.

5.6 First Nations Tourism Growth and Legacy Outcomes to 2032

First Nations tourism is a high-value growth opportunity and a central pillar of Australia’s cultural tourism proposition.

QTIC recommends:

- Dedicated funding streams for First Nations tourism product development, infrastructure and investment-ready feasibility support.
- Funding arrangements that enable peak bodies and delivery partners to implement Queensland’s First Nations tourism agenda in partnership with Traditional Owners.
- Targeted investment to strengthen First Nations workforce pathways and cultural promotion aligned to Brisbane 2032 legacy outcomes and Closing the Gap priorities.

Conclusion

Queensland's visitor economy has a clear opportunity to drive national jobs, export earnings and regional development in the lead-up to Brisbane 2032. The 2026–27 Commonwealth Budget should focus on the enabling levers that unlock growth at scale. The next four Budgets represent the decisive window for action. QTIC welcomes continued partnership with the Australian Government to progress these priorities.



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Queensland Tourism Industry Council