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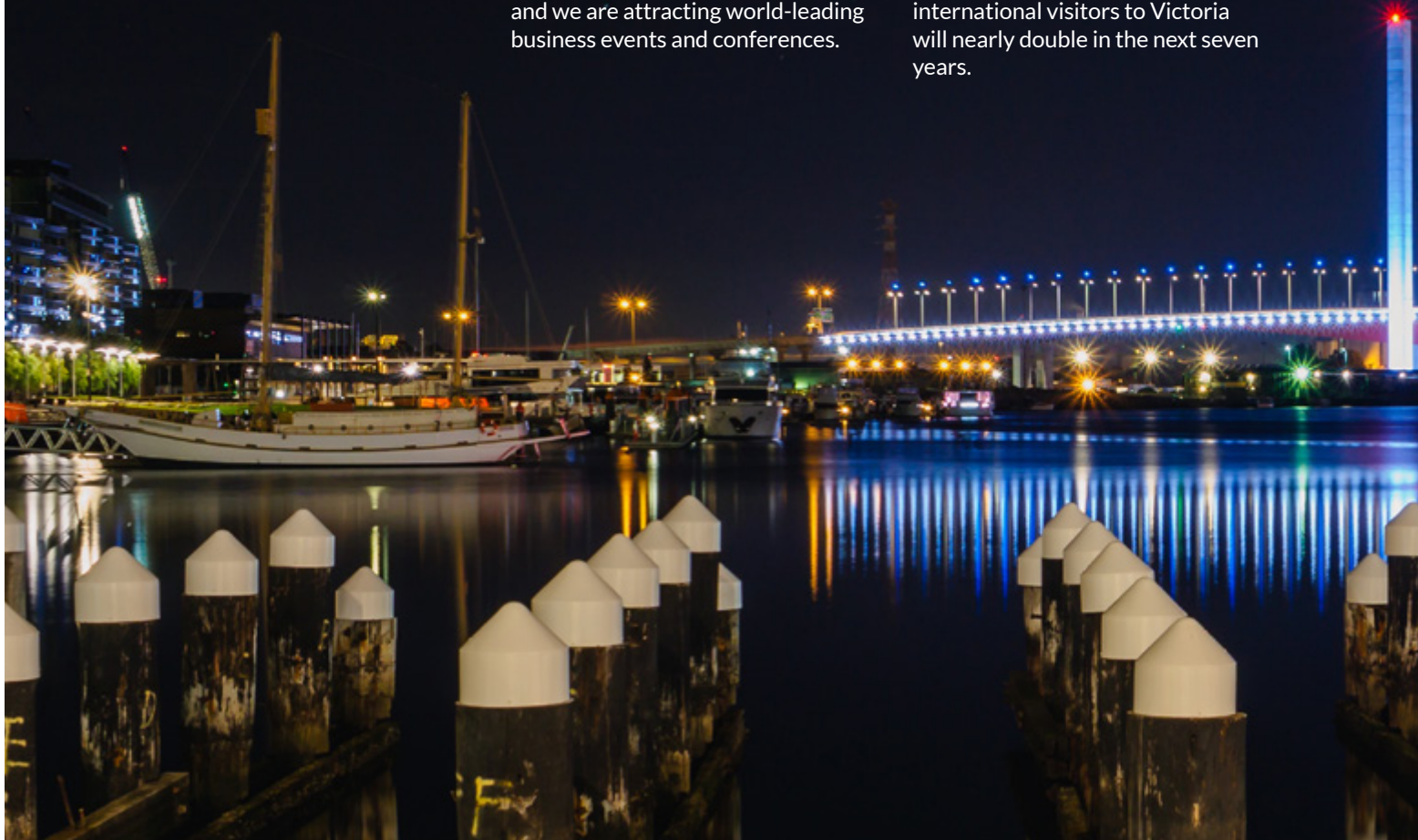
THE LIVEABILITY AND VISITOR ECONOMY AGENDA RECOMMENDATIONS


LIVEABILITY AND THE VISITOR ECONOMY ARE HIGHLY CONNECTED THEMES

Our liveability strengths make Victoria an attractive and internationally competitive visitor destination, while visitation adds to the vibrancy and economic life of cities and towns across the state.

Melbourne is the world's most liveable city. Our regions showcase natural beauty, fresh produce and collaborative communities. International visitation has been growing strongly, our major events calendar is the envy of the world and we are attracting world-leading business events and conferences.

The challenge is to continue this momentum and build further success. Victoria is currently growing faster than any other Australian state with projections showing that our population is likely to double in just 30 years. The number of international visitors to Victoria will nearly double in the next seven years.



A nighttime photograph of a harbor scene. In the foreground, there are several wooden pilings with white conical caps. In the middle ground, a large white boat is docked at a pier. In the background, a bridge with many blue lights spans the water. The scene is illuminated by various lights, creating a vibrant night atmosphere.

We must ensure we are prepared to meet and service this growth and stave off attempts by competitor countries who are working hard to lift their shares of the international tourism market at our expense. We need to be alive to the threats and opportunities and carefully consider how they can be managed to build on our strengths.

Priority actions must include measures to better plan for population and trade growth, prepare for visitor growth, improve the transport system, strengthen regional visitation and continue to enhance community safety and security.

68%

projected increase in international visitors to Victoria in the period 2016 – 2025



THE LIVEABILITY AND VISITOR ECONOMY AGENDA

The following principles must be at the heart of the liveability and visitor economy agenda if we are to capitalise on our strengths and build into the future:

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- A close-up photograph of a person's foot wearing a red and white striped sock and a teal and white sneaker, standing on a skateboard. The skateboard has a light-colored deck with a graphic and green wheels. The background is a blurred blue sky and ocean.
- > Economic and population growth will bring significant opportunities but must be managed carefully. Both our resident population and number of visitors are expected to grow significantly in the decades ahead.
 - > To capitalise on these opportunities, we must continue to link our liveability, tourism and events strengths and broader industry expertise to deliver sustainable economic growth and prosperity.
 - > In order to achieve this, our hard and soft infrastructure must keep pace with the growth in demand. We must develop our infrastructure with an eye to the future, integrating housing, education and health requirements, as well as the role of community spaces, public transport and natural assets.
 - > Victoria's natural assets are diverse and include national parks, state forests, urban green spaces, bays and waterways. They all contribute to our competitive advantage and must be preserved and enhanced to maintain Victoria's liveability.
 - > Tourism growth must focus on building visitor yield (that is, the amount that visitors spend per night) through the provision of high quality experiences. We must also focus on maximising visitation during off-peak periods, to better manage demand and utilise infrastructure.
 - > Our regions must be given greater opportunity to benefit from the growth ahead. We must focus on increasing the dispersal of our population from Melbourne to regional Victoria, ensuring our regions receive a greater share of the visitor spend.

A dramatic photograph of a wildfire. In the foreground, three riders on horseback are silhouetted against the bright orange and yellow flames of the fire. The riders are wearing hats and are positioned across the frame. The background is filled with the intense light of the fire, with smoke rising and trees visible in silhouette. A large, dark, diamond-shaped graphic is overlaid on the image, containing the text.

SEVEN PRIORITIES FOR THE NEXT STATE GOVERNMENT

PLAN FOR TRADE AND POPULATION GROWTH

Victoria's population is growing faster than any other Australian state and is expected to double from its current level in just 30 years. Similarly, freight volume across all transport modes is expected to grow by close to 50 per cent by 2020 and by around 100 per cent by 2030 from today's levels.

We must work now to ensure we can maintain our liveability and capitalise on the opportunity that this growth will bring. With Victoria's population growing rapidly, predominantly in the greater Melbourne area, the dispersal of our population to regional Victoria must be encouraged and sensibly managed.

- > Develop an integrated Population Plan that builds on Infrastructure Victoria's 30 Year Strategy by incorporating housing, education and health requirements to ensure sustainable growth that balances population dispersal across Victoria.
- > Build the full East West Link, including a connection between the Eastern Freeway and CityLink. The East West Link has been identified as a near term high priority by Infrastructure Australia and a medium term priority by Infrastructure Victoria. It has been a long term priority for the Chamber.
- > Complete the North East Link to support the transport of products across the State.
- > Better integrate metropolitan land use and infrastructure planning to more closely align housing and employment opportunities.
- > Finalise a site for a new airport in Melbourne's southeast.
- > Expand university opportunities in Melbourne's outer southeast, including through new campuses or an expansion in existing facilities to support future growth.
- > Upgrade Eastern Freeway bus services to and from Doncaster to support increased demand and faster travel times.
- > Develop a pipeline of growth area infrastructure projects that can be funded by the Growth Areas Infrastructure Contribution (GAIC). Ensure that 100 per cent of GAIC revenue is spent on these projects in a timely manner for essential infrastructure.

IMPROVE CUSTOMS AND IMMIGRATION FACILITIES

As our main arrival point for visitors, Melbourne Airport is key to creating a great first-impression. Melbourne Airport has experienced 100 months of consecutive international passenger growth, reaching just under 1,000,000 passenger movements in July 2017. The facilities at the airport are excellent, with plans to invest more than half a billion dollars per year on average over the next decade.

However, Melbourne Airport lacks a rail line connecting it to the CBD. While Infrastructure Victoria's 30 year infrastructure strategy has identified the need for an airport rail link in the future, it has defined it as a medium-term priority, required in the next 10-15 years. In our view, an airport rail link is required sooner. It would provide a reliable and fast link to the Melbourne CBD for both domestic and international visitors and support our ability to attract major business events, building on the success achieved by SkyBus.

- > Commence the planning process for a dedicated rail link to Melbourne Airport with a focus on achieving excellence in engineering and design to deliver a fast and reliable link to the Melbourne CBD to service the airport's expected future growth in passenger volume.

The ability for passengers to get through Melbourne Airport as quickly and pleasantly as possible is heavily influenced by customs and immigration facilities. The efficiency of our systems and helpfulness of staff, as well as the quality of the physical location, all has an impact on the visitor experience.

- > Better resource Melbourne Airport's immigration and customs facilities, given the current and expected future growth in passenger volumes.
- > Reform Australia's outdated paper-based Tourist Shopping Refund System by transferring the program to specialist refund providers or at point of sale, rather than being processed by the Australian Border Force.

PREPARE FOR THE VISITOR GROWTH AHEAD

Our attractiveness as a visitor destination is driving strong international tourism. In 2016, Victoria had 2.5 million international visitors. This is forecast to grow to 4.2 million by 2025.

China is expected to be a key source of visitor growth, with forecast visitor growth of 11 per cent each year for the next decade. By 2026-27, visitors from China are expected to spend almost \$7billion in Victoria, more than 3 times their current spending, and will account for almost half of all international visitor expenditure. Victorian business must be prepared to capitalise on the opportunities that this will bring.

- > Roll-out a detailed online learning program to make more Victorian tourism-businesses 'Asia-ready'. This would include information about Chinese culture and customs, marketing to Asian visitors, payments (including common mobile payment methods), social media and how to mitigate cybersecurity risks.
- > Target visitor information to international students so that they can broaden their own experiences and guide family and friends that visit them.

Business travellers are the highest-yielding segment of the tourism market with international business visitors spending more than \$200 per night on average. Melbourne is currently a leading destination for major conferences and events in our region. With the expansion of the Melbourne Convention and Exhibition Centre set for completion in mid-2018, and long lead-times for winning the right to host major conferences and business events, the Melbourne Convention Bureau must be adequately resourced to attract key events that build on Victoria's business strengths.

- > Increase funding for the Melbourne Convention Bureau to enhance its ability to attract more international-quality conventions and conferences to Melbourne.

ENSURE OUR TRANSPORT SYSTEM SUPPORTS FUTURE GROWTH

An effective and integrated transport system is the cornerstone of a prosperous, productive and liveable economy. While significant investment has occurred over the past two decades, in order for Victoria to meet its economic and social growth potential, targeted improvements, reforms and investments must be made to the state's transport system.

Although numerous government reports have been undertaken in recent years, a coordinated vision and linkage across strategies relating to different modes of transport is still needed.

- > Develop a strategy representing business priorities for transport system reform to ensure there is strategic integration of individual transport projects with land use and population planning, workforce development and sector capacity.

Land use planning throughout Victoria lacks consistency and does not adequately balance competing priorities. The preservation of land in critical locations for future transport system expansion and development is critical to both liveability and economic growth.

- > Preserve transport corridors and land around Melbourne Airport to maintain its ability to expand and continue to operate curfew free.

Congestion and overcrowding on public transport and road infrastructure, particularly at peak times, remains a significant frustration and cost for many individuals and businesses.

- > Encourage businesses to adopt flexible starting and finishing times to take the pressure off the transport system in peak commuting times.
- > Deploy traffic signal prioritisation across the metropolitan transport network, providing green lights for emergency services and public transport vehicles at signalised intersections. This will also provide motorists with the optimum amount of 'green time' to keep traffic flowing across a route and reduce travel time for public transport patrons.

IMPROVE REGIONAL VISITATION

Regional Victoria's visitor expenditure growth, while positive, is less than both Melbourne and the national average. One of the key challenges is a lack of infrastructure to support the visitor experience. Proposals for new accommodation facilities are often hamstrung by the impact of expected low occupancy levels.

Victoria's major events calendar remains largely centred around Melbourne. However, the recent success of White Night Ballarat demonstrates that there is significant opportunity to grow the reach and impact of these events through partnerships with regional Victorian cities.

- > Double the size of the Regional Events Fund to \$10m per year to better support year-around visitation to regional Victoria and deliver increased visitor nights and yield, with a particular focus on achieving growth in off-peak periods.
- > Offer financial incentives for Melbourne-based events to create a 'regional partner event'.
- > Provide dedicated support to help regional cultural institutions develop local 'events' to both broaden their reach in local communities and attract visitors from outside their region.

Visitors, both domestic and international, increasingly rely on digital information to plan and organise their visits. Destinations, attractions and events in regional Victoria must be supported to improve their ability to reach visitors and potential visitors through digital channels.

- > Improve the availability of digital information for Victorian National Parks visitors via an app that provides destination-specific information and suggested itineraries based on interests. This should be available in a variety of languages to ensure it is accessible to international visitors.

PRESERVE AND ENHANCE OUR WATERWAYS


Port Phillip Bay is a significant natural asset for Victoria. Existing coastal, foreshore and marine policy and management has a strong focus on encouraging sustainable and equitable recreation and social uses. While this is important, comparatively less attention is given to longer term bay development planning. Neither Plan Melbourne nor Infrastructure Victoria's 30-year infrastructure strategy examines opportunities to develop new shared commercial, recreational, event and tourism uses for the Bay into the future. The Yarra River is similarly a wonderful natural resource that could be better utilised to enhance Melbourne's liveability and visitor experience.

- > Develop a 'Bay Plan 2050' to examine opportunities to develop new shared commercial, recreational, event and tourism uses for the Bay into the future. Such a plan would cement Port Phillip Bay's place as Melbourne's centrepiece and would drive coordinated development and use of the bay and its surrounds while preserving environmental values, ecology and biodiversity.
- > Fund a long-term plan for the sustainable activation of the lower Yarra River precinct (Southbank and Northbank).
- > Ensure that water efficiency forms a core part of Victoria's ongoing water management strategy, providing tailored support for businesses and industry to help change inefficient water and resource use practices.

SUPPORT RESILIENCE AND RECOVERY

Natural disasters can have both an immediate impact as well as longer term effects on the perception of safety and amenity for both residents and visitors, and on the well-being of communities.

- > Adopt the key recommendations of the Emergency Management Victoria 'Victoria Preparedness Plan'.
- > Elevate the role of local government in disaster response, relief and recovery, ensuring local governments and their communities are adequately resourced to meet the responsibilities prescribed to them in emergency management.
- > Invest more in building community preparedness and resilience for disaster and emergency, including support for effective local neighbourhood level planning.



“Liveability is critical
to all Victorians’
wellbeing and a
major comparative
advantage over other
States and places
around the world.”

Economic Building Blocks for
Victoria, Premier’s Jobs and
Investment Panel





Written and authorised by the
Victorian Chamber of Commerce and Industry

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Principal partner



Supporting partners



Local partner

