

Clean Energy Finance Corporation Review Secretariat
Financial Advisory
Deloitte Touche Tohmatsu Limited
225 George St, Sydney.

16 February 2018

Re: Clean Energy Finance Corporation Statutory Review

The Queensland Tourism Industry Council (QTIC) welcomes the opportunity to respond to the Clean Energy Finance Corporation Statutory Review consultation paper.

QTIC is the state's peak body for tourism in Queensland and represents the interests of the tourism industry. QTIC is an independent membership-based organisation with in excess of 3,000 members, operating in all sectors of the tourism industry, including business operators, Regional Tourism Organisations (RTOs), sector associations and education providers.

The tourism industry in Queensland contributed \$25.0 billion to Queensland's Gross State Product (GSP), representing 7.9% of total GSP¹ and generated \$7.1 billion in exports in the year ending June 2016², making it one of the state's largest export industries accounting for 14.8% of total Queensland exports. The tourism industry consists of over 53,000 businesses across Queensland; nine out of ten of these businesses are small to medium enterprises.

As an industry, tourism is identified as being highly exposed to both direct and indirect impacts of climate change³. Tourism's dependence on natural attractions places it at high risk due to the strain climate change is placing on those resources⁴. Research indicates that climate change will have both economic and non-economic impacts on destinations⁴. Forecasts suggests a profound impact will be seen on tourism flows with some destinations likely to become significantly less appealing to tourism, shifting the visitation patterns of tourists and potentially leading to a decline in visitor numbers⁵. This is due to climate directly affecting a variety of resources tourism relies on including,

¹ Tourism Research Australia, *State Tourism Satellite Accounts 2015-2016*

² Tourism Research Australia - *State Tourism Satellite Accounts 2015-16*, Queensland Government Office of Economic and Statistical Research - Overseas exports of goods by industry.

³ Nicholls, G. *Climate change: Implications for tourism - key findings from the intergovernmental panel on climate change*. 2014. University of Cambridge. www.cisi.cam.ac.uk/ipcc

⁴ Turton, S et al. "Developing an approach for tourism climate change assessment: evidence from four contrasting Australian case studies" *Journal of Sustainable Tourism*. 18. (2010): 429-447.

⁵ Amelung, B., Nicholls, S and Viner, D. "Implications of Global Climate Change for Tourism Flows and Seasonality." *Journal of Travel Research*, 45 (2007): 285-296.

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water levels and quality, bio-diversity and wildlife among others. Furthermore, climate change is also influencing amenity values for visitors including extreme weather events such as tropical cyclones and background conditions such as infectious disease vectors and fire risk⁶. Tourists are more likely to react to sudden or extreme weather events as opposed to average weather⁷. Australia's vulnerability to the impacts of climate change is therefore likely to be exacerbated by the potential increase of frequency and intensity of a range of extreme weather events, including heat waves, fires, floods, landslides, droughts and storm surges influenced by climate change⁷.

It is evident from existing research that current forecasts for climate change in Queensland will have significant and adverse implications for tourism infrastructure, natural assets that tourism relies on and therefore visitors' movements. It is now timely that the Queensland tourism industry proceeds with a sense of urgency to act on adaption and mitigation measures to strengthen the industry's resilience to climate change influences.

QTIC welcomes the Clean Energy Finance Corporation's (CEFC) mandate to support the development and implementation of low emission technology and renewable energy technologies however, as an industry made up of over 47,000 small to medium sized businesses, the majority of the tourism industry does not have the resources to access the funding offered by the CEFC. Opportunities exist to broaden the mandate of the CEFC and generate a wider scope of funding, including access to collaborative financing – eg. a sector such as the marine industry may pool resources to fund a solar boat fleet – or offering smaller financing to high priority sectors or innovations deemed to have a high impact level.

A limited awareness of the CEFC across the industry and how to access finance also acts as a barrier to engagement. Further effort and collaboration could educate a broader range of stakeholders on the work of the CEFC and how finance can be obtained.

Under current Greater Barrier Reef (GBR) Funding commitments of government, a strong common purpose must be maintained between departments, including the Great Barrier Reef Marine Park Authority, to facilitate projects within the GBR Marine Park that fit within the scope of actions in the *Reef 2050* plan and comply with zoning and permitting requirements.

For all enquiries regarding the points raised in this letter, please contact me or the QTIC Policy Team on (07) 3236 1445 or email policy@qtic.com.au.

Kind regards



Daniel Gschwind

Chief Executive

⁶ Pham, TD et al. "Climate change-induced economic impacts on tourism destinations: the case of Australia". *Journal of Sustainable Tourism*. 18. (2010). 449-473.

⁷ Amelung, B., and Nicholls, S. "Implications of climate change for tourism in Australia". *Tourism Management*. 41 (2014). 228-244