



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

STANDING COMMITTEE ON ECONOMY AND GENDER AND ECONOMIC EQUALITY
Mr James Milligan MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Ms Laura Nuttal MLA

Submission Cover sheet

Inquiry into Micro, Small, and Medium
Businesses in the ACT Region

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Canberra Region Tourism Leaders Forum

Inquiry into Micro, Small, and Medium Businesses in the ACT Region Submission

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Contact:

Dr David Marshall AM
Chair, Canberra Region Tourism Leaders Forum
Email: Chair@tlforum.com.au
Phone: 0418 631 780

Executive summary

The forum is pleased to present its views and recommendations for consideration in regard to one particular element of this inquiry, that being *'the ACT Government's regulatory practices and their effects on promoting and growing Canberra businesses'*.

These recommendations do however cross over some of the other subject matter the inquiry is examining.

Under this heading, the Forum offers the following recommendations:

1. *Review the outcomes of the 2022 Better Regulation Report and update the ACT community on the implementation of the regulatory framework to better support a night-time and entertainment economy.*
2. *Provide statistics on the performance of the 'dedicated individual business support through the Access Canberra Business Assist team'. Also review and evaluate other tourism business programs.*
3. *Lower the costs of establishing and running a business in Canberra to ensure start-ups in particular have the opportunity of remaining viable during their early years of operation.*
4. *Consider the economic impact on Canberra businesses of having a growing number of ACT Directorate staff and Federal Government Departmental staff working from home, with many Commonwealth staff allowed to work remotely from anywhere in Australia.*
5. *Ensure the look of the city and territory overall is dramatically improved as its current untidy, unkept and neglected state has an impact on potential investors and staff.*

Introduction

This submission sets out the Canberra Region Tourism Leaders Forum's views and proposals for consideration in regard to sustaining and growing existing micro, small and medium businesses, and attracting new businesses to open in Canberra by making it attractive, profitable and easy to do so.

Forum Background

The Canberra Region Tourism Leaders Forum (Leaders Forum) is the ACT and region's peak tourism and events industry representative organisation.

The Leaders Forum is a not-for-profit body advocating for the ACT tourism and associated industry sectors in the National Capital and surrounding Canberra Region. The Leaders Forum's focus is on promoting the value of these sectors to the ACT visitor economy and acting as a 'think tank' and policy generator.

The Leaders Forum comprises heads of representatives of the leading tourism, business, sports, arts, cultural, aviation and educational sectors in the ACT, along with representation from Destination Southern New South Wales. A list of Forum Members is at Appendix 1.

The ACT Government's overarching goals and mission

The ACT Government has demonstrated its forward thinking and willingness to commit to longer term investment to facilitate growth. The challenge is to match this with action.

In the *2030 Tourism Strategy Discussion Paper* ACT Chief Minister, Andrew Barr, outlined three missions for the city, missions the Leaders Forum strongly supports. The third element identified is:

to 'prioritise the further knowledge-based economic growth – positioning Canberra as a global destination'.

Creating the Global City

This third key mission is one the Leaders Forum particularly supports. Global cities, such as Singapore, look and feel like a world-leading metropolis. Even Adelaide boasts *'it effortlessly combines the benefits of a global city with a competitive cost base and ease of doing business'*. Canberra does not match this ambition and our city also needs an overarching vision; one it currently does not have. This should be a priority.

Supporting tourism business development and growth

The 2030 Tourism Strategy provides a good foundation for further business development in the tourism industry, and the ACT Government has implemented a number of positive programs, including for business capacity building through the *Strive for Sustainability* scorecard initiative and supporting the Federally funded ATEC development courses and ATIC business accreditation. The Government's *Tourism Product Development Fund* provides helpful funding for business growth, however the requirement for dollar matching limits its appeal to micro and small enterprises.

The Forum also applauds the Government's continuing drive to increase the number of airlines and flights connecting Canberra with domestic and international markets.

Policy proposals

We now turn to five specific areas of priority and proposed actions.

1. Review the outcomes of the Better Regulation Report that states the ACT Government ‘want to support businesses to start, run and grow by putting in place better regulatory settings, and simplifying interactions between business and Government’.

According to the Government’s Better Regulation website:

<https://www.cmtedd.act.gov.au/policystrategic/better-regulation-taskforce/better-regulation-agenda> the Taskforce took a multifaceted approach to understanding what changes could be made to achieve this through best practice regulation.

The Taskforce began by talking with business. It heard that when it comes to dealing with government, business wants:

- government to better understand the needs and experiences of business.
- information to be clearer and targeted to business.
- to only tell government once.
- to know where they can get help and someone to talk to who understands business.
- government to ‘think small first’.
- government to say ‘yes’ whenever it practicably can.
- government to be more transparent, coordinated and consistent.
- streamlined, faster processes and approvals.

It is disappointing that in a particular instance – the proposed ‘licensing’s system for small nature-based tourism operators for ACT parks and reserves’, the Government appears not to be listening to the industry and to be intent on introducing further unnecessary red tape and financial burdens on one of the smallest and most vulnerable sections of the industry.

The Government should:

- Review the outcomes of this Better Regulation Report tabled on 8 June 2022 in the Legislative Assembly, in particular an update on the progress of Stream 1 Policy and Legislation and Stream 2 Business Experience and Regulator Practice, and whether they will achieve their objective of completion within the two years allowed from the tabling date.
- Provide a report on what has not yet been achieved and a timeframe for their implementation.
- Provide an update on the regulatory framework to better support a night-time and entertainment economy.

Recommendation 1:

Review the outcomes of the 2022 Better Regulation Report and update the ACT community on the implementation of the regulatory framework to better support a night-time and entertainment economy.

2. Provide statistics on the performance of the ‘dedicated individual business support through the Access Canberra Business Assist team’.

The initiative to establish this team is commendable. Despite its formation feedback from business that dealing with the ACT Government is still frustrating for many reasons.

There has been substantial evidence and case studies provided to the Regulatory Reform Taskforce. The Tourism Leaders Forum has initiated meetings between the Taskforce and business operators, all who have had difficulty dealing ACT Directors. These discussions have allowed the Taskforce to gain firsthand knowledge of the issues these businesses have faced.

There would also be value in undertaking and releasing further analysis of the outcomes of current Government programs undertaken to support and grow the business sector. We need to know which programs are succeeding, to what extent, and what lessons can be learned from the outcomes obtained so far. This will result in the Government being able to better target and fund these support programs.

Recommendation 2

Provide statistics on the performance of the ‘dedicated individual business support through the Access Canberra Business Assist team’. Also review and evaluate other tourism business programs.

3. Lower the costs of establishing and running a business in Canberra

The cost of rates and taxes, licence fees and charges and the plethora of other Government charges are a major impost on businesses in the ACT. This is particularly so in the tourism, hospitality and associated sectors.

The comparison of costs with other capital cities is often misleading as Canberra’s smaller population, its considerably high workforce of ACT and Commonwealth public servants, many now working from home, its fluctuating number of visitors with peaks coinciding with Federal Parliament sitting weeks and the present cost of living, all have impacts on the viability of many businesses in the Territory.

Where undoubtedly some businesses are flourishing, others are finding it difficult to maintain their viability. This is evidenced by the number of business closures and bankruptcies in the ACT over the past 12 months.

The ACT Government should look to lower costs and increase support for business to ensure the National Capital remains a great place to do business.

Recommendation 3:

Lower the costs of establishing and running a business in Canberra to ensure start-ups in particular have the opportunity of remaining viable during their early years of operation.

4. Consider the economic impact on Canberra businesses of staff working from home.

The number of public servants working from home is likely to increase considerably following the Commonwealth Government's decision to allow any worker to seek approval to do so. This decision will also mean Federal Government Departments will not require staff to live in Canberra but work remotely. The impact on this decision is obvious.

We strongly recommend a review of these decisions, and to consider how the respective Governments intend to compensate and support businesses in the ACT who will undoubtedly suffer economically as a consequence.

Recommendation 4:

Consider the economic impact on Canberra businesses of having a growing number of ACT Directorate staff and Federal Government Departmental staff working from home, with many Commonwealth staff allowed to work remotely from anywhere in Australia.

5. Ensure the look of the city and Territory overall is dramatically improved.

The look of any city is often critical to investment decisions and to where people want to live and work. The Leaders Forum recommends an urgent revitalisation of the city centre, well in excess of what has been announced over recent months.

The pavers are old and present many trip hazards. The overall cleanliness of the precinct and the many deteriorating concrete features need attention. The upgrading of Garema Place and City Walk is welcome and will be closely watched as further work is undertaken to beautify this area. But this is not enough.

Rubbish discarded on major road links and not picked up by City Services reflects poorly on the Territory. There has been a noticeable deterioration in the maintenance and upkeep of the city and Territory over the past few years. Canberra should be the showcase of the nation.

This also applies to the weeds on roadway gutters and fading and peeling directional signs that reflects badly on Canberra's National Capital status and undermines the pride which the ACT Government is keen to engender among Canberra's growing population.

Recommendation 5:

Ensure the look of the city and territory overall is dramatically improved as its current untidy, unkept and neglected state has an impact on potential investors and staff.

For further information

The Leaders Forum would be happy to provide additional information, or to be involved in further industry consultation exercises in the Select Committee's investigations on this important area.

Contact

Dr David Marshall AM
Chair, Canberra Region Tourism Leaders Forum
Email: Chair@tlforum.com.au
Phone: 0418 631 780

Appendix 1: 2024 Canberra Region Tourism Leaders Forum Members

Member	Position
Dot Barclay	President SKAL ACT & Proprietor Forrest Hotel & Apartments
Sally Barnes	CE National Capital Authority
Vanessa Brettell	Proprietor Café Stepping Up representing Social Enterprises
Michael Capezio	Chair Australian Hotels Association ACT
Greg Harford	CEO Canberra Business Chamber
Rachael Coghlan	Assist Secretary Parliamentary Engagement Parliament House
Richard Everson	General Manager Destination Southern NSW
Tristan Hoffmeister	President National Capital Attractions Association
Jonathan Kobus	Director Visit Canberra
Noel Langdon	Tourism Australia Cultural Signature Series and Sec. CRTLF
David Marshall	Chair Canberra Region Tourism Leaders Forum
Michael Matthews	CEO Canberra Convention Bureau
Michael Milton	Australian Paralympic skier and tourism business owner
Gordon Ramsay	CEO Cultural Facilities Corporation
Dash Rumble	Owner Pilot Restaurant representing the restaurant/cafe sector
Katie Russell	CEO Australian Museum and Galleries Association/Deputy Chair TLF
Emma Shaw	Piquenique Wine representing Canberra District wine industry
Gary Stewart	General Manager The Canberra Centre
Rob Stefanic	Secretary Parliamentary Services Parliament House/ Chair NCETP
Michael Thomson	Head of Aviation Canberra Airport
Olivia Thornton	CEO Cricket ACT representing sporting associations
Brian Weir	Assistant Prof Tourism Program Canberra Business School UC
Stephen Wood	General Manager National Convention Centre Canberra