

Anxious agents beg for a boost

TOURISM SECTOR ON BRINK OF COLLAPSE

SHANNON DEERY, RIKKI-LEE ARNOLD, HAYDEN JOHNSON

AUSTRALIA'S travel industry is on the verge of collapse with more than 30,000 people set to be jobless without urgent intervention, a new study reveals.

The Small Business Australia survey of travel agents found just one in 10 will survive beyond April 1 without targeted assistance or an extension of the federal government's JobKeeper scheme.

Tourism has been smashed by ongoing border closures with 95 per cent of businesses seeing a decline in revenue of between 70 and 90 per cent.

Those businesses say they cannot support themselves beyond April 1 without urgent intervention, with 90 per cent flagging they will close.

Despite a federal government rescue package aimed at keeping the sector afloat almost all businesses said it failed to hit the mark because of its complicated structure.

And 65 per cent of independent agents surveyed said they missed out any funding. There are about 3000 independent agents nationwide.

More than 700 businesses took part in the survey, which was completed this month.

SBA executive director Bill Lang said action was needed.

"These numbers are frightening, we are talking here of some 2600 businesses going out of business, some 30,000-plus jobs lost and the extinction of an entire industry," he said. "Immediate action from the Prime Minister down ... is required to sort this mess, you cannot have a policy that bans international travel for the en-



TRAVEL AGENTS ON THE BRINK

30,000
jobs at risk

2600
businesses could shut

95%
of businesses suffered revenue decline of 70-90 per cent

90%
of businesses won't survive if JobKeeper ends in March



88%
of travel agency owners have concerns for their own mental health and wellbeing

90% are dissatisfied with the federal government's travel support fund

Source: Small Business Australia

tirety of 2021 and then offer limited or no support to an industry that cannot trade under the rules you have created to keep the nation safe."

HelloWorld Travel Varsity Lakes boss Nicholas Rone and co-owner fiancée Rachel Powell said they were "devastated" by 2020 and didn't know how their business would survive without JobKeeper.

The pair - who had to postpone their wedding - have lost two staff and are keeping the business afloat with savings.

Mr Rone's mother is also working for them unpaid.

"It was a fun industry to be in but now we just feel forgotten," he said. "The (government) packages are so tiny or too late. Everyone is digging into their savings in the hope there is a future. What's the government going to do if the

whole industry closes at the end of March? They threw something at it last week but it will only be the first step to pay the bills we've had backing up."

Ms Powell has been trying to find another job but has had no luck after 80 applications.

Flight Centre managing director Graham Turner said news the industry was on the brink were unsurprising.

About 7000 Flight Centre staff have been stood down or made redundant since the COVID-19 pandemic hit.

Mr Turner said domestic travel had gradually resumed prior to December, but bookings had plunged again after NSW's northern beaches cluster forced border closures.

He said keeping borders open would make the "biggest difference" to his industry, but added that "some form" of

JobKeeper would be needed beyond the March deadline.

"We're a public company, and we've raised a reasonable amount of money so we'll survive without it but there will be thousands of smaller tourism businesses who won't," he said. "The main saving of our industry though will be widespread vaccination and the restart of international travel."

Federal Trade, Tourism and Investment Minister Dan Tehan said more than 800 travel agents had received \$33m in COVID-19 Consumer Travel Support Program payments since December.

Another 1500 were now being processed.

"Our government is supporting travel agents as they deal with the extraordinary challenge of COVID-19," Mr Tehan said. "I encourage

all travel agents who haven't applied yet to go online and start an application."

Mr Lang called for the extension of JobKeeper for travel agents until international travel resumed, followed by cash injections for businesses.

"The issues to the \$28bn travel agent industry have been caused by the policies of governments, both state and federal," he said. "They are the ones who have closed borders and banned travel, which for the health of the nation no one is arguing with."

Human behaviour expert Mark Carter warned of a mental health crisis in tourism.

"The stress and mental impact faced by those in travel, the hardest hit industry and likely last to bounce back, is something the nation needs to take very seriously," he said.