



# Future Traveller Strategy



**Australian Chamber  
Tourism**

Working for business.

Working for Australia

Telephone 02 6270 8000 | Email [info@acci.com.au](mailto:info@acci.com.au) | Website [www.acci.com.au](http://www.acci.com.au)

Media Enquiries

Telephone 02 6270 8020 | Email [media@acci.com.au](mailto:media@acci.com.au)

Canberra Office

Commerce House

Level 3, 24 Brisbane Avenue

Barton ACT 2600

PO BOX 6005

Kingston ACT 2604

Melbourne Office

Level 3, 150 Collins Street

Melbourne VIC 3000

Perth Office

Bishops See

Level 5, 235 St Georges Terrace

Perth WA 6000

ABN 85 008 391 795

© Australian Chamber of Commerce and Industry 2024

This work is copyright. No part of this publication may be reproduced or used in any way without acknowledgement to the Australian Chamber of Commerce and Industry.

#### Disclaimers & Acknowledgements

The Australian Chamber of Commerce and Industry (ACCI) has taken reasonable care in publishing the information contained in this publication but does not guarantee that the information is complete, accurate or current. In particular, ACCI is not responsible for the accuracy of information that has been provided by other parties. The information in this publication is not intended to be used as the basis for making any investment decision and must not be relied upon as investment advice. To the maximum extent permitted by law, ACCI disclaims all liability (including liability in negligence) to any person arising out of use or reliance on the information contained in this publication including for loss or damage which you or anyone else might suffer as a result of that use or reliance.

# Contents

The case for change	3
Priority issues	4
Inbound travel journey at a glance	5
Outbound travel journey at a glance	7
<b>Inbound travel</b>	<b>9</b>
1   Research and booking	9
2   Apply for visa	11
3   Visa approval	12
4   Travel insurance	13
5   Packing and preparation	13
6   Arrival at departure port and check-in	13
7   Travel and on-board experience	13
8   Arrival at Australian port	14
9   Immigration clearance	15
10   Collect luggage	16
11   Customs check and quarantine	16
12   Exit from port, entry to Australia	16
<b>Outbound travel</b>	<b>17</b>
1   Obtain a passport	17
2   Arrival at Australian port	18
3   Book travel	19
4   Apply for visa	19
5   Visa approval	19
6   Travel insurance	20
7   Packing and preparation	21
8   Port arrival and check-in	21
9   Shopping and tax refund	22
10   Security check	23
11   Boarding	23
<b>Funding of these measures</b>	<b>24</b>
Passenger Movement Charge	24
Increases to the cost of Australian passports	24
<b>References</b>	<b>25</b>
<b>About Australian Chamber - Tourism</b>	<b>25</b>

# The case for change

Australia's competitiveness in passenger facilitation at ports is falling, impacting our attractiveness as a destination and our capacity to drive visitor expenditure. In the Travel & Tourism Development Index 2024, Australia secured the 5th position out of 119 countries,<sup>1</sup> showcasing our favourable tourism appeal. However, a deeper dive into the report reveals concerning aspects such as price competitiveness and port infrastructure. In terms of price competitiveness, Australia fared poorly, ranking 112th out of 119 countries.<sup>2</sup> Additionally, our standing in ground and port infrastructure dropped to 53rd place, notably lower than our overall ranking.<sup>3</sup>

In light of this, now is a crucial time to fund and implement meaningful reforms to the passenger facilitation process.

As Australia looks to open another international airport in 2026, and in the lead-up to the Brisbane 2032 Summer Olympics, it is important that we adequately invest in the passenger journey to avoid future difficulties.

Beyond the necessity of providing an enjoyable experience ahead of major international events, the traveller journey from start to finish should be as positive as possible for those who have made the investment to come to Australia, whether that be for a short time, a longer stretch, or to visit family.

This document maps out the traveller journey and, where necessary, makes recommendations for improvements. These recommendations have been developed through extensive collaboration within Australia's travel and tourism industry, and informed by innovative international examples and those who have worked to deliver them. Some of these recommendations suggest the implementation of trials currently underway, particularly where they have been implemented internationally.

It follows the conventional process undertaken by travellers as they venture to Australia. It also makes recommendations regarding outbound travel and identifies a number of areas which require more urgent prioritisation and remedy.

In preparing this document, various resources and industry representatives have been consulted. Australian Chamber - Tourism extensively reviewed information on different aspects of the passenger journey from a variety of sources.

We acknowledge that the government and various agencies have produced and continue to update relevant information for prospective travellers. However, beyond the recommendations and observations provided below, there is an opportunity to enhance the accessibility of some of this information. Improving accessibility would not only help travellers better understand their responsibilities and manage their expectations, particularly concerning timing, but it would also aid relevant agencies, departments, airports, and airlines in assisting travellers with fewer resources.

Accessibility issues and the spread of information may be due, in part or whole, to the vast array of government departments and agencies which have responsibilities for various parts of the passenger facilitation process. Australian Chamber - Tourism encourages government to consider whether all of these roles as currently split are required and where consolidation across agencies can occur.

# Priority issues

While we encourage the government to work with industry to implement each of the enclosed recommendations, there are certain areas that should be prioritised.

It is imperative that barriers preventing international visitors from travelling to Australia are reduced or, where possible, removed. Many of these barriers exist in the form of expensive and complex visas. This part of the traveller journey – towards the beginning of any inbound traveller's journey – could easily be the reason a prospective traveller reconsiders Australia as a destination.

There is a clear need to adopt emerging technology in better facilitating travellers in and out of Australia. Whether this be through check-in services or collecting required data through immigration, Australia is being left behind in its resistance to embrace this technology.

Australian Chamber - Tourism urges government and industry to adopt the below recommendations as a matter of priority:



Continue to negotiate Bilateral Air Service Agreements that are of strategic importance to Australia's visitor economy. This process should have regard to the views of relevant stakeholders, such as ministers, departments, agencies, tourism, travel and aviation industry bodies, as well as the findings of the Australian Competition and Consumer Commission



For the core international markets identified by Tourism Australia, provide visa information in additional languages in an accessible format



Make multiple-entry visas available for all key markets to encourage return visitation



Discontinue the physical Incoming Passenger Card and instead utilise information provided by travel providers and travel agents, and information collected later in the traveller journey, for the required information to process arrivals



Invest in the rollout of 'passenger on the move' technology as an alternative to SmartGates



Provide additional investment for the Australian Passport Office to enhance the digital pathway for the passport application and renewal process

Expand the application and renewal process to enable additional providers in the travel and tourism supply chain to receive passport applications

# Inbound travel journey at a glance

## 1 Research and booking

Once the destination is decided, the traveller books their flights. This can be done directly, via a range of online platforms or first-hand with airlines and cruise lines, or through a travel agent.

The Australian government should continue to negotiate Bilateral Air Service Agreements that are of strategic importance to Australia's visitor economy. This process should have regard to the views of relevant stakeholders, such as ministers, departments, agencies, tourism, travel and aviation industry bodies, as well as the findings of the Australian Competition and Consumer Commission.

## 2 Apply for visa

Once the traveller has booked their transport to Australia, they will need to apply for the appropriate visa.

For the core international markets identified by Tourism Australia, the Australian Government should provide visa information in additional languages in an accessible format.

## 3 Visa approval

Once a traveller has applied, they must await its approval before they are able to enter Australia.

The Australian government should make multiple-entry visas available for all key markets to encourage return visitation.

## 4 Travel insurance

With travel booked and the visa approved, the traveller should consider travel insurance.

## 5 Packing and preparation

The traveller should make a packing list and pack accordingly, considering the weather, activities, and duration of their trip to Australia.

## 7 Travel and on-board experience

Once on board the aircraft or cruise, the traveller settles into their seat, anticipating the hours ahead. As they near arriving in Australia, inbound travellers are required to physically fill out a paper slip – the Incoming Passenger Card – noting their name and passport number, which country they have travelled from, where they have spent time, and declaring any goods that may be harmful to Australia's biosecurity.

The Australian government discontinue the physical Incoming Passenger Card and instead utilise information provided by travel providers and travel agents, and information collected later in the traveller journey, for the required information to process arrivals.

## 6 Arrival at departure port and check-in

On the day of departure, the traveller arrives at their departure airport or seaport. They check in their luggage, undertake any shopping, go through security checks and proceed to the boarding gate.

## 9 Immigration clearance

At the point of immigration clearance, the traveller answers any necessary questions, provides fingerprints if required, and has their visa checked by the immigration officer.

The Australian government should invest in the rollout of 'passenger on the move' technology as an alternative to SmartGates.

## 8 Arrival at Australian port

The aircraft or cruise arrives at an Australian port and the traveller deboards. They follow the signs for immigration and customs, where they present their passport and visa for inspection.

The Australian government should provide additional resources to allow travellers to enter Australia via seaports more expediently including streamlining the Maritime Travellers Processing Committee approval process.

## 11 Customs check and quarantine

The traveller proceeds to the customs area, where they are required to declare any restricted or prohibited items.

The Australian government should digitise the biosecurity declaration process as part of the Incoming Passenger Card removal.

## 10 Collect luggage

After clearing immigration, the traveller will proceed to the baggage claim area to collect their luggage.

## 12 Entry to Australia

With luggage in hand and having cleared customs, the traveller makes their way to the transportation options available at the airport or seaport to reach their destination.

# Outbound travel journey at a glance

## 1 Obtain passport

Every Australian traveller requires a passport. Australian citizens are entitled to be issued with a passport under the Australian Passports Act 2005.

Provide additional investment for the Australian Passport Office to enhance the digital pathway for the passport application and renewal process.

Expand the application and renewal process to enable additional providers in the travel and tourism supply chain to receive passport applications.

## 8 Port arrival and check-in

On the day of departure, the traveller needs to arrive at the air or seaport early and check-in for their flight or cruise. This involves presenting their passport and required travel documentation to the airline or cruise ship staff.

Develop an overarching strategy for modernising the check-in process, across both airports and seaports. This must be through consultation with government service providers, infrastructure owners, suppliers and travel management companies.

## 2 Research destination

The traveller should research their destination to gather information about applicable visa requirements, tourist levies, local laws and customs, either themselves or with the assistance of an expert travel consultant.

Funding to maintain Smartraveller should be a priority.

Communications between all Australian jurisdictions, industry and the public must be more cohesive.

Requirements for the easing of restrictions should be more transparent.

A coordination mechanism should be established to improve the pandemic response at a federal level, with a particular focus on effective stakeholder engagement. Such a body must include representation from travel and tourism.

## 7 Packing and preparation

The traveller should make a packing list and pack accordingly, considering the weather, activities and duration of their trip. They should also check the baggage restrictions of their airline and any security requirements when checking in at the air or seaport.

## 9 Shopping and tax refund

Once travellers have progressed through check-in, they are able to take advantage of duty-free (or reduced tax) shopping opportunities within the airport as they wait to go through security and board their flight or cruise.

The Tourist Refund Scheme should be digitised and outsourced. The Australian government should evaluate the option to transition to a user-pay system where a commission is deducted from the traveller refund amount to self-fund the digital enhancements.

## 3 Book travel

Once the destination is decided, the traveller books their flights. This can be done directly, via a range of online platforms or first-hand with airlines and cruise lines, or through a travel agent.

Ensure that air capacity settings are appropriate to increase competition and lower costs of airfares by negotiating Bilateral Air Service Agreements that are of strategic importance to Australia's visitor economy.

## 6 Travel insurance

With travel booked and the visa approved, the traveller should consider travel insurance. Travel insurance is essential to ensure travellers can get assistance if things go wrong, including impacted travel plans, medical issues or lost or stolen goods.

Support increased awareness of Smartraveller and its resources, particularly targeting young Australian travellers and those from culturally and linguistically diverse backgrounds.

Actively encourage travellers to take out travel insurance prior to leaving Australia.

## 10 Security check

Once a traveller has passed through check-in and has concluded shopping, and has sought any applicable tax refunds, they progress to security.

Additional funding should be allocated to provide for full implementation of additional security screening systems currently being piloted for Australian airports.

## 4 Apply for visa

If a visa is required for the destination, the traveller must apply and provide necessary documents. Depending on the country and the visa sought, the traveller can do this online or at the relevant embassy or consulate of the destination country.

## 5 Visa approval

After submitting an application for the appropriate visa and waiting for it to be processed, the visa is approved. The traveller receives their visa document, which allows them entry into their destination when they arrive.

## 11 Boarding

Once the flight or cruise is ready for boarding, the traveller presents their boarding pass and passport at the gate. They board the plane or ship and find their seat.

# Inbound travel

## 1 Research and booking

Once the destination is decided, the traveller books their flights. This can be done directly, via a range of online platforms or first-hand with airlines and cruise lines, or through a travel agent.

During this part of the process, travellers compare prices, check for any suitable deals, and choose the most convenient option for their plans. Depending on the platform, travel method, destination and price level, bookings may be non-refundable aside from certain and specific circumstances. Travellers should consider any applicable terms and conditions before purchasing any tickets or making any bookings.

For prospective international travellers, Australia must make booking travel and accommodation as easy as possible. This is particularly important for prospective Chinese travellers now that restrictions following the pandemic have been eased.

In 2019, the Chinese market earned Australia \$12.4 billion and was the largest inbound market. This spend was earned from 1.3 million visitors across the holiday, visiting friends and relatives (VFR), business and education market segments.

Whilst information is made available to Chinese travellers through Australia.cn, there is a lack of integration at the booking point, unlike through platforms such as Trip.com. This platform completes more online bookings to Australia than any other in China.

Support should be provided to Austrade or Tourism Australia to provide training, assistance and grants as required to local travel and tourism operators to encourage them to increase their presence on this platform and others in line with core international markets.

### Travel settings

Inbound and outbound capacity must be expanded to provide opportunities to visit Australia as affordably as possible.

Australian tourism and travel is heavily dependent on inbound and outbound air capacity. While other international travel methods contribute to the visitor economy, air travel carries most travellers to and from Australia. Any limitations on inbound and outbound capacity will stunt the growth of tourism and travel through seat numbers and price competitiveness.

Australia is an expensive destination due to the distance from other countries and our tourism destinations which are geographically disparate. Consequently, Australia is acutely affected by price increases, which can result from a lack of competition and inflationary pressures, and the high cost of travel may be a reason for prospective travellers to look elsewhere.

As of April 2024, 98 per cent of Australia's inbound airline seat capacity has returned. This accounts for 322 international routes into the country. While this is not necessarily translating to travellers coming to Australia, it is imperative that competitive options are available to those who do wish to come here.

To facilitate this, it will be important to maintain the government's longstanding 'capacity ahead of demand' policy to increase travel opportunities, competition and reduce costs for prospective travellers.<sup>4</sup>



Decisions regarding the number of flights available are more crucial for travel and tourism than in the past. Australian travel and tourism has recently been in a comparatively weaker position than in the past when previous Bilateral Air Service Agreement (BASA) decisions were made. As travel and tourism looks to grow beyond 2019 levels, air capacity settings must remain amiable to supporting this.

This work must continue with a view to increasing competition and air capacity, both inbound and outbound.

## Bilateral Air Service Agreements

BASA negotiations should be undertaken in a clear and transparent process, with a clear understanding of the guiding principles and consultation and timeline for the agreements. As these decisions significantly impact travel and tourism, this must be considered in any decision made so that government can make appropriately informed decisions in the national interest.

It would be appropriate for the consumer benefit of each BASA application to be reviewed by the Australia Competition and Consumer Commission (ACCC) and its findings should be publicly released. It is the only government agency that can assess competition settings and ultimate consumer impacts. However, as the ACCC regulates some aspects of the aviation sector, such as airports, its findings would need to be appropriately considered against those views put forward by other stakeholders.

The outcome of any decision should be published. This should include a decision to grant or deny applications for additional bilateral air rights and any appeal of a decision. It would also be appropriate for government to justify the reasons why they have agreed or disagreed with advice provided during the decision-making process. This would not include a need to disclose any current or failed negotiations; however, this should be fed into industry consultations.

Improving these processes will significantly enhance the relevant agencies and Ministers to receive and consider relevant information before making a more informed decision, and further support the growth of travel and tourism.



The Australian Government should continue to negotiate BASAs that are of strategic importance to Australia's visitor economy. This process should have regard to the views of relevant stakeholders, such as ministers, departments, agencies, tourism, travel and aviation industry bodies, as well as the findings of the ACCC



## 2 Apply for visa

Once the traveller has booked their transport to Australia, they will need to apply for the appropriate visa for their trip. This is a key step which requires research, an application and the payment of fees, which continue to rise.

Australia has a number of visas available to travellers. The visa system is also undergoing significant change. Comprehensive reforms to Australia's migration system, while necessary, will complicate an already complex system for travellers in the short and medium-term. As Australia's visa system undergoes reform, it will be important to ensure that prospective travellers are aware of what they need to do before they arrive in Australia as the requirements change.

This is especially the case for which visa they should apply for, and the cost of that visa. Australia has a broad range of visas which a prospective traveller can apply for, each depending on a range of circumstances – for example, if they would like to work while in Australia, or study, or stay for greater than 90 days, each requires a different visa.

At the same time as the visa system undergoes reform, Australia must diversify the markets to which it targets international inbound travellers. It will be important to produce the appropriate materials in the reflective range of languages to ensure all prospective travellers can navigate our system correctly. Making this information easily available will help improve our competitiveness and attractiveness in these regions, which will continue to be important in light of increased costs incurred by international travellers to Australia.

Regardless of changes to the broader visa system, more accessible materials should be made available for Electronic Travel Authorities (ETAs). ETAs are available to travellers with eligible passports – currently, these countries include Canada, Germany, the United Kingdom, the United States, Italy, Japan, Singapore and Malaysia.<sup>5</sup> While there are a range of eligible passports and nationalities on this list, the materials for ETAs are only available in English. Although some citizens of these eligible countries may be able to comprehend English well, there are accessibility issues for those who cannot. This may result in these prospective travellers organising an incorrect visa or a more costly visa that takes longer to process. To reflect the broader and diversifying markets Australia is targeting for travellers, related materials should be available in a wide range of languages other than English. Australian Chamber - Tourism notes that there are materials for travel industry representatives available in Japanese and Korean as well as in English; we would welcome the development of similar materials and application process systems in these and additional languages.

These materials should be prioritised in languages which align with the core international markets identified by Tourism Australia. As the Australian Government's key tourism agency, Tourism Australia is tasked with promoting Australian tourism amidst the fierce competition within the global market to capture tourist spend. Part of their role is in identifying and targeting core international visitor markets – this continues to be essential as Australia seeks to diversify the markets it targets to attract a broader range of travellers from more places of origin, and to encourage these travellers to stay in Australia for longer. Tourism Australia's ability to generate demand for the products and services across the various sectors of travel and tourism cannot be understated. The expertise of Tourism Australia will be imperative in encouraging more international inbound travellers from more destinations to stay in Australia for longer.



**For the core international markets identified by Tourism Australia, the Australian Government should provide visa information in additional languages in an accessible format**



### 3

## Visa approval

Once a traveller has made their visa application, they must await its approval before they are able to enter Australia.

Approvals for Australian visas tend to take a significant amount of time. If travellers do not allow ample time to apply and receive an approved visa, they may not receive a visa ahead of their scheduled travel and are subsequently not allowed to enter the country.

Delays in visa approvals can lead to trip cancellations which have a flow-on effect for travel and tourism. In many cases, travellers who have not received their visa before they leave their initial destination will cancel their trip. This can impact an entire group when only one member has not received a visa in time.

As Australia's visa system undergoes reforms, the efficiency of visa processing systems should be improved, particularly for short-term travellers.

The focus of efficiency targets should be on key international markets, such as India, China and Indonesia, and should be determined with input from Tourism Australia's core markets,<sup>6</sup> as well as any advice and insights they provide on key future markets.

While the government has indicated that visa processing times will be significantly reduced, it is not clear that sufficient resources have been allocated to deliver on this commitment. It will be crucial to ensure appropriate resourcing to implement and ultimately, oversee the operation of the reformed visa process.

### Multiple-entry visas

More multiple-entry visas for key markets, such as those currently available for India and China, should be developed. Multiple-entry visas allow a visa holder to enter and exit Australia multiple times within a specified period.

Key markets for multiple entry visas should be informed by Tourism Australia's advice on other core international visitor markets.



The Australian Government should make multiple-entry visas available for all key markets to encourage return visitation

## 4 Travel insurance

With travel booked and the visa approved, the traveller should consider travel insurance. This is particularly important for those travellers who plan to undertake experiences. Travel insurance in these circumstances will provide peace of mind and, if needed, will help expediate assistance while in-country with more ease.

Some airlines offer insurance to travellers when they make their booking however, it is incumbent upon travellers to check that the type of coverage is adequate for their plans. They should consider a range of options before selecting coverage, if they do opt to take out travel insurance at all.

## 5 Packing and preparation

The traveller should make a packing list and pack accordingly, considering the weather, activities, and duration of their trip to Australia.

## 6 Arrival at departure port and check-in

On the day of departure, the traveller arrives at their departure airport or seaport. They check in their luggage, undertake any shopping, go through security checks and proceed to the boarding gate.

## 7 Travel and on-board experience

Once on board the aircraft or cruise, the traveller settles into their seat, anticipating the hours ahead. They may choose to relax with in-flight or on-board entertainment, catch up on sleep or engage in conversation with their fellow passengers.

As they near arriving in Australia, inbound travellers – whether returning Australian citizens, migrants or tourists – are required to physically fill out a paper slip noting their name and passport number, which country they have travelled from, where they have spent time, and declaring any goods that may be harmful to Australia's biosecurity. While the details sought through the Incoming Passenger Card (IPC) are necessary to protect Australia, requiring passengers to fill out the IPC manually can be tedious and, for those unable to comprehend English well, can be difficult to complete. Further, travellers without a pen are unable to complete the form unless they rely on fellow passengers or attendants.

We encourage border agencies and the government to discontinue the physical IPC and instead rely on information provided by travel providers and travel agents, such as flight details, as well as information collected later in the traveller journey for the required information.



The Australian Government should discontinue the physical IPC and instead utilise information provided by travel providers and travel agents, and information collected later in the traveller journey, for the required information to process arrivals

## 8 Arrival at Australian port

The aircraft or cruise arrives at an Australian port and the traveller deboards. They follow the signs for immigration and customs, where they present their passport and visa for inspection.

While the majority of international inbound travellers enter Australia through airports, many arrive via Australia's 60-plus seaports. As they are not the primary entry method for most travellers, seaports seldom receive the resourcing required to facilitate the smooth entry of travellers into Australia and have a comparative lack of infrastructure investment and processing presence than airports.

To enter some ports, cruise ship operators need to obtain approvals for their arrivals from the Maritime Travellers Processing Committee (MTPC). If MTPC approval is required, cruise ship or large passenger vessel operators or their agents must submit their application in the online portal at least 30 days before the arrival and no more than 2 years in advance. The application must contain the full itinerary, vessel details and port intentions (for example, passenger or crew exchange, or shore excursions).<sup>7</sup> This can be a tedious process.

In the 2022-23 financial year, immediately off the back of restrictive and prolonged COVID-19 restrictions which effectively shut down the Australian cruising industry, the sector delivered a record economic impact worth \$5.6 billion to the national economy.<sup>8</sup> The number of Australians who took an ocean cruise during 2023 reached 1.25 million, slightly above the 1.24 million who sailed in 2019. This swift recover reflects the strong interest shared by international tourists and Australians alike in cruising.<sup>9</sup>

To reflect the increasing prominence of cruising around, to and from Australia, appropriate services must be in place to facilitate passengers without undue delays, to maintain a positive passenger experience. Additional resourcing should be allocated to allow travellers to enter Australia via seaports more expediently, and for cruise ship operators to facilitate this more easily.



The Australian Government should provide additional resources to allow travellers to enter Australia via seaports more expediently including streamlining the MTPC approval process



## 9 Immigration clearance

At the point of immigration clearance, the traveller answers any necessary questions, provides fingerprints if required, and has their visa checked by an immigration officer.

In addition to filling out the IPC on board, inbound passengers on international flights with ePassports are required to provide similar information again once they come to the SmartGate, doubling up unnecessarily. These stations produce a ticket for passengers, which must be scanned and shown to Australian Border Force (ABF) officers during the customs and quarantine process. These two steps are redundant and should be combined to avoid needing a physical IPC.

A concept case between some popular destinations and Australia should be established and funded to ensure the system works effectively before broadening to more arrival countries. Should the test case be successful, funding should be allocated to support the implementation of the process across Australian airports. This must include increased resourcing for the ABF for training of staff and implementation of the new systems.

With improvements to the immigration clearance step and upgrades to SmartGate infrastructure, there should be wide adoption of any positive trials currently underway. For example, the Australian Chamber - Tourism understands that one such trial includes a newer, contactless, one-step version of the SmartGate, which would allow travellers to pass through without requiring their passport to verify their identity. If successful and deployed, such technology would decrease the time taken for travellers to advance through Australian ports.

Ultimately, the goal should be to eliminate the need for the SmartGate altogether; 'passenger on the move' should be the end result. Funding should be allocated to the ABF to develop a business case for and fund the implementation of 'passenger on the move' technology.

For cruise ships, the ABF determine the most efficient and effective method of immigration clearance, and it is operated manually. This could include clearance on a wharf (at a dedicated or temporary facility, or en route) between the last port overseas and the first port of arrivals in Australia. There is an opportunity to implement a technical solution to facilitate travellers in a more expedient manner, and to alleviate resourcing pressures for the ABF and other frontline agencies.



The Australian government should invest in the rollout of 'passenger on the move' technology as an alternative to SmartGates

## 10 Collect luggage

After clearing immigration, the traveller will proceed to the baggage claim area to collect their luggage.



## 11 Customs check and quarantine

The traveller proceeds to the customs area, where they are required to declare any restricted or prohibited items.

Australia has a robust system for protecting our biosecurity. Many of the current measures are necessary to ensure as best as possible that damaging environmental hazards do not make their way into Australia.

To enforce compliance with the strict rules and regulations, there are hefty fines and penalties for those who attempt to bring in restricted items without declaring them.

The IPC completed manually on the plane, as well as the printed ticket from the SmartGate, are needed for this step in the traveller journey. Were a digital IPC model to be adopted, customs officers could simply scan a QR code or the like and direct travellers to the relevant area as opposed to relying on two paper documents.



The Australian government should digitise the biosecurity declaration process as part of the IPC removal

## 12 Exit from port, entry to Australia

With luggage in hand and having cleared customs, the traveller makes their way to the transportation options available at the airport or seaport to reach their destination.

# Outbound travel

## 1 Obtain a passport

Every Australian traveller requires a passport to travel abroad. Australian citizens are entitled to be issued with a passport under the Australian Passports Act 2005.

To obtain an Australian passport, the traveller must fill out an application, provide the necessary documentation, and pay the required fee – this ranges from \$175, for those under 16 and 75 or over, to \$346, which was further increased in July 2024 to \$398.<sup>10</sup>

Passport applications or renewals can be completed at an Australia Post outlet, at an Australian Passport Office (APO) or online if the applicant fulfils the required criteria for a passport renewal.

Following the increase in passport fees announced in the 2023-24 Mid-Year Economic Fiscal Update (MYEFO), which included a second increase of 15 per cent to apply from July 2024, Australia now has the second highest fee in the world to apply for a passport. The high price is increasingly becoming an issue due to the impact it is having on renewals. Whereas the trend previously was to renew a passport upon expiration, since the COVID-19 pandemic restrictions there has been a lag with renewals.

In the context of Australia's passport being one of the highest priced in the world, combined with an unusually high CPI environment, the automatic indexing of passport fees should be abolished, and the method for increasing passport application fees should be reviewed.

Despite the high passport fees, Australia is currently lagging other developed countries on digital renewal processes. The funding for the APO is largely variable and it does not receive an appropriation commensurate with the increase in passport fees.

It is essential that the APO is provided the necessary appropriation to remove the need for paper applications for renewing passports and further enhancing the digital pathway for passport application and renewal processes. We recommend additional investment to further the digitisation of the application process. This additional funding should be sourced from the revenue derived through the increases to passport fees, estimated to raise \$349.0 million over three years from 2024-25.<sup>11</sup>

In addition, the current application process has remained largely unchanged since the 2017 procurement process. Australian passports should be available from additional providers, such as those in the travel and tourism industry. For example, by expanding this process to approximately 2,000 travel businesses, Australians can be supported by a travel professional who will be able to provide higher levels of customer service than that of the existing provider with no increase in expenditure to the government. This would enable travel and tourism professionals to conduct interviews for new passports and allow travellers to collect their passports from businesses other than Australia Post outlets.



The Australian government should provide additional investment for the APO to enhance the digital pathway for the passport application and renewal process

Expand the application and renewal process to enable additional providers in the travel and tourism supply chain to receive passport applications



## 2 Research destination

The traveller should research their destination to gather information about applicable visa requirements, tourist levies, local laws and customs, either themselves or with the assistance of an expert travel consultant.

Different countries are also subject a range of restrictions and warnings as determined by the Australian government. This information is available on the Smartraveller website, maintained by the Department of Foreign Affairs and Trade (DFAT), and is updated regularly. Australian travellers should consult this source before proceeding with any bookings.

During the COVID-19 pandemic and subsequent restrictions, travellers opting to leave Australia had to research whether they were able to leave, and whether they would be able to return if they wished to. While these restrictions are no longer in place, there may be circumstances in the future where similar restrictions are required, or are in place, which affect Australians wishing to travel internationally.

Accordingly, communications between and from state and territory and the federal government to industry and the public must be more cohesive, and there must be greater transparency for the requirements for the easing of restrictions. This could be aided by establishing a coordination mechanism to improve the pandemic response at a federal level, with a particular focus on effective stakeholder engagement.

The appropriation to maintain Smartraveller should be maintained as a priority



Communications between and from state and territory and the federal government to industry and the public must be more cohesive. There must be greater transparency for the requirements for the easing of restrictions

A coordination mechanism should be established to improve the pandemic response at a federal level, with a particular focus on effective stakeholder engagement. Such a body must include representation from travel and tourism



### 3 Book travel

Once the destination is decided, the traveller books their flights. This can be done directly, via a range of online platforms or first-hand with airlines and cruise lines, or through a travel agent.

During this part of the process, travellers or their travel advisor will compare prices, check for any suitable deals, and choose the most convenient option for their plans. Depending on the platform, travel method, destination and price level, bookings may be non-refundable aside from certain and specific circumstances. Travellers should consider any applicable terms and conditions before purchasing any tickets or making any bookings.

Just as increased competition and capacity is important for enabling more inbound international travellers, it is also an important lever for enabling Australians to travel internationally, and to lower costs for visitors when returning home. The right air capacity settings will provide ample opportunities for travellers to select the cheapest and most convenient travel option possible.



Ensure that air capacity settings are appropriate to increase competition and lower costs of airfares by negotiating BASAs that are of strategic importance to Australia's visitor economy

### 4 Apply for visa

If a visa is required for the destination, the traveller must apply and provide necessary documents. Depending on the country and the visa sought, the traveller can do this online or at the relevant embassy or consulate of the destination country.

Travellers must ensure they allow for an appropriate amount of time for a visa to be approved before they undertake their travel, as if they have not received their visa they may be prevented from entering the destination country.

For some countries, such as Indonesia, Australian travellers may be eligible for a Visa on Arrival, which does not require any forms or payments on top of travel and accommodation bookings until they arrive in an eligible airport.

### 5 Visa approval

After submitting an application for the appropriate visa and waiting for it to be processed, the visa is approved. The traveller receives their visa document, which allows them entry into their destination when they arrive.

## 6

## Travel insurance

With travel booked and the visa approved, the traveller should consider travel insurance. Travel insurance is essential to ensure travellers can get assistance if things go wrong, including impacted travel plans, medical issues or lost or stolen goods.

Even if travelling to a perceivably 'safe' destination, insurance is an important component to preparing for any trip. Medical expenses are the number one reason to get insurance, but sometimes other things can go wrong, such as trip cancellations, delays, lost luggage or events such as natural disasters and pandemics. In many cases, the Australian government may not be able to assist and cannot pay any bills, including medical bills, which may cause severe financial distress. Travellers should be actively encouraged to purchase travel insurance prior to leaving Australia, noting these risks.

Some airlines or credit cards offer insurance to travellers when they make their booking however, it is incumbent upon travellers to check that the type of coverage is adequate for their plans. They should consider a range of options before selecting coverage. Travel professionals also play an important role in providing insurance offerings to customers.

A survey conducted by DFAT and the Insurance Council of Australia in August 2023 found that one in six travellers were not covered by travel insurance during their last overseas trip.<sup>12</sup> Those not covered by travel insurance were also significantly more likely to have not thought about any risks before travelling (34 per cent) while only 8 per cent of those who considered any pre-travel risks opted to not take out travel insurance.<sup>13</sup> This is particularly prevalent among younger travellers, with only 35 per cent of those under 30 considering pre-travel risks compared to 48 per cent of travellers over 30.<sup>14</sup>

The survey found 41 per cent of respondents noted that they would consider travelling without insurance in future,<sup>15</sup> most indicating this was because they were returning to somewhere perceived to be safe or familiar.

Australia's Smartraveller website, maintained by DFAT, provides helpful resources for Australians preparing to travel overseas or for Australian citizens already overseas. Even if travelling to a 'safe' destination, Smartraveller still advises that traveller should exercise a reasonable degree of caution in their endeavours, and to consider taking out travel insurance.

As the survey identified, there must be increased awareness of Smartraveller among younger Australians as well as those who are from culturally and linguistically diverse backgrounds.<sup>17</sup>



**Support increased awareness of Smartraveller and its resources, particularly targeting young Australian travellers and those from culturally and linguistically diverse backgrounds**

**Actively encourage travellers to take out travel insurance prior to leaving Australia**

## 7 Packing and preparation

The traveller should make a packing list and pack accordingly, considering the weather, activities, and duration of their trip.

They should also check the baggage restrictions of their airline and any security requirements when checking in at the air or seaport. For travellers departing Australia, this information is available from the ABF website, although may differ slightly from airport to airport.

Australian airports are undergoing significant security equipment upgrades to enhance safety and streamline operations. These include the deployment of advanced screening technologies like CT scanners and body scanners, the implementation of biometric identification systems, and the use of enhanced explosive detection methods. The aim is to maintain robust aviation security and improve the overall passenger experience. However, procedures may vary slightly between Australian airports as these upgrades are made.



## 8 Port arrival and check-in

On the day of departure, the traveller needs to arrive at the air or seaport early and check-in for their flight or cruise. This involves presenting their passport and required travel documentation to the airline or cruise ship staff.

While Australia previously had a strategy for modernisation of the check-in process, there is now a clear need for an overarching strategy bringing together government service providers, infrastructure owners, suppliers and travel management companies.

This work should be undertaken wholistically, encompassing both airports and seaports. There is a risk that Australia continues to implement a two-tiered approach: one for airports and another for seaports. This would be detrimental to Australia's overall competitiveness and will have negative implications for productivity improvements.

We understand that this work is ongoing within government and with industry. We urge the government to prioritise this work with airports, airlines and border agencies to adopt agreed models as a matter of urgency. The technology required and improved processes already exist internationally which work to alleviate pressures around workforce shortages and to improve the passenger experience.



**Develop an overarching strategy for modernising the check-in process, across both airports and seaports. This must be through consultation with government service providers, infrastructure owners, suppliers and travel management companies**

## 9 Shopping and tax refund

Once travellers have progressed through check-in, they are able to take advantage of duty-free (or reduced tax) shopping opportunities within the airport as they wait to go through security and board their flight or cruise.

Unlike other countries, Australia is not a 'stopover' destination and does not wholly rely on state-of-the-art shopping services to attract travellers. While shopping may not be a key driver for travellers to ultimately choose Australia as a destination, for many it is a key activity and point of expenditure during their visit.

Tourism Australia research found that shopping ranks as the third most popular experience for travellers globally,<sup>18</sup> with more than a quarter of out of region travellers interested in outlet or duty-free shopping while in Australia.<sup>19</sup>

Despite the importance of this element of the traveller experience, Australia's Tourist Refund Scheme (TRS) currently has a 2.3 star rating on Google from 137 reviews,<sup>20</sup> with many one star reviews commenting on their experience as negative.

As a way to improve this experience, the government should evaluate the option to transition to an outsourced system where a commission is deducted from the traveller refund amount to self-fund the digital enhancements. This world's best practice is used by other countries operating similar schemes.

Any costs incurred through modernising the TRS through new technology, processing, and operation costs would be covered by the commission paid by travellers from their TRS refund, not the government. The commission would not need to be a significant amount and, for many travellers, would likely be considered a worthy contribution towards a more efficient refund scheme. Outsourcing this process would also reduce the administrative burden on ABF officers, allow those resources to be redeployed to higher duties and will enhance fraud detection and prevention, allowing ABF and the Australian Taxation Office to better risk-assess certain claims and travellers.

A reformed TRS system, in line with many others around the world, would also significantly improve the traveller experience. It would enable travellers to purchase items and claim eligible refunds without manually filling in documentation or lining up in person ahead of their flight. It would allow travellers to take control of their shopping experience instead of relying on the resourcing of the ABF on any given day when they may need help to receive their eligible refund.

This digital system would also facilitate shopping insights back to retailers and tourism authorities and associations. Currently, there is limited communication regarding shopping trends; allowing better flow of this information to retailers would enable them to better cater to customers.

Reform of the TRS also offers significant benefits for the visitor economy more broadly. Economic modelling commissioned by the Tourism Shopping Reform Group (TSRG) indicates that an outsourced, digital TRS would enhance Australia's competitiveness as a tourism shopping destination and could result in additional Australia-wide visitor economy expenditure of \$226 million a year (\$175.6 million tourist shopping and \$50.7 million on other services) and an extra 18,000 international visitor arrivals to Australia a year.



**The TRS should be digitised and outsourced. The Australian government should evaluate the option to transition to a user-pay system where a commission is deducted from the traveller refund amount to self-fund the digital enhancements**

## 10 Security check

Once a traveller has passed through check-in, concluded shopping, and has sought applicable tax refunds, they then progress to security.

In Australia, while Department of Home Affairs sets the broad requirements and outcomes for aviation security, including setting the requirements for passenger screening, the delivery of aviation security services is the direct responsibility of airports and their contractors.<sup>21</sup> As a result of this division, there can be slightly different procedures for different Australian airports.

There is an immediate need to alleviate pressures on security processes. This is a sore spot for many travellers, both domestically and internationally, and while it is a necessary part of the process to ensure the safety of all travellers and relevant workers, it is regrettable that this step in the traveller journey tends to be a bottleneck at every airport.

Additional resources should be allocated as soon as practicable to increase staffing at these points and to facilitate passengers more expediently. Additional screening points should be installed where possible following engagement with airports, noting that airports are currently required to shoulder the costs of this aspect of the passenger journey. Financial support should be made available to airports to achieve this as required, with a particular focus on rural and regional airports.

### International to domestic travel

Australian Chamber - Tourism understands trials are currently being conducted which allow passengers transiting through a port from an international service to a domestic service to be processed without re-undertaking security screening procedures. While some security measures would be necessary for those who seek to board another aircraft or vessel, the need to double up on the same processes and procedures should be eliminated where possible. Not only does this allow travellers to advance through these stages more quickly but also reduces the pressure on border officials and systems.

Funding should be allocated for this trial to continue and, if successful, to be rolled out across Australian airports. It will be important to ensure that any changes take into account any biosecurity requirements and risks, to maintain Australia's stringent and necessary protections where warranted.



Additional funding should be allocated to provide for full implementation of additional security screening systems currently being piloted for Australian airports

## 11 Boarding

Once the flight or cruise is ready for boarding, the traveller presents their boarding pass and passport at the gate. They board the plane or ship and find their seat.

For non-Australian travellers, this is the last contact they will have with Australia until their hopeful return. To ensure they do come back and recommend Australia to their friends and families, we must ensure their traveller experience is positive. While we can be confident they have enjoyed their time in Australia, we must also ensure that their first and last experiences are positive as well. The measures contained in this document, as set out above and if adopted, would assist in achieving this.

# Funding of these measures

A long-term funding structure for the ongoing improvement of Australia's passenger journey is needed. While initial improvements must be made to bring Australia in line with global standards, this is not a 'set and forget' task; continual improvements will be required to enhance the visitor experience and facilitate productivity gains where available.

Australian Chamber - Tourism notes the \$93.7 million 'Seamless Traveller' initiative introduced in the 2015-16 Budget over five years.<sup>22</sup> This initiative sought to partner with industry to allow streamlined, self-processing of air travellers' clearance, reduce airport congestion and improve the passenger experience. A similar initiative, with adjusted funding to account for inflation, will likely be necessary to support continued improvements to the passenger journey.

However, without such an initiative, the funding needed to implement many of the recommendations can be derived from existing revenue sources, specifically:



## Passenger Movement Charge

The Passenger Movement Charge (PMC) is a tax imposed on travellers departing Australia for another country, whether or not they return. The passenger movement charge is ordinarily collected by the carrier (airline, shipping companies and air charter operators) at the time a ticket is sold to a passenger.

The 2023-24 Federal Budget included an increase to the PMC by \$10 from 1 July 2024 which is forecast to raise an additional \$520 million in revenue over the forward estimates.<sup>23</sup>

Despite the increased fees and revenue gained as a result, it is not guaranteed that this revenue will be allocated towards improving passenger facilitation. Regrettably, the PMC has moved far from its original intention which was to recover the necessary costs associated with border processing. At present, funds collected through the PMC are directed into consolidated revenue.

Australian Chamber - Tourism urges the government to direct the funds raised through the PMC to modernising passenger facilitation as set out above in order to improve the passenger experience and fund agencies who support this process.

## Increases to the cost of Australian passports

The cost of passports was increased by 15 per cent in the 2023-24 MYEFO.<sup>24</sup> While this measure should not impact the recovery of inbound Australian travel and tourism, the MYEFO papers indicate that the additional revenue from the measure (an estimated \$349 million over three years) will be allocated to support priorities in the Foreign Affairs and Trade portfolio.<sup>25</sup>

Australian Chamber - Tourism urges the government to direct these funds towards improving aspects of the passenger journey.

# References

- [1] World Economic Forum (2022), [Travel & Tourism Development Index 2021: Rebuilding for a Sustainable and Resilient Future](#), 24 May 2022, pg.13.
- [2] World Economic Forum (2022), [Interactive Data and Economy Profiles](#), 24 May 2022.
- [3] Ibid.
- [4] Department of Infrastructure, Transport, Regional Development, Communications and the Arts (2023), [Aviation Green Paper: Towards 2050](#), September 2023, pg.186.
- [5] Department of Home Affairs (2024), [Subclass 601 Electronic Travel Authority](#), 15 February 2024.
- [6] Tourism Australia (n.d.), [Market Regions](#).
- [7] Australian Border Force (2024), [Requirements for cruise ships, large passenger vessels and superyachts entering Australia](#), 21 February 2024.
- [8] Cruise Lines International Association Australasia (2024), [Cruise lines boost Australian presence in a big year for cruising](#), 4 January 2024.
- [9] Cruise Lines International Association Australasia (2024), [Australian cruise passenger numbers recover](#), 16 April 2024.
- [10] Department of Foreign Affairs and Trade (n.d.), [Passport fees](#).
- [11] The Treasury (2023), [Mid-Year Economic and Fiscal Outlook 2023-24](#), 13 December 2023, pg.186.
- [12] Quantum Market Research (2023), [ICA and DFAT: Travel Insurance Survey 2023](#), August 2023, pg.26.
- [13] Ibid.
- [14] Ibid pg.12.
- [15] Ibid pg.33.
- [16] Ibid pg.34.
- [17] Ibid pg.15.
- [18] Tourism Australia (2022), [The Future of Tourism Demand](#), November 2022, pg.153.
- [19] Ibid, pg.156.
- [20] Current to June 2024.
- [21] Department of Home Affairs (2024), [Passenger screening](#), 27 March 2024.
- [22] Department of Immigration and Border Protection (2015), [Industry Engagement Strategy 2020: Trade, Customs and Traveller](#), pg.5.
- [23] Passenger Movement Charge Amendment Bill 2024: Explanatory Memorandum, pg.2.
- [24] The Treasury (2023), [Mid-Year Economic and Fiscal Outlook 2023-24](#), 13 December 2023, pg.186.
- [25] Ibid.



# About Australian Chamber - Tourism

Australian Chamber - Tourism is a peak body representing Australian businesses engaged in the visitor economy. It brings together key participants in the tourism and travel sector to advocate better policies, including tax, regulation, tourism marketing, research, labour supply, visas and infrastructure. Australian Chamber - Tourism is part of the Australian Chamber of Commerce and Industry, Australia's largest and most representative business network.

The Australian Chamber of Commerce and Industry (ACCI) represents hundreds of thousands of businesses in every state and territory and across all industries. Ranging from small and medium enterprises to the largest companies, our network employs millions of people.

ACCI strives to make Australia the best place in the world to do business – so that Australians have the jobs, living standards and opportunities to which they aspire.

We seek to create an environment in which businesspeople, employees and independent contractors can achieve their potential as part of a dynamic private sector. We encourage entrepreneurship and innovation to achieve prosperity, economic growth, and jobs.

We focus on issues that impact on business, including economics, trade, workplace relations, work health and safety, and employment, education, and training.

We advocate for Australian business in public debate and to policy decision-makers, including ministers, shadow ministers, other members of parliament, ministerial policy advisors, public servants, regulators and other national agencies. We represent Australian business in international forums.

We represent the broad interests of the private sector rather than individual clients or a narrow sectional interest.

## Future Traveller Working Group

Australian Chamber - Tourism's Future Traveller Working Group (the Working Group) was created to develop a comprehensive strategy to address the challenges and opportunities of the future of travel.

Over the past 12 months, the Working Group has met a series of times and heard from a number of industry leaders who have worked closely with international partners on innovative projects to improve passenger facilitation. The Working Group also heard from government on the work underway. All of these discussions have helped inform the recommendations set out above.

We thank those who have contributed to our work.

# Australian Chamber - Tourism members

