

TOURISM WESTERN AUSTRALIA ANNUAL REPORT 2021 - 22

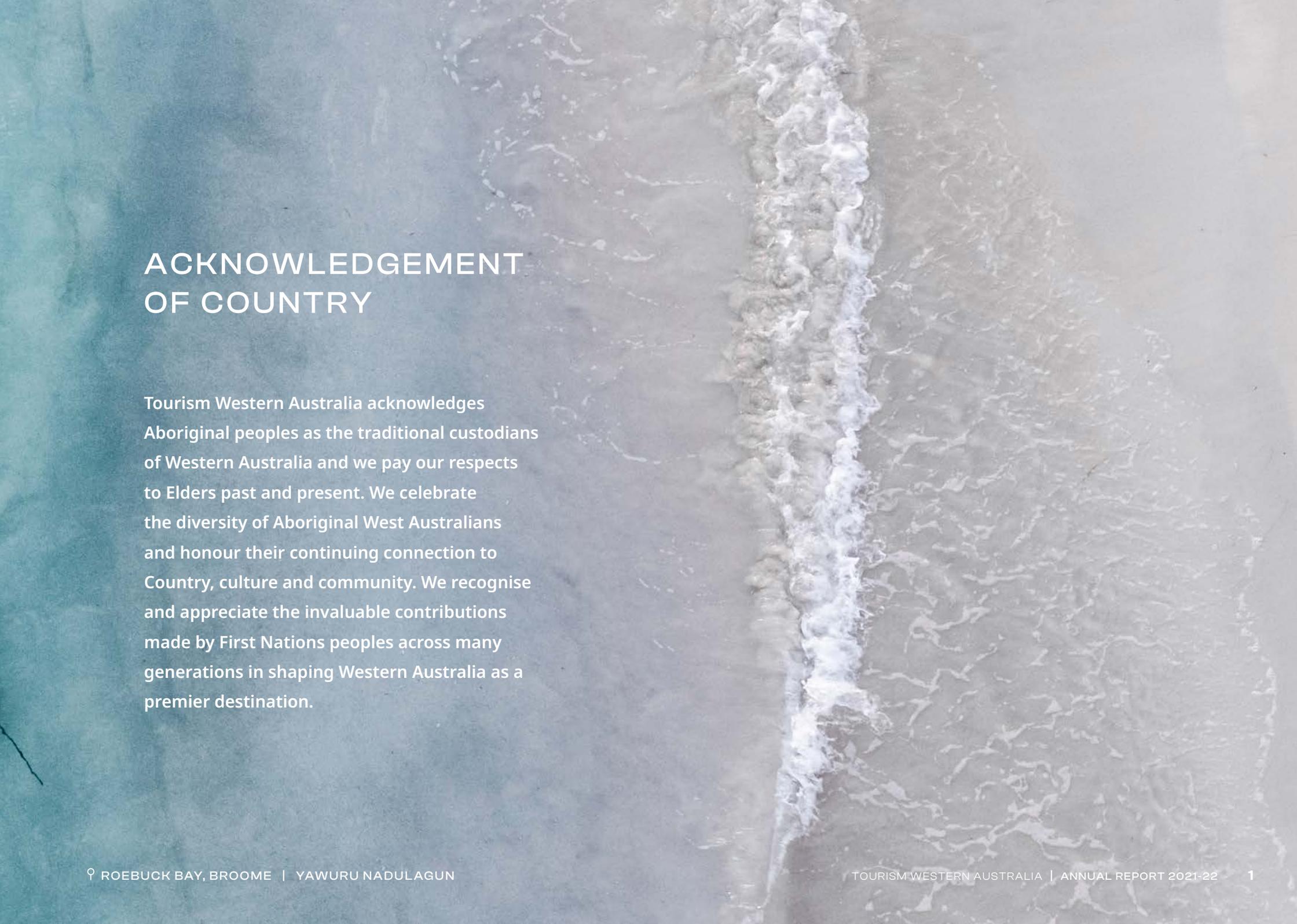


WESTERN
AUSTRALIA

CONTENTS

MESSAGE TO THE MINISTER	2	3.0 DISCLOSURES AND LEGAL COMPLIANCE	46
1.0 OVERVIEW	5	3.1 Independent Auditor's Opinion	48
1.1 Executive Summary	5	3.2 Financial Statements	54
2.0 AGENCY PERFORMANCE	18	3.3 Key Performance Indicators	97
2.1 Report on operations	18	3.4 Ministerial Directives	111
2.2 Actual Results versus Budget Targets	44	3.5 Other Financial Disclosures	111
2.3 Key Performance Indicators	45	3.6 Other Legal Requirements	114



An aerial photograph of a beach, showing the ocean waves crashing onto the shore. The water is a deep blue-green, and the sand is a light tan color. The waves are white and foamy as they break. The overall scene is serene and natural.

ACKNOWLEDGEMENT OF COUNTRY

Tourism Western Australia acknowledges Aboriginal peoples as the traditional custodians of Western Australia and we pay our respects to Elders past and present. We celebrate the diversity of Aboriginal West Australians and honour their continuing connection to Country, culture and community. We recognise and appreciate the invaluable contributions made by First Nations peoples across many generations in shaping Western Australia as a premier destination.

STATEMENT OF COMPLIANCE

TO THE HONOURABLE ROGER COOK MLA, DEPUTY PREMIER AND MINISTER FOR TOURISM

In accordance with Section 63 of the *Financial Management Act 2006*, it is my pleasure to submit for your information and presentation to Parliament, the Annual Report of the Western Australian Tourism Commission (operating as Tourism Western Australia) for the reporting period ended 30 June 2022.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006*.

The financial statements comply with the Australian Accounting Standards – Reduced Disclosure Requirements issued by the Australian Accounting Standards Board.



Di Bain

Chair

Tourism Western Australia

September 2022







IN ONE OF THE BIGGEST SPORTING COUPS OF THE YEAR, PERTH HOSTED ITS FIRST-EVER AFL GRAND FINAL IN SEPTEMBER. THIS HISTORIC OCCASION WAS ONLY THE SECOND TIME A GRAND FINAL HAD BEEN PLAYED OUTSIDE OF VICTORIA IN THE GAME'S 124-YEAR HISTORY, WITH THE MATCH VIEWED BY NEARLY 4.5 MILLION PEOPLE ACROSS THE COUNTRY.



1.0 OVERVIEW

1.1 EXECUTIVE SUMMARY

MESSAGE FROM THE CHAIR

The 2021-22 financial year was an extraordinary 12 months for the WA tourism industry, and an exceptional time to begin my tenure as Chair of the Tourism WA Board of Commissioners.

Two years of unprecedented challenges also presented unique opportunities and the second half of the 2021-22 financial year became a time to make progress. When travel restrictions were eased in March, a new era for tourism was born, and I was immensely proud at the speed with which Tourism WA was able to roll out its extensive plans to elevate WA on the world stage.

The first half of the financial year saw the agency land significant wins, especially in the events space, as we held some of our biggest ever national and international sporting contests.

In one of the biggest sporting coups of the year, Perth hosted its first-ever AFL Grand Final in September 2021.

This historic occasion was only the second time a Grand Final had been played outside of Victoria in the game's 124-year history, with the match viewed by nearly 4.5 million people across the country.

Also in September, one of the world's biggest sporting rivalries returned to Optus Stadium, with the Rugby Union Bledisloe Cup battle between Australia's Wallabies and the New Zealand national team, the All Blacks. The match generated \$3.4 million in media value and gained almost 1.6 million television viewers across Australia and in Tourism WA's key international markets.

By the end of 2021, the WA tourism industry had turned a corner, with the end of closed borders in sight, and the announcement of the Western Australian Government's \$195 million Reconnect WA package. A significant portion of this funding was earmarked for Tourism WA projects to drive awareness, consideration and bookings for WA in interstate and international markets when travel restrictions eased.

This included a \$75 million Aviation Recovery Fund to support the recovery of the State's aviation networks.

In March 2022, WA reopened to the world and reaffirmed its status as the Western Gateway to the country. Since then, it has been a period of significant productivity and hard work for the agency, as we worked to activate carefully-laid plans developed in the closed border environment, to maximise opportunities when the time was right.

And maximise we did – almost as soon as the borders reopened, Tourism WA hit the ground running with a \$12 million east coast marketing blitz, led by an interstate iteration of our hugely successful intrastate Wander Out Yonder campaign.

1.0 OVERVIEW

We encouraged all Australians to ‘Wander Out Yonder’ and explore WA’s coastlines, premium food and wine, exceptional art and culture, and ancient Aboriginal history through a series of high-impact marketing initiatives.

Importantly, 2021-22 was also the first year of implementation of the *Jina: WA Aboriginal Tourism Action Plan 2021-2025* (Jina Plan).

Developed by Tourism WA in collaboration with seven other government agencies, alongside the WA Indigenous Tourism Operators Council (WAITOC) and the Aboriginal tourism industry, this important body of work outlines how the WA Government, through Tourism WA, will make WA the nation’s premier destination for authentic Aboriginal tourism, and how we will support a range of initiatives, including the development of new Aboriginal tourism experiences, training to help Aboriginal people to work in the tourism industry, and the development of administration and booking systems to support Aboriginal tourism businesses.

One of these initiatives was the opening of the sixth Camping with Custodians Campground on

Bardi Country at Djarindjin in June, on the tip of the Dampier Peninsula. I was privileged to attend this opening as the Tourism WA Chair and was immensely proud of the role the agency played in supporting the local community to create such a special place for visitors to experience the world’s oldest living culture in a personal, authentic setting.

As we close this financial year, I would like to thank the Premier of Western Australia, the Hon Mark McGowan MLA; the Deputy Premier and Minister for Tourism, the Hon Roger Cook MLA; and our former Minister for Tourism and current Minister for Culture and the Arts, the Hon David Templeman MLA; for their collective continued support of our industry.

I would also like to acknowledge former Tourism WA Acting Managing Director Derryn Belford, and the Tourism WA Board of Commissioners – Deputy Chair Manny Papadoulis and Commissioners Anneke Brown, Janelle Marr and Kevin Brown, as well as former Commissioner Kia Dowell, who have each provided excellent leadership in guiding the agency and the sector through a period of ongoing challenges.

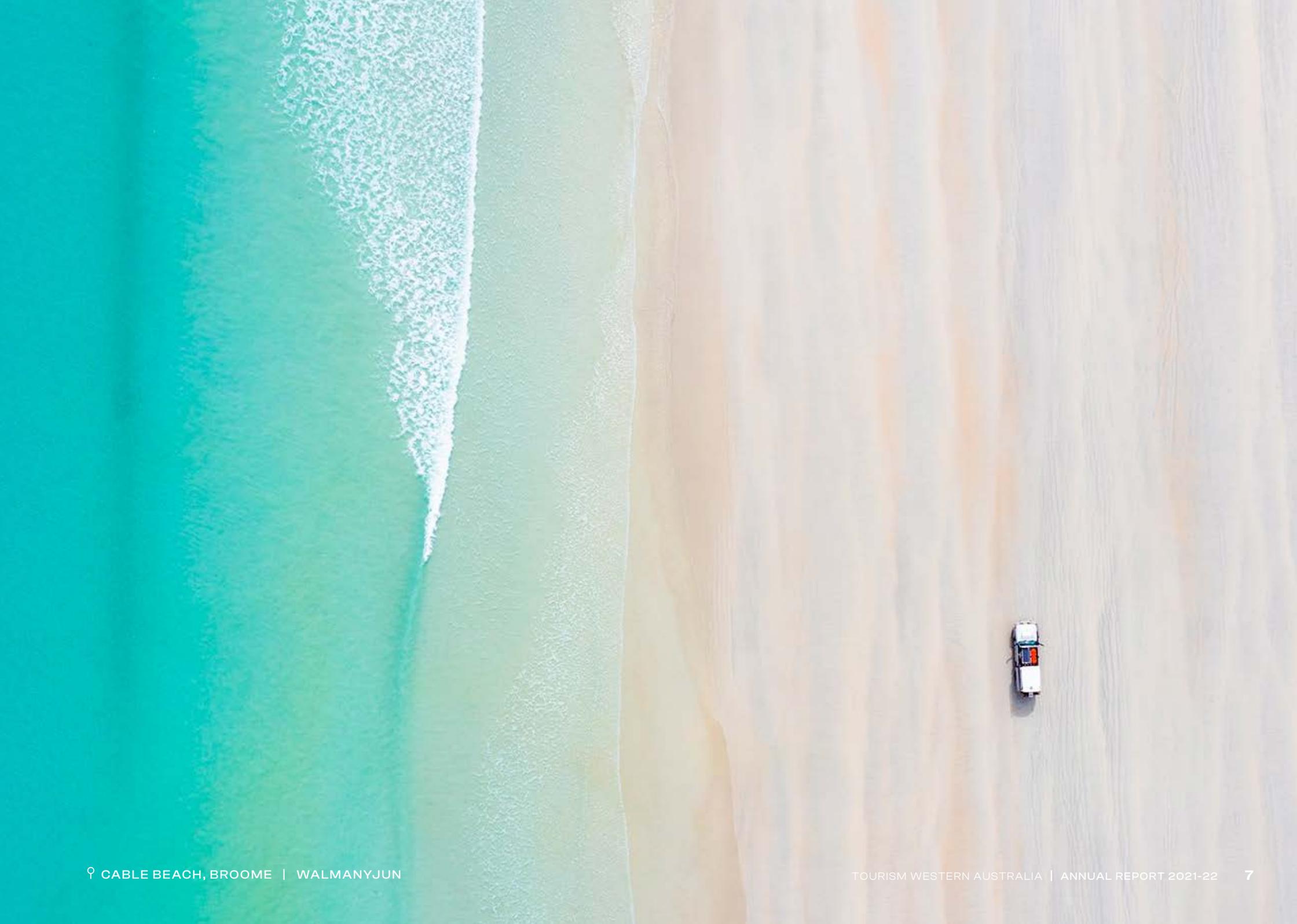
Similarly, I would like to thank the WA tourism industry as a whole for its unwavering tenacity of spirit, and continued support and engagement with Tourism WA throughout the year.

Last but not least, I would like to sincerely thank all Tourism WA staff – inspirationally led by both Chief Executive Officer, Rebecca Brown, and Managing Director, Carolyn Turnbull – for all the hard work, professionalism, commitment and enthusiasm during this varied time of both great challenges and great opportunity.



Di Bain
Chair
Tourism Western Australia

September 2022



1.0 OVERVIEW

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

In a year marked by changing conditions, 2021-22 was a unique year for the tourism industry.

We entered the new financial year with a positive outlook, while continuing to manage the impacts of the COVID-19 pandemic, and looking forward to a time when the industry could welcome interstate and international visitors once more.

It is fitting to acknowledge the hard work that took place before the reopening of the WA border. During this period, Tourism WA played a critical role in informing, updating and supporting the tourism industry to sustain operations within an intrastate-focused environment; delivering critical funding packages like the Tourism and Travel Agent Support Fund; and in guiding the industry to prepare for the reopening of the borders and the resumption of interstate and international travel.

Since our borders opened in March, the industry has seen a flurry of activity and initiatives supported by the WA Government.

The Department of Jobs, Tourism, Science and Innovation (JTSI), together with Tourism WA, is responsible for delivery of the \$195 million Reconnect WA package, ensuring that businesses and industries have had the competitive edge for Western Australia to welcome back travellers, workers, students and investors from overseas and interstate.

In addition, the WA Government launched its \$77 million **Safe Transition Industry Support Package**, which included nine support programs delivered by JTSI for the international aviation, education, events and tourism industries.

As we welcome back visitors to Western Australia, filling job vacancies across the State remains a priority, and Tourism WA's marketing efforts have continued to focus on attracting Working Holiday Makers (WHMs) from interstate and the United Kingdom and Europe, as well as from Japan and South Korea.

In May 2022, Tourism WA delivered the 'Paid Escape' campaign, targeting both WHMs already in Australia, and potential WHMs from overseas. This \$850,000 initiative, supported by Reconnect WA funding, promoted Western Australia as the ideal location to live, work and travel, with the aim of boosting the workforce at key tourism destinations and regional locations, which are heavily reliant on seasonal WHMs.

This initiative was shortly followed by the launch of Tourism WA's and the Australian Hotels Association WA's tourism and hospitality jobs website, westernaustralia.jobs – a bespoke website that continues to help fill critical vacancies for the State's tourism and hospitality businesses, especially in regional areas.

While we progress with building our workforce and experience development at home, our focus is also on our international markets, with many key trade missions and aviation agreements completed, or in planning, as we continue to reconnect Western Australia to the world.

We are also looking beyond to other industries, including international education, as we continue to support a thriving tourism sector through the lens of Diversify WA – the WA Government’s blueprint for economic diversification in the State.

I was also very pleased to announce the appointment of Tourism WA’s Managing Director Carolyn Turnbull to lead the agency in this important work, and I would like to thank Carolyn and her team for all their significant hard work during 2021-22.

I look forward to the coming year and to welcoming more visitors to Western Australia, and strengthening our relationships with our tourism partners.



Rebecca Brown

Chief Executive Officer
Tourism Western Australia

September 2022

WE ARE WELCOMING BACK
THE WORLD, AS AUSTRALIA'S
WESTERN GATEWAY; THE
LARGEST STATE; AND A TRULY
AUTHENTIC, UNDISCOVERED
DESTINATION THAT OFFERS
ONE-OF-A-KIND EXPERIENCES
FOR GLOBAL TRAVELLERS.

1.0 OVERVIEW

MESSAGE FROM THE MANAGING DIRECTOR

After withstanding the most significant global challenge our industry has ever seen, Western Australia has emerged on the other side as one of the strongest experiential destinations in the country, and as a State with a distinctive and aspirational identity.

We are welcoming back the world, as Australia's Western Gateway; the largest State; and a truly authentic, undiscovered destination that offers one-of-a-kind experiences for global travellers.

It was a privilege to be appointed to the role of Tourism WA's Managing Director in October 2021, after heading up the agency's Industry, Aviation and Markets division since 2020.

As Managing Director, I have been immensely proud to work closely with the WA Premier, the Hon Mark McGowan MLA; Deputy Premier and Minister for Tourism, the Hon Roger Cook MLA; and former Minister for Tourism and current Minister for Culture and the Arts, the Hon David Templeman MLA.

Alongside Tourism WA Chief Executive Officer, Rebecca Brown, and the Tourism WA Board of Commissioners, led by Chair Di Bain, we have worked towards realising the collective vision of the agency and the WA Government to make Western Australia the most desirable choice for domestic and international visitors. In 2019, the tourism industry in Western Australia contributed nearly 100,000 jobs and \$13.5 billion in visitor spend to the State's economy.

It is our goal to not only recover this position, but to exceed these levels, and create a visitor economy that is the second largest sector in WA by 2032.

To achieve this goal, Tourism WA is working towards a 10-year strategy with four stages:

- Reopen;
- Reset;
- Rebound;
- Regenerate.

Despite obvious challenges, we effectively optimised the period of intrastate-led travel within the first half of the year to drive visitor spend for tourism businesses in WA's five regional tourism areas. We did this by delivering various WA Government support packages, and by developing marketing, events and experience development plans and programs that were ready to be implemented as soon as travel restrictions were eased.

With the announcements of the WA Government's \$195 million Reconnect Package in December 2021 and the border reopening in March, Tourism WA shifted its focus from the Reopen, intrastate-focused phase, back to interstate and international marketing activity, sharing WA's unique story with the rest of the country and the world, and commencing the Reset phase of our 10-year plan.

1.0 OVERVIEW

A critical component of the WA Government's Reconnect strategy has been restoring aviation access, with the package comprising a \$75 million aviation fund to re-establish international and interstate flight routes that were disrupted by the pandemic. I am pleased to report that, in 2021-22, we are already well on our way towards rebuilding WA's aviation capacity.

In April, we celebrated the inaugural direct flight between Melbourne and Busselton-Margaret River Airport, operated by Jetstar. This route was a long time in the making and is a critical new entry point to the State that makes our fantastic South West region more accessible for interstate visitors, as well as for international visitors to include as part of their Australia-wide itineraries.

This domestic flight success was shortly followed by the early return of Qantas' direct flights from London – a vital and popular route which connects the State to one of our most important international markets.

The early return of this direct flight reaffirmed Perth's position as the Western Gateway to the country, which was further strengthened by the launch of the only non-stop connection between Australia and Continental Europe in June, with the establishment of the direct Perth-Rome service.

This new service is a major milestone for our State and is expected to attract more than 3,700 extra visitors to Perth over two years, generating an approximate additional visitor spend of \$7.7 million.

Complementary to the Rome service, WA continued to reconnect with the world, with Qantas announcing two additional international routes: between Johannesburg and Perth; and Jakarta and Perth – supported by the WA Government through Tourism WA.

These new flight offerings are just the beginning, as we look to establish new aviation partnerships to increase access to our State by air, as well as by land and sea.

In May 2022, the tourism sector was invigorated by the WA Government's announcement of a \$70 million boost for the tourism sector, bringing Tourism WA's 2022-23 operating budget to a record-setting \$167 million.

With this unprecedented funding, we will continue to not only restore access to our State through rebuilding our aviation capacity and intrastate connectivity, but will also focus on enhancing the visitor experience, with a particular focus on Aboriginal experiences, dark sky tourism and developing products and experiences in our national parks.

Aboriginal tourism is a key focus for the agency, and the WA Government has provided \$20 million over four years for the establishment of an Aboriginal Tourism Fund to support a range of initiatives outlined in the *Jina: Western Australian Aboriginal Tourism Action Plan 2021-2025*.

This includes the development of new Aboriginal tourism experiences; delivery of up to three new Camping with Custodians campgrounds; and encouraging more Aboriginal people to pursue careers in the tourism industry.

We will also continue to motivate visitation through attracting large-scale events and launching a transformative new tourism brand for the State, to turbocharge interstate and international visitation and grow global awareness of the extraordinary experiences that WA has to offer.

With this incredible level of investment, I look forward to working with our key stakeholders to maximise the opportunities in the year ahead, and I congratulate the Tourism WA team for all their efforts during the past 12 months. Thank you for supporting me, and each other, as we continue on our journey to make WA the world's most desirable travel destination.



Carolyn Turnbull
Managing Director
Tourism Western Australia
September 2022



1.0 OVERVIEW

OUR KEY HIGHLIGHTS OF 2021-22

- Across 2021-22, Tourism WA's Destination Development team administered four major funding programs that supported WA tourism businesses to respond to the ongoing impacts of the pandemic. In September 2021, Tourism WA delivered the Tourism and Travel Agent Support Fund. Then, in February 2022, Tourism WA delivered the WA Government's Safe Transition Industry Support Package that provided three vital funding streams to help eligible WA tourism businesses offset some of the financial impact incurred by the delayed border reopening: the Tourism Support Program; the Tourism Deposit Refund Program; and the Travel Agent Support Fund.
- In October 2021, Carolyn Turnbull was appointed to the position of Managing Director of Tourism WA. Carolyn has more than 20 years of international leadership experience in the tourism and hospitality industries, and first joined Tourism WA in 2020 as the Executive Director - Industry, Aviation and Markets.
- In November 2021, a series of industry consultation events were held across WA to develop a strategy to ensure the success of our tourism industry. Roundtable events were held in Albany, Broome, Esperance, Fremantle, Geraldton, Kalgoorlie, Karratha, Perth, Pinjarra, the Margaret River Region and Swan Valley.
- In December 2021, the \$195 million Reconnect WA package delivered significant benefits for the WA tourism industry as it began to re-engage with interstate and international markets. The package included \$9 million to attract blockbuster events; \$80 million for destination marketing; \$75 million towards aviation recovery; \$15 million to attract business events; and additional support to boost the State's international identity.
- In December 2021, the Aboriginal Tourism team at Tourism WA launched the JTSI Aboriginal Library in collaboration with the JTSI librarians who purchased the books. The project forms part of the JTSI Reconciliation Action Plan and aims to help with further learning and understanding of Aboriginal history and culture.
- During 2021-22, Tourism WA's Destination Development team conducted six tourism experience development workshops in regional Western Australia in Esperance, the Ferguson Valley, Geraldton, Merredin, Mount Barker and Narrogin. Around 120 attendees participated in the workshops, which were designed to assist tourism operators with acquiring knowledge to improve their product offering in areas such as agri-tourism, dark sky tourism, unique accommodation and wildflower experiences.
- Western Australia's tourism industry received national recognition at the Qantas Australian Tourism Awards, held on the Sunshine Coast in March 2022, receiving a total of 12 medals.



The awards recognised the diversity of excellent tourism experiences right across the country. The three major WA winners which were awarded gold medals included: Live Ningaloo for Ecotourism, Fremantle Prison for Cultural Tourism, and Tree Chalets in Busselton for Self-Contained Accommodation.

- Following the launch of the *Jina: Western Australian Aboriginal Tourism Action Plan 2021-2025* in May 2021, the 2021-22 budget included an allocation of \$20 million over a four-year period towards the establishment of an Aboriginal Tourism Fund to help Western Australia become the premier destination for authentic Aboriginal tourism. The funding supports a range of initiatives including the development of new Aboriginal tourism experiences; the development of administration and booking systems to support Aboriginal tourism businesses; the delivery of up to three new Camping with Custodians

campgrounds; an increase in tourism experiences on the Dampier Peninsula and encouraging more Aboriginal people to pursue careers in the tourism industry.

- In March 2022, Tourism WA announced a new \$4.32 million, four-year funding partnership with the Western Australian Indigenous Tourism Operators Council (WAITOC) to support the delivery of the *Jina: WA Aboriginal Tourism Action Plan* outcomes. This funding, combined with the base funding of \$3.6 million, brought the total funding commitment to WAITOC to \$7.92 million over a four-year period, to support the growth and expansion of Aboriginal tourism in the State.

- Tourism WA's 'Wander Out Yonder in WA' campaign launched in New South Wales, Victoria and Queensland in March 2022. The campaign encouraged Australians to reconnect with their loved ones and experience one-of-a-kind adventures in WA.
- Jetstar's inaugural flights between Busselton and Melbourne took off in April 2022, opening a new gateway into Western Australia to boost the local tourism industry by allowing interstate visitors to fly directly to the South West region.

1.0 OVERVIEW

- In April 2022, a new 50 per cent off tours and experiences discount offer, 'Half Off, Full Adventures', encouraged out-of-State visitors to enjoy a WA tourism experience and support local operators. The campaign provided discounts on more than 300 tours and attractions throughout the State. The \$500,000 campaign saw more than \$1 million injected directly into WA tour and experience companies, while also promoting the incredible activities on offer.
- The Australian Masters Games kicked off in April 2022, marking the first major national mass participation event to take place in Western Australia since the borders reopened. The Masters, which ran from 23 to 30 April, attracted 3,000 participants and supporters to our world-class sporting venues, including HBF Stadium, WA Athletics Stadium and Bendat Basketball Centre.
- In May 2022, Tourism WA welcomed the return of Qantas' strategically important flights between London and Perth, which resumed three weeks ahead of schedule.
- Western Australia welcomed back working holiday makers from overseas and interstate, inviting them to 'stay and play' in Western Australia with the launch of a series of promotional campaigns in May 2022. This \$850,000 initiative, implemented by Tourism WA, is underpinned by the WA Government's \$195 million Reconnect WA package and continues to promote WA as the ideal location to live, work and travel, with the aim of boosting the seasonal workforce at key tourism destinations and regional locations.
- In May 2022, \$17.7 million in funding over four years was announced in the 2022-23 State Budget for a new National Park Experience Development Package to create new environmentally-sensitive experiences and accommodation options in WA's national parks.
- A \$70 million budget boost to Tourism WA's visitor attraction strategy was announced in May 2022. This boost strengthened WA's tourism budget to more than \$167 million for the 2022-23 financial year – the highest ever investment in our sector and the next stage in turbo-charging WA's economic transition after the management of COVID-19 for more than two years.
- In June 2022, the Djarindjin Campground on the Dampier Peninsula was officially opened – the sixth site in the Camping with Custodians network.
- Australia's first ever direct connection with Continental Europe was established on 22 June 2022, with Western Australia welcoming its first passengers from Qantas' new non-stop flights between Perth and Rome.

A \$70 MILLION BOOST IN
THE 2022-23 STATE BUDGET
BROUGHT TOURISM WA'S
OPERATING BUDGET TO MORE
THAN \$167 MILLION FOR THE
2022-2023 FINANCIAL YEAR.



2.0 AGENCY PERFORMANCE

2.1 REPORT ON OPERATIONS

As the State Tourism Organisation for Western Australia, Tourism WA's goal is to grow visitation by:

- Marketing WA as an incredible holiday and business events destination;
- Attracting and promoting world-class sporting, cultural, arts and culinary events; and
- Improving access, accommodation and tourism experiences.

We work towards this goal and deliver on strategic outcomes through our key business areas:

- The Marketing Division focuses on destination marketing, leading the WA tourism brand strategy, and the development and implementation of destination marketing campaigns. The division also oversees the development of the consumer website, digital communications and public relations activity.

- The Aviation Division focuses on engagement with airlines to maintain and grow aviation access to the State in order to facilitate inbound tourism. The division is involved in prospecting and contracting marketing agreements with airlines, collecting and analysing aviation data, and following key trends in the industry to identify opportunities and risks to new or existing air routes in and out of WA.
- The Events Division develops, sponsors and promotes a diverse calendar of sporting, cultural, arts and culinary events that showcase WA as a great place to live, work and visit. This division actively bids for major international events to attract significant numbers of overseas and interstate visitors, to drive positive economic outcomes for WA and promote the State to domestic and global audiences.

- The Destination Development Division works across government and industry to improve access, accommodation and tourism experiences in WA. Major focus areas include Aboriginal tourism, cruise tourism, workforce development, and supporting private sector investors to navigate government approvals processes.
- The Industry and Partnerships team focuses on creating a collaborative tourism industry and achieves this by strategically and operationally aligning our funded partners and facilitating industry and stakeholder engagement.





2.0 AGENCY PERFORMANCE

1. RESTORING AND GROWING AVIATION ACCESS

After operating within a closed-border environment for the first half of the financial year, the agency quickly pivoted when borders reopened in March, shifting its focus toward re-establishing Perth as the Western Gateway to Australia, and delivering affordable airfares that improve connectivity within WA, stimulate regional dispersal, and provide economic and social growth for the regions.

The \$75 million Aviation Recovery Fund is a key component of the WA Government's Reconnect WA package, which supports the re-establishment of international flight routes from priority markets, and aims to grow capacity further, with the implementation of new direct flights between WA and markets including Europe, India, China, South Korea and Vietnam.

Tourism WA has ongoing discussions with airline partners regarding aviation capacity recovery and ways in which to support the viability of returning flights by driving consumer demand for the services.

INTRASTATE AVIATION

In August 2021, Tourism WA announced 3,000 discounted airfares, which sold out routes from Perth to Exmouth, Broome and Kununurra within just two weeks. The promotion offered \$100 off flights via a partnership between Tourism WA and Webjet. The discounted airfares also applied to flights between Broome and Kununurra to encourage visitors to discover more of the Kimberley region. The sold out flights delivered a boost in visitor numbers to Broome, Exmouth, Kununurra and surrounds, supporting local businesses and providing an economic boost to those communities.

In October, Tourism WA partnered with Qantas and Virgin Australia, offering more than 40,000 discounted fares between Perth and Exmouth, Kununurra and Broome. The discounted fares were an initiative of the WA Government's Affordable Airfares Program, which aimed to entice more people to visit regional WA and resulted in an additional \$7.7 million in consumer spend that supported the State's tourism industry operators.

INTERSTATE AVIATION

In March 2022, in collaboration with Qantas, Tourism WA delivered one of its biggest airline partnerships of the year. The 'Together Once More in WA' sale encouraged travellers from Brisbane, Melbourne and Sydney to fly to Perth with a friend as part of the Qantas "2-for-1" return airfare incentive. The sale offered return flights to Perth for \$299* per person when booking a return economy flight for two or more passengers. The special fares were promoted via Qantas' email database, social media channels and website, and injected more than \$5.12 million into the WA economy.

In April, history was made with the first ever Jetstar flight from Melbourne to Busselton-Margaret River Airport. Travellers on the inaugural flight were chosen at random to win tour and attraction vouchers that they could redeem during their visit to the South West. The new flights are operating three times per week on Mondays, Wednesdays and Saturdays.



This new route is expected to bring more than 60,000 visitors to the region over the next three years and generate \$40 million for the local economy. To celebrate the launch, Tourism WA, in partnership with Australia's South West Regional Tourism Organisation and Jetstar, hosted an evening with Melbourne-based distribution partners and agents, which included a blind wine tasting of Margaret River wines hosted by Xanadu CEO and winemaker, Darren Rathbone.

In May, Tourism WA partnered with Jetstar to encourage east coast travellers from Brisbane, Melbourne and Sydney to 'refresh in the west' with a special accommodation incentive and airfare sale. As well as receiving a sale flight fare, the first 5,000 bookings also received a \$200 Jetstar Hotels voucher to use at one of more than 100 accommodation providers in Perth and surrounds. The deal helped to boost bookings for accommodation and tourism operators in Perth, while encouraging those visiting friends and relatives (VFR) to see and do more during their trip to WA.

The campaign featured on television, radio, digital billboards and social media throughout capital cities on the east coast and delivered thousands of visitors to the State and an economic impact of close to \$10 million.

In March, Tourism WA partnered with Webjet and the Australia's North West Regional Tourism Organisation to promote a 10-day flight sale in Sydney and Melbourne, encouraging travellers from these cities to visit Broome to 'Wander Out Yonder' and receive \$200 off direct flights. The discount was also made available on flights from Brisbane and Adelaide to Broome via Perth, and was promoted through Webjet's email database, social media and website. Tourism WA also partnered with Webjet on a Perth-focused campaign throughout April and May, to encourage city residents to visit the Kimberley town.

In June, the agency partnered with Virgin Australia for the 'Escape to WA' campaign which offered 50 per cent off one-way fares to Perth from Adelaide, Brisbane, Hobart, Launceston, Melbourne and Sydney. This campaign targeted travellers who were planning to visit friends and relatives in WA, as well as those who were considering a holiday in Australia instead of overseas. The campaign, which sold out within six days, featured on radio, digital and social media channels and injected more than \$13 million into the WA economy.

From June, Tourism WA once again partnered with Qantas to encourage east coast travellers to 'Pop into Perth' on their way to or from their European holiday destinations, following the return of the direct flights between London and Perth and the launch of the new direct flight between Perth and Rome. The campaign showcased the array of things to see and do in Perth and ran across broadcast video on demand, digital display advertising and email marketing channels.

2.0 AGENCY PERFORMANCE

INTERNATIONAL AVIATION

With the return of international travel on the horizon, in December 2021, the Premier announced new direct flights between Perth and Rome would commence in June 2022 – the first ever non-stop connection between Australia and Continental Europe. The new route was launched by the Premier and Qantas CEO Alan Joyce on 25 June 2022 and operates three times a week, providing a direct link from one of WA’s key international markets and delivering seamless access to Perth from across Continental Europe. The non-stop flight has cut more than three hours off the current fastest travel time from Rome to Perth, which had previously required stopovers in Asia or the Middle East. In 2019 nearly 150,000 visitors from Continental Europe spent \$408 million in WA, including 11,000 visitors from Italy who spent \$29 million in the State, indicating the importance of this market to the State’s economy. Qantas’ highly popular, and strategically-important direct flight between London and Perth resumed in May 2022 – three weeks earlier than

planned. The United Kingdom is a key high-value tourism market for WA with almost 142,000 UK travellers visiting the State in 2019. The route is the only non-stop service between Australia and the UK, and when it started in 2018, it firmly established Perth as Australia’s Western Gateway. Most flights continue to operate at full capacity in both directions and Qantas has previously reported the route has been one of its most popular and profitable across its network to date.

In addition to the launch and return of long-haul direct routes from Europe and the UK into the State, WA has continued to reconnect with the world, with Qantas also announcing two new international routes from Johannesburg and Jakarta to Perth in June, supported by the WA Government through Tourism WA. The non-stop Johannesburg route will launch on 1 November, 2022 and operate three return flights to and from Perth per week. It will be the only direct connection between WA and South Africa, and is expected to be highly sought after as it removes any transit via Sydney, Singapore or the Middle

East. Direct flights between Jakarta and Perth will also start from 30 November 2022, operating three times per week. The 4.5-hour route will help to build important economic relationships between WA and Indonesia, an important trading partner and visitor market. In 2019, Indonesia was WA’s seventh largest international market by number of visitors, with 38,800 visitors spending an estimated \$81 million in the State.

The new direct flights from Johannesburg and Jakarta, as well as the existing non-stop routes from Rome, London and Singapore, will reaffirm Perth’s status as the Western Gateway to Australia.





TOURISM WA SHIFTED ITS FOCUS FROM INTRASTATE BACK TO INTERSTATE AND INTERNATIONAL MARKETING ACTIVITY, AND SHARING WA'S UNIQUE STORY WITH THE REST OF THE COUNTRY AND THE WORLD.

2. MOTIVATING VISITATION

Tourism WA's marketing activity throughout the first half of the financial year continued to focus on encouraging Western Australians to 'Wander Out Yonder' in their own backyard, with targeted campaigns and incentives to support regional tourism businesses and city-based accommodation suppliers to sustain their operations.

With the announcement of the WA Government's \$195 million Reconnect Package in December 2021, Tourism WA shifted its focus from intrastate back to interstate and international marketing activity, and sharing WA's unique story with the rest of the country and the world.

INTRASTATE MARKETING

Key intrastate marketing initiatives implemented in 2021-22 included:

Relook and Book Campaign: In July 2021, running until September 2021, the agency launched its 'Relook and Book' campaign. This campaign was targeted at Perth residents, as well as people living in regional centres, to drive visitation within the State. The campaign included paid media promotion across print, radio, digital display and paid social media channels, with the aim of driving traffic to Tourism WA's consumer website westernaustralia.com, as well as websites for Australia's North West and trade partners.

Webjet Promotions: Tourism WA partnered with Webjet to offer \$100 off the first 3,000 flights booked from Perth to Broome, Exmouth and Kununurra. This discount was also available on flights between Broome and Kununurra, to boost visitation to the regions that had been most heavily impacted by lockdowns. All 3,000 discounted fares were sold out within 17 days by 3 August 2021.

2.0 AGENCY PERFORMANCE

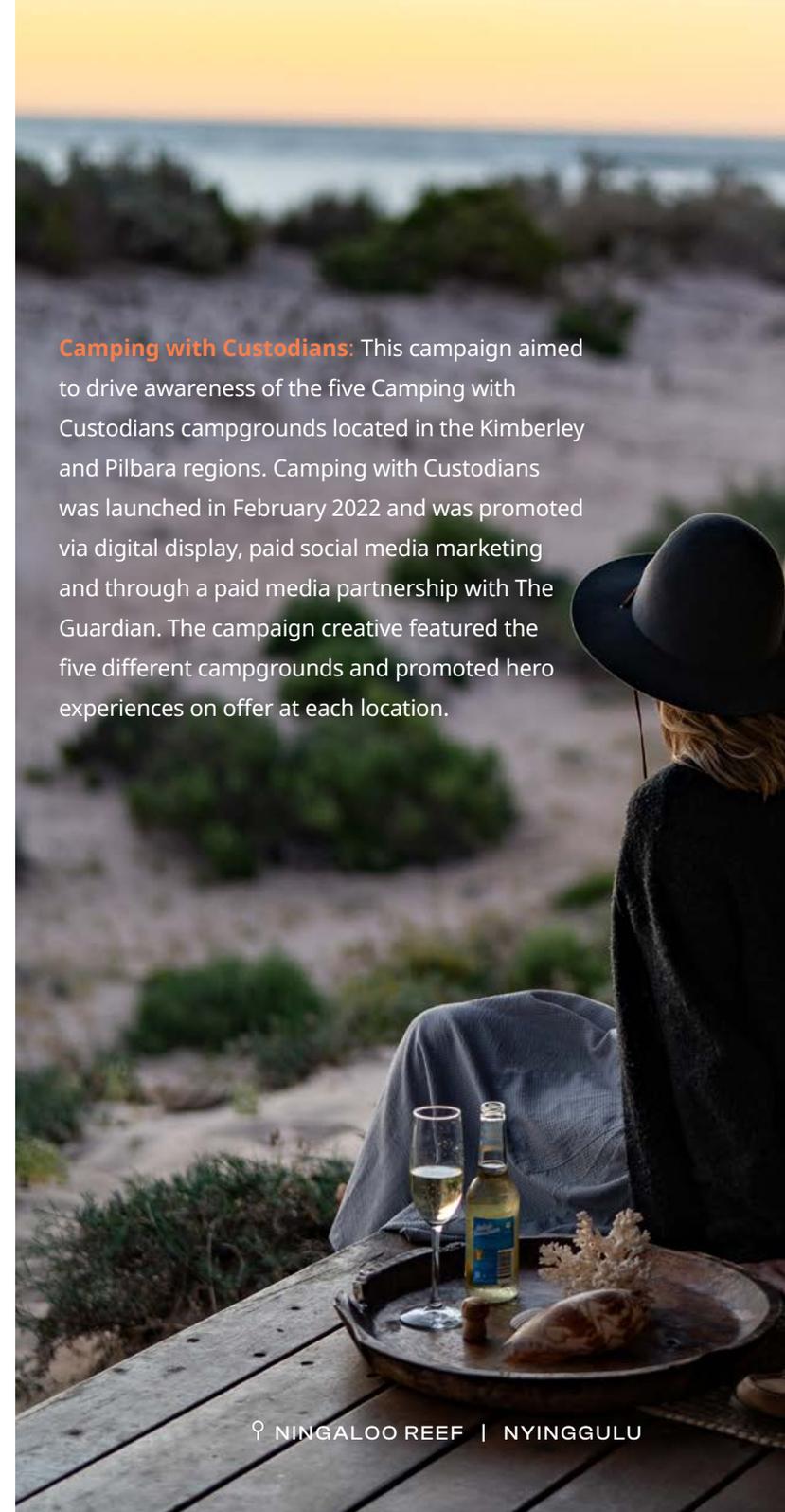
Stay, Play and Save Campaign: In September 2021, running to October 2021, the agency launched a third round of its highly successful 'Stay and Play' campaign, which offered accommodation and experience packages at 34 metropolitan hotels to people living in Perth and regional centres. The promotion featured radio, social media, print and digital advertising activities to inspire a Perth 'staycation'. The Stay, Play and Save initiative was the final of a series of campaigns to increase visitor numbers in the city and surrounds to support tourism businesses and boost hotel occupancy.

Fine Vines Campaign: In October 2021, Tourism WA promoted the Fine Vines Festival in the Margaret River Region to drive intrastate event attendance and support local tourism operators. Paid media marketing ran across radio and social media outlets from 1 to 14 October, and public relations activities were conducted to complement traditional media promotion and advocacy.

Showroom X Partnership: A unique partnership with a collection of high-calibre Australian fashion brands was unveiled in October 2021. The collaboration was centred around a fashion shoot in Broome and the East Kimberley, with destination imagery shared across the social media channels of around 40 well-known brands. The campaign reached up to 12 million people globally through each company's social media audience and the photo shoot received global media coverage in a range of high-end publications.

Give the Gift of Travel Campaign: A Christmas gifting campaign, 'Give the Gift of Travel,' launched in November 2021 to encourage people to book or buy vouchers for WA tourism experiences direct with local operators or travel agents through the gift.westernaustralia.com website. The campaign ran in WA across social, digital and print, and complemented Tourism Australia's national gifting campaign, which highlighted the depth and breadth of travel experiences that could easily be given as gifts. Paid social media advertising targeted people living interstate to entice them to purchase WA tourism experiences for WA-based friends and relatives.

Camping with Custodians: This campaign aimed to drive awareness of the five Camping with Custodians campgrounds located in the Kimberley and Pilbara regions. Camping with Custodians was launched in February 2022 and was promoted via digital display, paid social media marketing and through a paid media partnership with The Guardian. The campaign creative featured the five different campgrounds and promoted hero experiences on offer at each location.



INTERSTATE MARKETING

Top highlights of Tourism WA's interstate marketing activity in 2021-22 included:

Cooperative Partnership Campaigns: Tourism WA's cooperative marketing program is aimed at airlines, wholesalers, retailers and online travel agents, to collaborate on joint marketing campaigns to promote the State's tourism products and destinations and encourage flight, accommodation and tour bookings in WA. Parties contribute funding or in-kind support to ensure marketing efforts go further with greater audience reach.

In 2021-22, we delivered 27 interstate marketing partnerships with a wide range of retail and online travel agent partners, including Flight Centre, Helloworld, Trip.com, Journey Beyond, Webjet, Kayak, Ignite, Welcome to Country, Qantas Holidays, Inspiring Vacations, Luxury Escapes and 10 Travlr.

Wander Out Yonder interstate campaign:

In March, following the opening of the State's borders, the WA Government announced the extension of its \$12 million Wander Out Yonder marketing campaign to entice all interstate travellers to visit WA - broadening the initial target market of the campaign, which was initially aimed at intrastate travellers.

Through the expanded 'Wander Out Yonder' campaign all Australian holiday makers were encouraged to explore WA's coastlines, premium food and wine offerings, exceptional art and culture, and ancient Aboriginal history.

The agency partnered with airlines and retail travel brands, to offer WA travel itineraries and packages to encourage visitation to all regions and key tourism destinations within the State, from Cable Beach in the Kimberley to the Margaret River Region in the South West.

A high-impact marketing initiative undertaken in Queensland, New South Wales and Victoria featured the natural wonders of WA, including the Coral Coast, Kimberley, Goldfields-Esperance, Great Southern, Pilbara, Perth and South West regions.

The campaign featured an integrated broadcast sponsorship; large format out-of-home advertising; paid media partnerships with News Corp and Australian Traveller, as well as print, digital display and paid social media advertising; and paid search marketing using Google AdWords.



2.0 AGENCY PERFORMANCE

Consumer Incentive Programs: As travel restrictions eased on 3 March 2022, Tourism WA staff welcomed the first international and domestic visitors at Perth Airport. International and interstate visitors were presented with plush toys and chocolates on arrival, and 3,700 Perth tour and experience vouchers were distributed. The vouchers provided a great boost to tourism operators which offered bookable product in the Destination Perth region and had demonstrated a minimum downturn in business of 50 per cent in 2021 in comparison to 2019. Vouchers were only available for international and interstate visitors.

Half Off, Full Adventures, Tours and Experiences: Following the reopening of the WA border, Tourism WA launched the 'Half Off, Full Adventures Tours and Experiences' campaign in April, which encouraged interstate and international visitors to book tours and experiences when they arrived in WA with a 50 per cent discount incentive. The campaign injected over \$1 million into WA tourism businesses and visitors received discounts

on a range of tours and attractions, including Aboriginal cultural tours, dining experiences, winery tours, wildlife encounters, and many more. The incentive targeted out-of-State visitors via a range of media channels such as out-of-home advertising at Perth Airport, targeted paid social media and flight confirmation emails.

The Paid Escape: Tourism WA delivered a highly-targeted campaign to potential Working Holiday Makers (e.g. backpackers) who were already residing in Australia, encouraging them to visit regional WA to work and travel. The campaign appeared in paid social and digital display advertising, and included a bespoke coffee cart activation in selected backpacker hostels throughout Sydney, Melbourne and Brisbane in April-May 2022.

WinterLive: In partnership with Optus Stadium, Tourism WA developed an events campaign to leverage Perth's calendar of blockbuster sporting events to attract travellers from the east coast during winter. The campaign launched on 16 May 2022 and ran until the end of June.

Paid media tactics targeted audiences in Sydney, Melbourne and Brisbane via radio and television commercials. Optus Stadium ran a complementary paid digital media campaign to drive conversion of event ticket sales and travel packages, with both campaigns directing online traffic to a dedicated campaign web page.



INTERNATIONAL MARKETING

For the majority of 2021-22 Tourism WA focused on maintaining awareness of its unique WA tourism product and experiences in key international markets, leveraging the Adventure Awaits campaign platform, to ensure that the agency was well-positioned to rebuild visitation immediately following the lifting of travel restrictions.

The management of relationships between the agency and inbound tour operators, wholesalers and key distribution partners remained a priority, with a view to reconnect with global travel supply chains as soon as travel restrictions were lifted.

In May 2022, the **Paid Escape** campaign was launched to attract working holiday makers from overseas and interstate to WA.

The \$850,000 initiative, supported by the WA Government's \$195 million Reconnect WA package, promoted WA as the ideal location to live, work and travel, with the aim of boosting the seasonal workforce at key tourism destinations and regional locations.

Promotional campaigns in Europe, Japan, South Korea and the United Kingdom featured flight offers, incentives and tailored working holiday maker travel packages.

Eligible working holiday makers could also earn an extra \$2,100 to work and travel in select regional locations via the WA Government's Regional Agriculture, Tourism and Hospitality Workers Travel and Accommodation Support Scheme.

South East Asia

While borders were closed in Singapore and Malaysia, the Tourism WA team delivered the successful 'Dream Cruises - Cruise to Nowhere' awareness campaign. The first of its kind, this collaboration with Genting Dream Cruises targeted cruise passengers who were taking a 'Cruise to Nowhere' from Singapore and brought a taste of WA to guests on board, positioning WA as a desirable destination to visit as soon as borders opened. With three sailing trips per week over seven-weeks - 21 journeys in total - the campaign reached a total of 32,000 passengers.

Ten on-board cabins were decorated in WA themes and imagery including the iconic blue boat house on Mounts Bay Road, Busselton Jetty, the Pinnacles and WA's wildflowers, along with a designated WA destination promotion area on the ship. Produce from the Swan Valley was promoted on board with complimentary samples provided by House of Honey, Mondo Nougat and Moorish Nuts.

When WA's borders had reopened and international travellers could visit the State, Tourism WA launched two major campaigns with its key distribution partnerships in the Singaporean market, including a collaboration with United Overseas Bank which focused on High Value Travellers (HVTs), and an initiative with Chan Brothers promoting self-drive holidays.

Additional campaigns were also developed in collaboration with Tourism Australia to feature and highlight key WA operators as part of an Aussie Specialist Program webinar aimed at South East Asian travel agents.

2.0 AGENCY PERFORMANCE

This activity aimed to keep Western Australia front of mind and educate South East Asian travel agents on new and expanded product offerings in Western Australia.

Tourism Australia's Aussie Specialist Program (ASP) activations for Singapore, Malaysia and Indonesia included:

- A live broadcast produced from Manjimup, covering the Truffle Kerfuffle event, as part of a joint initiative between Tourism WA and the South West Development Commission.
- Pinot Picnic promotion: WA wine hampers were provided for sampling to ASP agents to support an education campaign on WA's world-class wine regions.
- Seafood Sensation campaign: seafood platters inspired by Mandurah's seafood cruises and BBQ boats were delivered to ASP agents in a tangible celebration of WA's unique culinary offerings.

In April, Tourism WA Managing Director Carolyn Turnbull supported Deputy Premier and Minister

for Tourism, the Hon Roger Cook MLA, on a trade Mission to Singapore. During the Mission, Memorandums of Understanding (MOU) were signed with airline partners Scoot and Singapore Airlines. The MOUs marked the beginning of the journey to bring the critical route between Singapore and Perth back to full capacity, driving international travel back to our State via Changi Airport.

Singapore was WA's second-largest tourism market in 2019, with more than 107,000 Singaporeans visiting WA that year.

United Kingdom and Europe

In early 2022, Tourism WA executed a series of strategic partnerships with two of the United Kingdom's biggest tourism operators to Australia, which will continue for the next two years. These partnerships with dNata and Trailfinders aim to drive short-term conversion by encouraging UK tourists to fly into Perth as the Western Gateway, to start their Australian holiday. Partnership marketing activities will also encourage UK

travellers who are visiting friends and relatives to extend their stays in WA and disperse into the State's unique regions.

Tourism WA led a successful UK and European roadshow in June 2022 with 23 WA tourism representatives.

The roadshow visited seven different locations and WA operators presented to more than 350 agents. The trip resulted in a positive sentiment towards WA as a premier tourism destination and helped the agency to establish relationships with new and existing travel agents operating in this key market.

Tourism WA increased its market scope to include Italy and Continental Europe, leveraging the emerging opportunities presented by the new direct Qantas flight between Perth and Rome.





A Tourism WA representative was placed in Italy and, to coincide with the new flight launch, ran multiple cooperative campaigns with Italian agents and participated in a WA Government trade mission to Italy, led by WA Premier Mark McGowan, to engage with key travel trade and aviation partners in both the emerging Italian market, and key Continental European market. The Rome direct flight has been very successful so far and delivered multiple PR stories.

Japan

In Japan, as part of Tourism WA's focus on working holiday makers, the agency has been collaborating with key distribution partner, HIS to encourage Japanese youth to take a 'gap year' in WA. Tourism WA is also increasing awareness of Western Australia as a destination by implementing campaigns with other key distribution partners, including Veltra and Club Tourism.

In addition, Tourism WA worked strategically with Western Australian inbound tour operators to increase exposure of the Japanese audience to WA product.

A selection of campaigns resulted in extended and increased itineraries to the State; greater representation in international markets; and additional WA content being produced and published in the Japanese media.

New Zealand

The second phase of Tourism WA's Adventure Awaits integrated marketing campaign targeted HVT and VFR travel markets in New Zealand and ran from May until the end of June.

The campaign was designed to challenge New Zealanders' perceptions of WA by showcasing iconic WA holiday destinations and experiences, and included a mix of digital, social, print and outdoor advertising tactics.

Tourism WA also launched promotions with NZ retail partners Flight Centre and Helloworld, inviting New Zealanders to explore WA by offering a range of Perth and regional WA holiday packages.

A New Zealand film crew visited Broome in June and was appointed to develop six pre-recorded segments and nine live breakfast crosses from the Kimberley region, for broadcasting to the local New Zealand audience upon their return.

The TVNZ Breakfast Show promotion aimed to excite New Zealanders about the wide range of holiday experiences that were available in and around Broome. The TVNZ segments focused on the epic scenery, spectacular sunsets, giant tides, pearling history, Aboriginal culture and friendly locals of the Kimberley region.

2.0 AGENCY PERFORMANCE

Intrastate, Interstate and International visitors and expenditure in WA

**Please note figures supplied below reflect the 2021 calendar year, as full FY21–22 figures were not available at the time of publication of this report.*

Intrastate visitors to WA 2021

- 2021 saw the highest intrastate spend on record – WA residents spent \$7.2 billion on trips within the State, which was an increase of \$1.3 billion or 21 per cent compared to pre-COVID (2019).
- Compared to 2019, visitors stayed longer (averaging 4.3 nights) and spent more (\$182 per night).
- Looking at WA's tourism regions, Australia's South West and Australia's Coral Coast had the largest growth in intrastate visitor spend compared to 2019, growing by 54 per cent and 53 per cent respectively.
- Australia's North West and Destination Perth also experienced growth (+18 per cent and 2 per cent respectively) while Australia's Golden Outback saw a decline (-2 per cent).

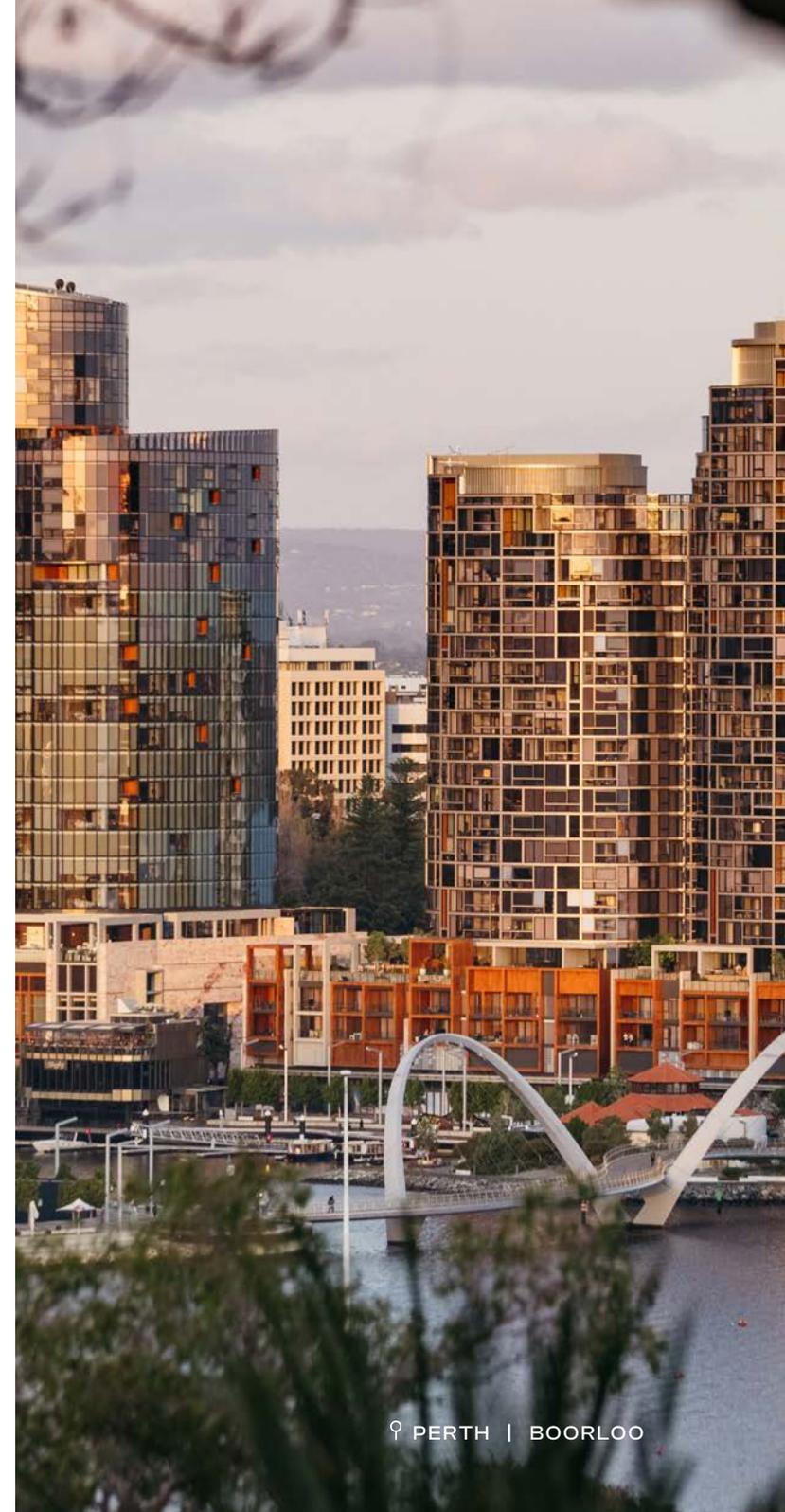
Interstate visitors to WA 2021

Interstate overnight visitor spend was \$1.1 billion, a decline of (-) 60 per cent or (-) \$1.6 billion versus pre COVID-19 (2019), due to the decline in visitors as a result of border restrictions.

International visitors to WA 2021

There was very little international visitation, with international borders closed throughout this period. The recorded spend of \$0.1 billion is a decline of (-) 97 per cent versus pre COVID-19 (2019).

2021 SAW THE HIGHEST INTRASTATE SPEND ON RECORD – WA RESIDENTS SPENT \$7.2 BILLION ON TRIPS WITHIN THE STATE, WHICH WAS AN INCREASE OF \$1.3 BILLION OR 21 PER CENT COMPARED TO PRE-COVID (2019).





3. ATTRACTING AND RETAINING WORLD-CLASS EVENTS

Events are a crucial component of the WA Government's strategy to bring visitors to WA and encourage tourists to spend more, stay longer and travel around the State.

For the first half of the financial year, WA was in the fortunate position to be one of the only destinations in the country deemed safe enough to hold large-scale, blockbuster sporting events. As a result, high-profile contests like the Bledisloe Cup and the AFL Grand Final were held in Perth, which showcased our world-class sporting infrastructure on a global scale and shone a spotlight on the State's capability to successfully host high-impact events.

In 2021-22, the Tourism WA Events Strategy focused on:

- Retaining regional and major events affected by the restrictions on mass gatherings and travel as a result of the COVID-19 pandemic. This included re-scheduling events where possible and securing displaced events, such as the 2021 AFL Grand Final;
- Continuing to bid for, and support major sporting events that showcased State infrastructure, including Optus Stadium;
- Developing Western Australia's regional events through the Regional Events Program and Regional Events Scheme;
- Attracting mass-participation events; and

- Encouraging more leisure visitors for AFL games to stay longer and explore WA, through AFL marketing.

The following is an overview of key events that took place in 2021-22:

- **Bledisloe Cup:** In September 2021 one of the world's biggest sporting rivalries returned to Optus Stadium with the Rugby Union Bledisloe Cup battle between Australia's Wallabies and New Zealand's All Blacks. Secured by Tourism WA, the match attracted more than 52,000 rugby fans, generating \$3.4 million in media value and almost 1.6 million television viewers across Australia and in Tourism WA's key international markets. It was the only Bledisloe Test to be played on Australian soil in 2021.

2.0 AGENCY PERFORMANCE

- **2021 Toyota AFL Grand Final:** In a major coup for Western Australia, the 2021 Toyota AFL Grand Final was hosted in Perth in September at the world-class Optus Stadium, with the sporting spectacular watched by nearly 4.5 million people across the country. Significant coverage of Western Australia was generated through Tourism WA's Cup Tour, including Cable Beach Broome, Karijini National Park and Busselton Jetty.
- **Margaret River Pro:** In April 2022, the world's best surfers descended on WA again for the spectacular Margaret River Pro. The Margaret River Pro draws thousands of spectators to the South West with a global audience watching the action on international TV broadcasts and digital channels. WA's own Jack Robinson won the event, which injected over \$8.1 million

dollars into local businesses and the regional economy. The 2022 event marked the first in a three-year sponsorship agreement between the WA Government and Tourism WA with the World Surf League to host the event in WA until 2024.

- **State of Origin:** One of the nation's greatest sporting rivalries - and one of WA's biggest event success stories - returned to Perth in June 2022. Tourism WA secured Game II of the three-game NRL State of Origin series between the New South Wales Blues and the Queensland Maroons, which attracted a crowd of more than 59,000 to Optus Stadium. The 2022 event showcased WA and the spectacular Optus Stadium in a live television broadcast watched by more than 3 million viewers around the country.

Winning bids

The following events were developed this financial year, with announcements secured in 2021-22 for events that will be delivered in 2022-23:

Summer of cricket: Perth was selected to host five ICC Men's T20 World Cup matches at Optus Stadium in October 2022. Six of the top eight men's T20 teams - including Australia, England, India and South Africa - will play games over a nine-day period, which will showcase Western Australia to an international audience. These matches will attract interstate and international visitors to Perth, and generate millions in expenditure for the local economy.

The tournament will create an exciting and vibrant cricket festival experience in Perth for visitors and locals alike.

♀ REDGATE BEACH, MARGARET RIVER | WARDANDI NOONGAR BOOJA



Wallabies eToro England Series: In April, Tourism WA announced the return of international rugby to Perth with the Wallabies versus England at Optus Stadium on 2 July. The sporting spectacular attracted thousands of out-of-State visitors and injected millions into the WA economy, supporting local jobs and businesses. The first match in a three-test series in Australia also generated millions of dollars in broadcast media value.

ICON: Perth's Festival of International Football: Tourism WA announced in April that four English Premier League teams would arrive in Perth to provide a blockbuster showcase of international football at Optus Stadium in July 2022 as part of ICON: Perth's Festival of International Football. The two-match event saw Leeds United take on Crystal Palace on 22 July, while Manchester United and Aston Villa faced off on 23 July. All four clubs brought their full first squads and were involved in an extensive program of peripheral events, held at various locations throughout Perth.

This football extravaganza attracted thousands of tourists to WA from interstate, activated a range of Perth hospitality and tourism businesses and provided a boost to the local economy. The two matches also generated extensive global media coverage and publicity for the State to an international audience.



2.0 AGENCY PERFORMANCE

The “Aussies” are coming: In April, Tourism WA announced that the Australian Surf Life Saving Championships would return to Western Australia’s top beaches in March and April of 2023. This pinnacle mass-participation surf lifesaving event is expected to attract more than 5,000 competitors from around Australia. Known as the ‘Aussies’, the championships will take place at some of Perth’s famous and iconic beaches, including Scarborough, Trigg and Secret Harbour. Australia’s 314 Surf Life Saving clubs will have the opportunity to compete in 480 events across three age group championships - Youth, Masters and Open categories. When WA last hosted the Aussies in 2018, the event generated approximately \$15.8 million, and attracted more than 8,500 interstate and international visitors.

Australian Youth Water Polo Championships: In June, the announcement was made that Perth would play host to another world-class sporting festival with the Australian Youth Water Polo Championships to make a splash in January 2023. Approximately 200 teams will compete in more than 750 games at Claremont’s HBF Stadium.

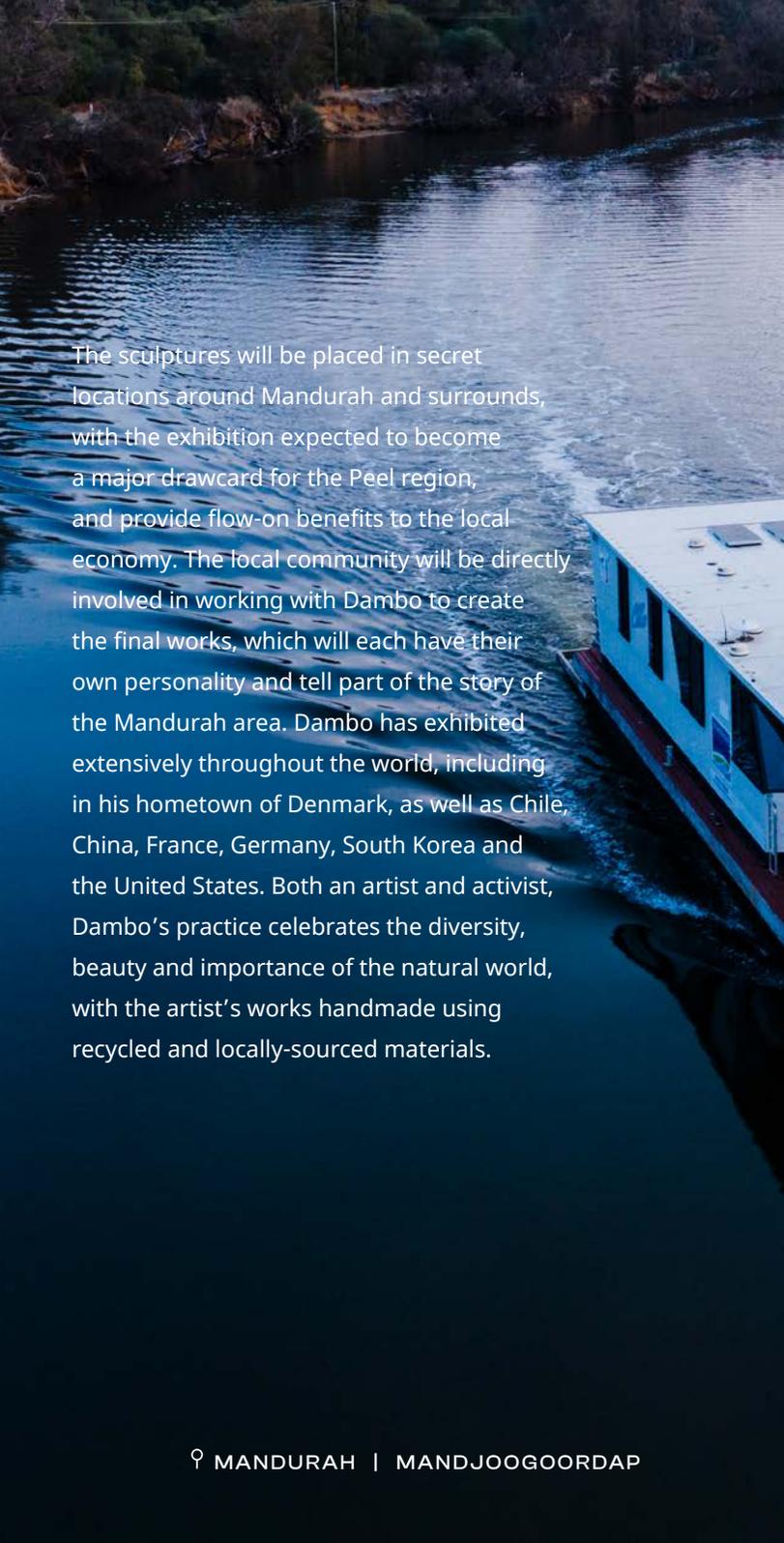
The youth championships will also see reigning women’s Olympic water polo gold medallists, the United States, take on Australia’s team in three ‘friendly’ test competitions. The US men’s team will also play the Australians in three friendly tests.

The youth festival will be held from 9 to 19 January, and is expected to bring more than 4,000 visitors to WA, including competitors, coaches and spectators.

Australian-first sculpture trail in Peel:

In June, Tourism WA was excited to announce that internationally-renowned Danish artist, Thomas Dambo, would install five of his large-scale sculptures of whimsical wooden creatures in the Peel region in late 2022.

Thomas Dambo’s Giants of Mandurah is an Australian-first major cultural tourism project that is anticipated to bring thousands of visitors to the region when it is launched.

A photograph of a boat on a river, with a forested bank in the background. The boat is white with a blue stripe and is moving towards the right. The water is dark blue and has some white foam from the boat's wake. The background shows a dense forest of trees and bushes along the riverbank.

The sculptures will be placed in secret locations around Mandurah and surrounds, with the exhibition expected to become a major drawcard for the Peel region, and provide flow-on benefits to the local economy. The local community will be directly involved in working with Dambo to create the final works, which will each have their own personality and tell part of the story of the Mandurah area. Dambo has exhibited extensively throughout the world, including in his hometown of Denmark, as well as Chile, China, France, Germany, South Korea and the United States. Both an artist and activist, Dambo’s practice celebrates the diversity, beauty and importance of the natural world, with the artist’s works handmade using recycled and locally-sourced materials.



Rugby World Cup 2027 and 2029: Australia was successful in its bid to host the Men's Rugby World Cup in 2027 and Women's Rugby World Cup in 2029. Perth supported the bid for the men's tournament and is working with Rugby Australia to host matches as part of the women's tournament. The two international tournaments are expected to attract a significant number of visitors and provide extensive international media exposure.

Total Solar Eclipse: Thousands of international and domestic visitors are expected to witness the Total Solar Eclipse in Exmouth in April 2023. Just before 11.30 am on 20 April 2023, the moon will transit across the sun with the town of Exmouth and some islands off the Pilbara Coast experiencing a rare, total solar eclipse.

Exmouth has been identified as the optimal land-based location in the world to view this rare natural phenomenon. A narrow band of land across the North West Cape will experience a brief period of full darkness, while the Moon's transit across the Sun will take around three hours. Other locations around WA will experience a total or partial solar eclipse, including Coral Bay, where viewers will witness the eclipse at 99 per cent of its totality; those in Onslow at 99 per cent and Carnarvon viewers will see it at 95 per cent. Geraldton will experience at 80 per cent eclipse, while Perth will experience it at 70 per cent. Tourism WA will provide support to a wide range of Dark Sky Festival events across Exmouth and Australia's Coral Coast region.

Super Netball Grand Final: In another sporting coup, in June the WA Government announced Tourism WA had secured the Suncorp Super Netball Grand Final on 3 July. The league's most anticipated match of the competition drew a capacity crowd to Perth's RAC Arena to witness WA's own West Coast Fever secure their first Super Netball premiership over the Melbourne Vixens.

In addition, Australia's national netball team, the Australian Diamonds, were based in Perth from July for a training camp ahead of their gold medal-winning campaign at the 2022 Commonwealth Games in August.



THOUSANDS OF INTERNATIONAL AND DOMESTIC VISITORS ARE EXPECTED TO WITNESS THE TOTAL SOLAR ECLIPSE IN EXMOUTH IN APRIL 2023.

2.0 AGENCY PERFORMANCE

REGIONAL EVENTS

Tourism WA's Regional Events Program and Regional Events Scheme, with additional funding from Royalties for Regions, supported a series of regional events across WA and helped to position regional towns as exciting destinations and great places to live.

Regional Events Program: The Regional Events Program (REP) supports medium to large events across the State, providing funding of \$40,000 and above for events that will deliver significant benefits to regional communities, generate strong community engagement, encourage intrastate visitors and attract national media attention. In 2021-22, eight sponsored REP events were held. Four events were cancelled due to COVID-19 and one event was rescheduled until 2022-23.

**THE 21-22 REGIONAL
EVENTS SCHEME
SUPPORTED 62 EVENTS
ACROSS THE STATE,
INCLUDING FIVE
ABORIGINAL EVENTS.**

In 2021-22, Tourism WA announced REP support for numerous exciting regional events, including:

- Three-year funding for the West Kimberley's premier cultural event, **Shinju Matsuri - Festival of the Pearl**. The festival showcases the Kimberley region's rich cultural diversity, unique pearling history, vibrant community and extraordinary natural landscapes. The 16-day festival has continued to grow in popularity, with last year's event attracting almost 2,000 visitors to Broome and generating more than \$7.4 million in economic impact for the region.
- The **Ord Valley Muster** will return to the spectacular East Kimberley from May 19 to 27 2023. This event attracts thousands of people to the region, supporting the local tourism industry, businesses and accommodation providers. The Muster offers more than 30 events across nine days, including dining under the stars, music and comedy, all with a distinct local flavour.

- Three-year funding for the **Shore Leave Festival** which celebrates the maritime magic of Geraldton. This five-day event includes ticketed and free experiences, such as the Abrolhos Long Table Lunch, the Mid West Paddock to Plate Dinner and the Beach Price Fish Market.

Regional Events Scheme: Our Regional Events Scheme (RES) is an annual funding round that supports smaller and emerging events in regional WA to boost tourism and increase community vibrancy. The total funding pool is \$1 million, inclusive of a \$150,000 allocation for the **Regional Aboriginal Events Scheme (RAES)**. The RAES supports events that deliver Aboriginal activities and experiences through the leadership and participation of Aboriginal people.

The 2021-22 RES supported 62 events across the State, including five Aboriginal events.

4. VISITOR EXPERIENCES AND ATTRACTIONS

DESTINATION DEVELOPMENT

Tourism WA's Destination Development Division works across government and industry to improve and expand visitor experiences, infrastructure and servicing to ensure that Western Australia can deliver on its brand promise of an exceptional holiday destination. Major supply-side focus areas include Aboriginal tourism, workforce development, cruise tourism, experience development, tourism planning, policy setting, and supporting private sector investors to navigate government approvals processes.

Aboriginal Tourism

Western Australia's rich, diverse and authentic Aboriginal cultural experiences provide a unique point of difference over other Australian holiday destinations. Aboriginal tourism is therefore a fundamental part of a resilient tourism industry, creating job opportunities and enhancing prosperity across urban and regional communities.

Tourism also represents a significant opportunity for Aboriginal people to secure sustainable economic, social and employment outcomes.

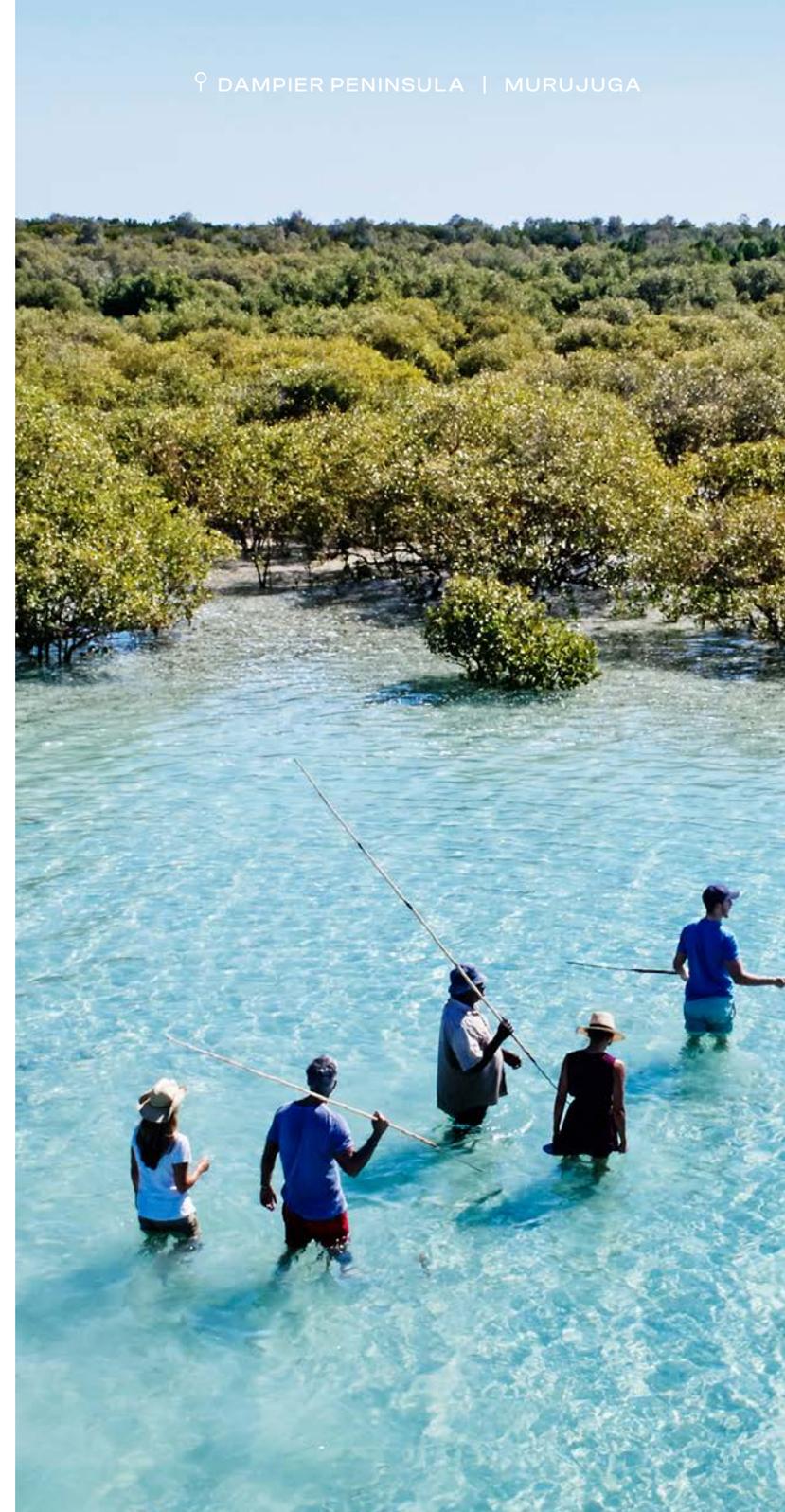
The WA Government, through Tourism WA, aims to make Western Australia the nation's premier destination for authentic Aboriginal tourism. This will be achieved through the implementation of the *Jina: Western Australian Aboriginal Tourism Action Plan 2021-2025*, which was developed by Tourism WA in collaboration with seven other government agencies, in partnership with the Western Australian Indigenous Tourism Operators Council (WAITOC) and the Aboriginal tourism industry. The Jina Plan supports a range of initiatives, including the development of new Aboriginal tourism experiences, training to assist Aboriginal people to pursue a career in the tourism industry, and the development of administration and booking systems to support Aboriginal tourism businesses.

2021-22 was the first year of implementation of the Jina Plan. Key initiatives implemented under the Plan in this financial year included:

- **Nyumbi:** Since January, a weekly Aboriginal dance performance and smoking ceremony is held every Saturday at WA Museum Boola Bardip. Twenty-three Nyumbi performances occurred to June 2022, attracting over 2,500 people to watch the performers.
- **WAITOC partnership:** In March, Tourism WA announced a record investment with WAITOC to support WA's journey to become the premier destination for authentic Aboriginal cultural experiences. The four-year funding, to the value of \$4.2 million, will support WAITOC's implementation of action items within the Jina Plan. The funding will also build WAITOC's capacity to develop and promote Aboriginal cultural experiences to meet the growing demand from visitors. WAITOC is the peak body for promoting and developing Aboriginal tours and experiences in WA, supporting more than 170 businesses.

2.0 AGENCY PERFORMANCE

- **Camping with Custodians:** On 10 June, the agency launched the sixth Camping with Custodians (CwC) Campground on Bardi Country at Djarindjin, on the tip of the Dampier Peninsula. Through this initiative visitors can experience the world’s oldest living culture in a personal, authentic setting, while new employment and training opportunities for the local Aboriginal community have been created.
- The Djarindjin Campground joins Imintji, Mimbi, Doon Doon, Violet Valley and Peedamulla campsites within the CwC network.
- **Dampier Peninsula:** The opening of the Djarindjin Campground came as more than \$400,000 in project funding was awarded to eight Aboriginal tourism operators on the Dampier Peninsula. These funds will be channelled into marketing initiatives, product expansion, and accommodation and facility upgrades, capitalising on increased visitor numbers resulting from the recently sealed Cape Leveque Road.
- **Supporting Aboriginal Events:** Tourism WA continues to work with WAITOC to develop training workshops and webinars for Aboriginal event holders, to further develop skill sets and encourage more applicants for the Regional Aboriginal Events Scheme.
- **Wunan Jobs and Skills Project:** In April, the agency supported an intensive training course in partnership with Kimberley TAFE, targeting Aboriginal trainees with the aim to develop a shared workforce across Aboriginal-owned businesses in Kununurra. The project resulted in the establishment of two Aboriginal commercial cookery apprenticeships and a kitchen operations traineeship.
- **Build the Dream Study Tour:** A ‘taste of industry’ initiative WA Aboriginal youth was implemented in June, with nine young people attending the Australian Indigenous Tourism Conference in Cairns. Six of these participants also engaged in a study tour of Aboriginal tourism experiences in North Queensland.



Workforce

The development, recruitment and retention of a diverse and skilled hospitality and tourism workforce continues to present an ongoing challenge to our industry in this current environment.

The opening of the WA border in March this year enabled the return of working holiday makers and international students, and there was a focus on encouraging these new arrivals to take up industry jobs.

While travel restrictions were in place, Tourism WA focused on recruiting local people for local jobs while developing the pipeline of local talent. Initiatives included:

- The development and delivery of the week-long Hospitality Job Connect course with regional TAFEs, providing local residents with the basic skills and knowledge required to immediately fill available roles in the industry. A total of five courses were held, with over 110 participants completing the training, and around 47 per cent of those securing tourism and hospitality-related jobs.

- The delivery of four, metropolitan-based Bar and Barista Job Connect courses, and one regional course held in Broome, in conjunction with the Australian Hotels Association WA (AHA WA). Through these events 61 participants received training in barista and cocktail-making, with the aim of filling time-critical job vacancies.
- Hosting of a third Student Job Connect event, the result of positive feedback received on the initial two events held the previous year. Hosted in collaboration with StudyPerth, these events provided predominately metropolitan-based employers with access to job-ready individuals who were available to begin employment immediately. The success and importance of these events to the industry is evident by the number of employers who attend them each time they are staged.
- Funding of industry-led initiatives through FutureNow, the industry's training council. This included hosting a tourism booth at the 2021 SkillsWest Careers Expo; VET school education sessions; and an in-school Chef Ambassador program.

TOURISM WA FOCUSED ON RECRUITING LOCAL PEOPLE FOR LOCAL JOBS, WHILE DEVELOPING THE PIPELINE OF LOCAL TALENT

2.0 AGENCY PERFORMANCE

- The 2022 Skills West Careers Expo saw in excess of 11,300 attendees, almost half high school-aged, with an estimated 2,500 visitors to the Tourism and Hospitality booth, across three days. The attendees learned about the range of career opportunities that are available in the tourism industry and receive advice on the training and university pathways that were available. In Perth and the South West, 35 schools have been visited for school education sessions, reaching more than 700 students and/or parents. FutureNow also promoted industry careers at the South West Jobs and Skills Forum in Bunbury, which received 499 online registrations and 282 in-person registrations. A suite of informative workforce collateral was created to support these initiatives, including 14 industry career case studies and eight occupational profiles.
- Collaborating with AHA WA, to develop a workforce web portal specifically for the tourism and hospitality industries, incorporating a jobs board, training

opportunities, industry career profiling, government assistance schemes and visa information. On 27 May 2022, the website - westernaustralia.jobs - was announced by the Deputy Premier and Minister for Tourism, Roger Cook, and went live. The website was warmly welcomed by industry and as of 30 June 2022, there were 447 jobs vacancies listed by more than 379 employers.

- As part of the WA Government's \$195 million Reconnect WA strategy, an additional 194 occupations were added to the Graduate Occupation List - taking the total number of listed occupations to 331 - to attract more international students to study in WA.

Cruise Shipping

The cruise industry was significantly impacted during COVID-19 as a result of the Australian Government's *Biosecurity Act* ruling, which restricted international cruise ships from entering Australian waters. The ruling was lifted on 17 April 2022, allowing the resumption of international cruising in Australian waters.

WA transitioned to a safe and measured return of cruising, starting with small expedition ships with capacity for up to 350 passengers and crew, with larger ships scheduled to return from 1 October 2022. The WA Government's aim is to see the safe return of the \$262 million cruise sector and the 935 jobs it generated in 2018-19 prior to COVID.

Tourism WA made significant achievements in growing cruise shipping to WA's coastal destinations prior to the onset of COVID-19 and continues to work on a range of initiatives, guided by the Cruise WA Committee, to attract cruise lines back to WA and develop a sustainable, coordinated and achievable future for this vibrant tourism sector.

The 2022 Kimberley cruise season is set to be one of the biggest, offering a range of options from WA-owned micro-cruise vessels, domestic ships and four small international expedition ships. These vessels carry passengers between Darwin and Broome, who will stay in local hotels and spend on attractions, touring and retail experiences, supporting the local economy.

Tourism Destination Management Plans

During 2021-22 Tourism WA commenced the development of Tourism Destination Management Plans (TDMPs) for each of the five tourism regions, in partnership with each Regional Tourism Organisation and respective regional development commissions.

This work will continue in 2022-23. The development and implementation of TDMPs is the most significant State regional tourism planning activity since the development of *Tourism Development Priorities 2010 – 2015* for each of the five tourism regions in 2010.

The TDMPs will provide a holistic approach to tourism development of our regions, and will be a critical factor in determining future marketing direction, infrastructure, and attraction development and tourism industry capacity-building requirements.

Financial Support Programs

Tourism WA administered four industry support programs during 2021-22.

They included the Tourism and Travel Agent Support Fund in Quarter 1 and a number of programs under the broader Safe Transition Industry Support Package.

These programs included the Tourism Support Program, Tourism Deposit Refund Program and Travel Agent Support Fund.

A total of \$9.27 million was distributed via these four programs to more than 620 operators.

2.0 AGENCY PERFORMANCE

5. PARTNERS AND INDUSTRY

Tourism WA provided \$11 million in 2021-22 to its partner organisations to attract business events; conduct domestic and international marketing; promote Aboriginal tourism; deliver destination management and industry development activities; and help improve the experience for visitors to the WA Visitor Centre.

In addition, the agency supported tourism product capability, competitiveness and sustainability through grants and service agreements to local governments and other government agencies.

Collaboration with Tourism WA's key funded partners is essential in order to deliver the vital outcomes of the organisation.

Key stakeholders include:

- The five Regional Tourism Organisations:
 - Australia's Coral Coast
 - Australia's Golden Outback
 - Australia's North West
 - Australia's South West
 - Destination Perth
- Business Events Perth
- The Western Australian Indigenous Tourism Operators' Council
- The Western Australian Visitor Centre
- Tourism Council Western Australia



COLLABORATION WITH
TOURISM WA'S KEY FUNDED
PARTNERS IS ESSENTIAL
IN ORDER TO DELIVER THE
VITAL OUTCOMES OF THE
ORGANISATION.



2.0 AGENCY PERFORMANCE

2.2 ACTUAL RESULTS VERSUS BUDGET TARGETS

	2021-22	2021-22	Variation
	Original Target	Actual	
Financial Targets	\$'000	\$'000	\$'000
Total cost of services (approved expense limit) (see Statement of Comprehensive Income)	132,196	106,776	25,420
Net cost of services (see Statement of Comprehensive Income)	130,856	105,479	25,377
Total equity (see Statement of Financial Position)	15,729	24,182	8,453
Net increase/(decrease) in cash held (see Statement of Cash Flows)	(19,947)	(8,282)	11,665

Explanatory Notes to Variations against Revised Targets

Further explanations are contained in the financial statements at Note 8.1 'Explanatory Statement for controlled operations'.

Total cost of services

The underspend is largely attributed to the impacts of the COVID-19 pandemic on Tourism WA's events operations for most of 2021-22. Restrictions on travel and venue capacity resulted in the postponement or cancellation of a number of events sponsored by the agency.

Net cost of services

The variance is driven by the event operations underspend as per the *Total cost of services explanatory note*.

Total equity

The variance is mostly the result of a higher than anticipated end of year cash balance. This is mostly due to lower than estimated applications for financial assistance under the Safe Transition Industry Support Package programs administered by Tourism WA. Surplus cash held for these programs will be returned to Government.

Net increase/(decrease) in cash held

The variation to cash movement is explained in *Total equity above*.

2.3 KEY PERFORMANCE INDICATORS

Key Effectiveness Indicators

Key Effectiveness Indicators assist with the assessment of agency performance in the achievement of government desired outcomes.

	2021-22 Target	2021-22 Actual
KPI 1 Total dollar amount spent by visitors in Western Australia	\$9.7 billion	\$10.4 billion
KPI 2 Total overnight visitors to/within Western Australia	9.7 million	9.8 million
KPI 3 Western Australia's market share of international visitor spend in Australia	n/a	n/a
KPI 4 Number of persons employed directly or indirectly by tourism in Western Australia*	88,400	78,400
KPI 5 Percentage of visitors very likely to recommend visiting Western Australia	87%	86%
KPI 6 Ratio of funds provided by the tourism industry to Tourism WA's investment in cooperative marketing	1.0 : 1	1.1 : 1
KPI 7 Direct economic impact of major events sponsorship	\$86.5 million	\$30.4 million

*Reported with a one-year time lag

Key Efficiency Indicators

Key Efficiency Indicators assist with the assessment of agency service delivery.

They monitor the relationship between the service delivered and the resources used to produce the service.

	2021-22 Target	2021-22 Actual
KPI 8 Ratio of Tourism WA's total cost of services to total visitor spend in Western Australia	1 : 73	1 : 97

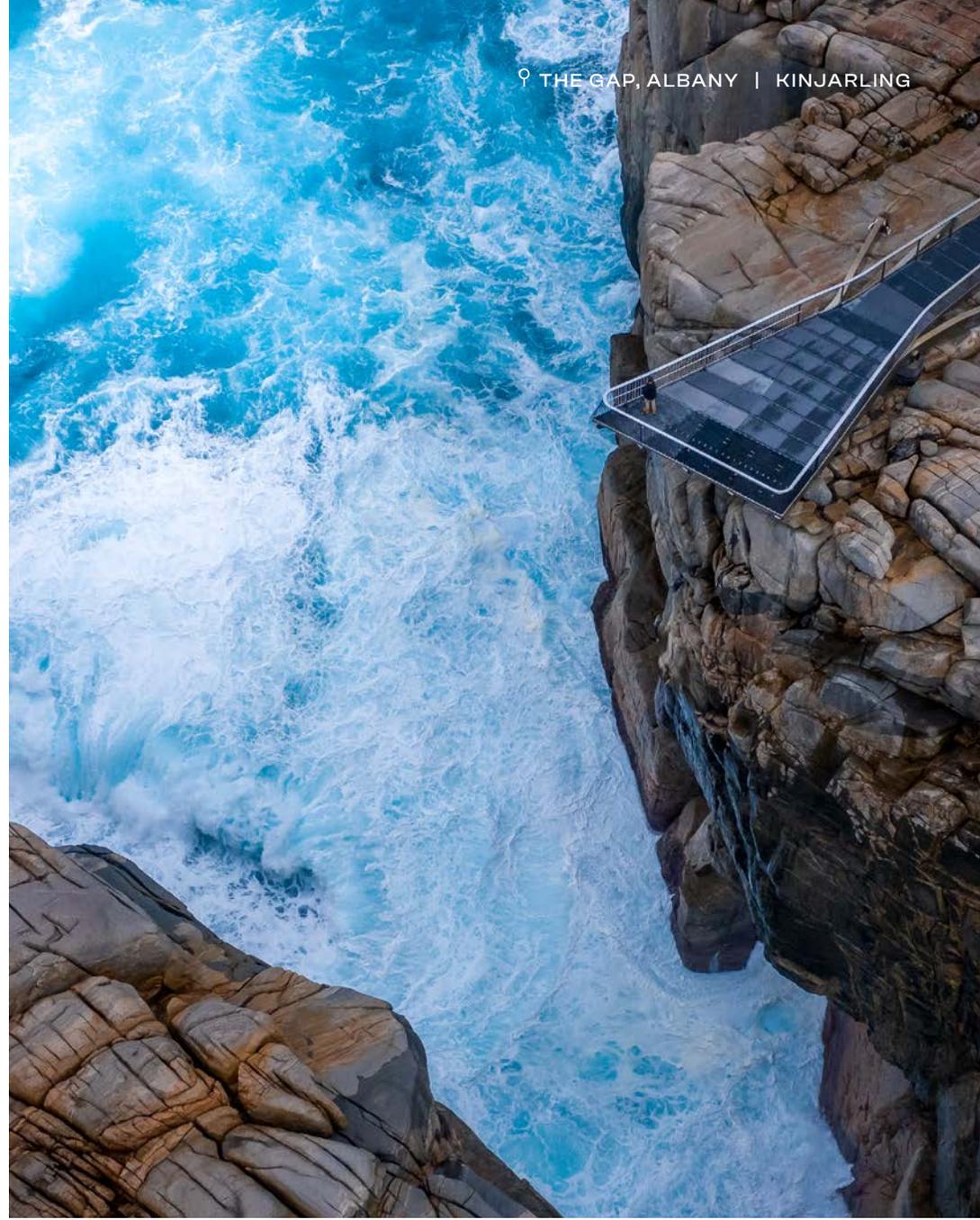
Detailed Key Performance Indicators information can be found on page 97.

3.0 DISCLOSURES AND LEGAL COMPLIANCE





♀ KALBARRI | WURDIMARLU



♀ THE GAP, ALBANY | KINJARLING

3.1 INDEPENDENT AUDIT OPINION



Auditor General

**INDEPENDENT AUDITOR'S REPORT
2022
Western Australian Tourism Commission**

To the Parliament of Western Australia

Report on the audit of the financial statements

I have audited the financial statements of the Western Australian Tourism Commission (Commission) which comprise:

- the Statement of Financial Position at 30 June 2022, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended
- Administered schedules comprising the Administered assets and liabilities at 30 June 2022 and the Administered income and expenses by service for the year then ended
- Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are:

- based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Western Australian Tourism Commission for the year ended 30 June 2022 and the financial position at the end of that period
- in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions.

Page 1 of 6

7th Floor Albert Facey House 469 Wellington Street Perth MAIL TO: Perth BC PO Box 8489 Perth WA 6849 TEL: 08 6557 7500

Basis for opinion

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Board for the financial statements

The Board is responsible for:

- keeping proper accounts
- preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (applicable to Tier 2 Entities), the *Financial Management Act 2006* and the Treasurer's Instructions
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for:

- assessing the entity's ability to continue as a going concern
- disclosing, as applicable, matters related to going concern
- using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the Commission.

Auditor's responsibilities for the audit of the financial statements

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

A further description of my responsibilities for the audit of the financial statements is located on the Auditing and Assurance Standards Board website. This description forms part of my auditor's report and can be found at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Report on the audit of controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Western Australian Tourism Commission. The controls exercised by the Board are those policies and procedures established to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

In my opinion, in all material respects, the controls exercised by the Western Australian Tourism Commission are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2022.

The Board's responsibilities

The Board is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, the Treasurer's Instructions and other relevant written law.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and were implemented as designed.

An assurance engagement involves performing procedures to obtain evidence about the suitability of the controls design to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including an assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Limitations of controls

Because of the inherent limitations of any internal control structure, it is possible that, even if the controls are suitably designed and implemented as designed, once in operation, the overall control objectives may not be achieved so that fraud, error or non-compliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

Report on the audit of the key performance indicators

Opinion

I have undertaken a reasonable assurance engagement on the key performance indicators of the Western Australian Tourism Commission for the year ended 30 June 2022. The key performance indicators are the Under Treasurer-approved key effectiveness indicators and key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of the Western Australian Tourism Commission are relevant and appropriate to assist users to assess the Commission's performance and fairly represent indicated performance for the year ended 30 June 2022.

The Board's responsibilities for the key performance indicators

The Board is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such internal control as the Board determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Board is responsible for identifying key performance indicators that are relevant and appropriate, having regard to their purpose in accordance with Treasurer's Instruction 904 Key Performance *Indicators*.

Auditor General's responsibilities

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the entity's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

I believe that the evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

My independence and quality control relating to the report on financial statements, controls and key performance indicators

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other information

The Board is responsible for the other information. The other information is the information in the entity's annual report for the year ended 30 June 2022, but not the financial statements, key performance indicators and my auditor's report.

My opinions on the financial statements, controls and key performance indicators do not cover the other information and, accordingly, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, controls and key performance indicators, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements and key performance indicators or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I did not receive the other information prior to the date of this auditor's report. When I do receive it, I will read it and if I conclude that there is a material misstatement in this information, I am required to communicate the matter to those charged with governance and request them to correct the misstated information. If the misstated information is not corrected, I may need to retract this auditor's report and re-issue an amended report.

Matters relating to the electronic publication of the audited financial statements and key performance indicators

This auditor's report relates to the financial statements, and key performance indicators of the Western Australian Tourism Commission for the year ended 30 June 2022 included in the annual report on the Commission's website. The Commission's management is responsible for the integrity of the Commission's website. This audit does not provide assurance on the integrity of the Commission's website. The auditor's report refers only to the financial statements, controls and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from the annual report. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to contact the entity to confirm the information contained in the website version.



Sandra Labuschagne
Deputy Auditor General
Delegate of the Auditor General for Western Australia
Perth, Western Australia
4 October 2022

3.2 FINANCIAL STATEMENTS

CERTIFICATION OF FINANCIAL STATEMENTS

For the reporting period ended 30 June 2022

The accompanying financial statements of the Western Australian Tourism Commission (operating as Tourism WA) have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the reporting period ended 30 June 2022 and the financial position as at 30 June 2022.

At the date of signing we are not aware of any circumstances which would render the particulars included within the financial statements misleading or inaccurate.



Di Bain

Chair

3 October 2022



Janelle Marr

Commissioner

3 October 2022



Renato Sansalone

Chief Financial Officer

3 October 2022

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2022

	Note	2022 \$'000	2021 \$'000
COST OF SERVICES			
Expenses			
Employee benefits expenses	2.5.1	241	387
Supplies and services	2.1	41,119	41,098
Depreciation and amortisation expenses	4.1, 4.2, 4.3	97	244
Accommodation expenses	2.5.2	681	677
Grants and subsidies	2.2	12,592	19,128
Event operations expenses	2.3	23,333	9,644
Advertising and promotion expenses	2.4	28,320	14,460
Other expenses	2.5.3	393	193
Total cost of services		106,776	85,831
Income			
Commonwealth grants	3.2	864	1,100
Interest revenue		115	81
Other income	3.3	318	405
Total income		1,297	1,586
NET COST OF SERVICES			
		105,479	84,245
Income from State Government			
Income from other public sector entities	3.1	66,609	71,891
Resources received		14,894	13,517
Royalties for Regions Fund		11,472	11,644
Total income from State Government		92,975	97,052
SURPLUS/(DEFICIT) FOR THE PERIOD			
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(12,504)	12,807

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

STATEMENT OF FINANCIAL POSITION

As at 30 June 2022

	Note	2022	2021
		\$'000	\$'000
ASSETS			
Current Assets			
Cash and cash equivalents	5.3	16,150	24,536
Restricted cash and cash equivalents	5.3	2,827	2,723
Receivables	4.4	2,471	2,201
Prepayments	4.5	8,617	8,103
Amounts receivable for services	4.6	475	475
Total Current Assets		30,540	38,038
Non-Current Assets			
Amounts receivable for services	4.6	4,145	4,620
Prepayments	4.5	46	145
Property, plant and equipment	4.1	72	93
Intangible assets	4.2	702	3,063
Right-of-use assets	4.3	58	132
Other non-current assets	4.7	-	350
Total Non-Current Assets		5,023	8,403
TOTAL ASSETS		35,563	46,441
LIABILITIES			
Current Liabilities			
Payables	4.8	11,193	9,681
Lease liabilities	5.1	16	41
Other provisions	4.9	130	142
Total Current Liabilities		11,339	9,864
Non-Current Liabilities			
Lease liabilities	5.1	42	92
Total Non-Current Liabilities		42	92
Total Liabilities		11,381	9,956
NET ASSETS		24,182	36,485
EQUITY			
Contributed equity		12,962	12,761
Accumulated surplus		11,220	23,724
TOTAL EQUITY		24,182	36,485

The Statement of Financial Position should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Note	Contributed equity	Accumulated surplus	Total equity
		\$'000	\$'000	\$'000
Balance at 1 July 2020		10,672	10,917	21,589
Surplus		-	12,807	12,807
Other comprehensive income		-	-	-
Total comprehensive income for the period		-	12,807	12,807
Transactions with owners in their capacity as owners:				
Capital appropriations		2,089	-	2,089
Total		2,089	-	2,089
Balance at 30 June 2021		12,761	23,724	36,485
Balance at 1 July 2021		12,761	23,724	36,485
Deficit		-	(12,504)	(12,504)
Other comprehensive income		-	-	-
Total comprehensive income for the period		-	(12,504)	(12,504)
Transactions with owners in their capacity as owners:				
Capital appropriations		201	-	201
Total		201	-	201
Balance at 30 June 2022		12,962	11,220	24,182

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

STATEMENT OF CASH FLOWS

For the year ended 30 June 2022	Note	2022 \$'000	2021 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Funds from other public sector entities		66,609	71,891
Capital appropriations		201	2,089
Holding account drawdown		475	475
Royalties for Regions Fund		11,472	11,644
Net cash provided by State Government		78,757	86,099
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(213)	(426)
Supplies and services		(26,657)	(27,135)
Accommodation		(658)	(501)
Grants and subsidies		(12,708)	(18,415)
GST payments on purchases		(6,787)	(6,162)
Event operations payments		(21,317)	(10,671)
Advertising and promotion payments		(25,820)	(9,741)
Lease interest payments		(3)	(3)
Other payments		(162)	(278)
Receipts			
Commonwealth grants		864	1,100
Interest received		101	77
GST receipts on sales		212	144
GST receipts from taxation authority		6,189	5,140
Other receipts		316	133
Net cash used in operating activities		(86,643)	(66,738)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(357)	(2,869)
Net cash used in investing activities		(357)	(2,869)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease payments		(39)	(49)
Net cash used in financing activities		(39)	(49)
Net increase/(decrease) in cash and cash equivalents		(8,282)	16,443
Cash and cash equivalents at the beginning of the period		27,259	10,816
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	5.3	18,977	27,259

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

ADMINISTERED SCHEDULES

ADMINISTERED INCOME AND EXPENSES

For the year ended 30 June 2022

	Note	2022	2021
		\$'000	\$'000
Income			
Income from other public sector entities		2,800	2,800
Total administered income		2,800	2,800
Expenses			
Grants and subsidies	8.2	-	2,086
Total administered expenses		-	2,086

Administered transactions represent expenditure, and corresponding funding from the State Government, to fund customs and immigration infrastructure requirements at Perth Airport as a result of direct flights between Perth and London. The State Government committed to \$14 million over five years commencing in 2017-18.

Further explanations of variances are contained in note 8.2 'Explanatory Statement for administered items'.

ADMINISTERED ASSETS AND LIABILITIES

As at 30 June 2022

	Note	2022	2021
		\$'000	\$'000
Current assets			
Cash and cash equivalents		3,514	505
GST receivable		-	209
Total administered current assets		3,514	714
Total administered assets		3,514	714

There were no administered liabilities in the current or prior year.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

NOTE 1. BASIS OF PREPARATION

The Western Australian Tourism Commission (operating as Tourism WA) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. Tourism WA is a not-for-profit entity (as profit is not its principal objective).

A description of the nature of Tourism WA's operations and its principal activities is included in the 'Overview' section of the Annual Report which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Board of Commissioners of Tourism WA (the accountable authority) on 3 October 2022.

Statement of compliance

These general purpose financial statements are prepared in accordance with:

- the Financial Management Act 2006 (FMA);
- Treasurer's Instructions (TIs);
- Australian Accounting Standards (AASs) – Simplified Disclosures; and
- where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The FMA and TIs take precedence over AASs. Several AASs are modified by the TIs to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. Certain balances will apply a different measurement basis (such as the fair value basis). Where this is the case the different measurement basis is disclosed in the associated note. All values are rounded to the nearest thousand dollars (\$'000).

Foreign currency transactions

Tourism WA undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. In order to protect against exchange rate movements, Tourism WA entered into forward foreign exchange contracts during the year. Foreign exchange gains and losses resulting from the settlement of transactions not covered by forward foreign exchange contracts, and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in profit or loss.

Accounting for Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of goods and services tax (GST), except that the:

- (a) amount of GST incurred by Tourism WA as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of an asset's cost of acquisition or as part of an item of expense; and

(b) receivables and payables are stated with the amount of GST included.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Contributed equity

Interpretation 1038 Contributions by Owners Made to Wholly-Owned Public Sector Entities requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated as contributions by owners (at the time of, or prior to, transfer) and recognised as equity contributions. Capital appropriations have been designated as contributions by owners by TI 955 Contributions by Owners Made to Wholly-Owned Public Sector Entities and have been credited directly to Contributed Equity.

Administered items

Tourism WA administers, but does not control, certain activities and functions for and on behalf of the State Government that do not contribute to Tourism WA's services or objectives. It does not have discretion over how it utilises the transactions in pursuing its own objectives.

Transactions relating to the administered activities are not recognised as Tourism WA's income, expenses, asset and liabilities, but are disclosed in the accompanying schedules as 'Administered Income and Expenses' and 'Administered Assets and Liabilities'.

The accrual basis of accounting and applicable AASs have been adopted.

Comparative information

Except when an AAS permits or requires otherwise, comparative information is presented in respect of the previous period for all amounts reported in the financial statements. AASB 1060 provides relief from presenting comparatives for:

- Property, plant and equipment reconciliations;
- Intangible asset reconciliations; and
- Right-of-use asset reconciliations.

Minor changes were made to the comparatives in these financial statements as a result of the reclassification of some expenses. No change has been made to the comparative surplus for the period and net assets reported.

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.



NOTE 2. USE OF OUR FUNDING**Expenses incurred in the delivery of services**

This section provides additional information about how Tourism WA's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by Tourism WA in achieving its objectives and the relevant notes are:

	Notes
Supplies and services	2.1
Grants and subsidies	2.2
Event operations expenses	2.3
Advertising and promotion expenses	2.4
Other expenditure	2.5

2.1 Supplies and services

	2022	2021
	\$'000	\$'000
Communications expenses	111	200
Computer expenses	2,372	1,936
Contracts for service	12,239	14,434
General administration expenses	2,371	2,257
Insurance	92	79
Marketing services	2,048	1,877
Rental and hire costs	184	195
Printing and stationery	37	28
Professional services	5,145	4,981
Research	1,260	1,330
Resources provided by the Department of Jobs, Tourism, Science and Innovation ^(a)	14,799	13,486
Travel	426	260
Vehicles	35	35
Total supplies and services	41,119	41,098

Supplies and services are recognised as an expense in the reporting period in which they are incurred.

^(a) The Department of Jobs, Tourism, Science and Innovation provides resources to Tourism WA and retains the associated cash funding from Government.

Resources provided by the Department that are recognised by Tourism WA are largely for personnel costs as well as corporate support services and overheads for accommodation, information systems, finance, human resources and procurement services. See also Notes 2.5.1 'Employee benefits expenses' and 3.1 'Income from State Government'.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

2.2 Grants and subsidies

	2022	2021
	\$'000	\$'000
<u>Recurrent</u>		
Safe Transition Industry Support Package programs	7,526	-
Regional Aviation Recovery (COVID-19 response)	2,107	3,077
WA Tourism and Travel Agent Support Fund	1,743	-
Aboriginal tourism development	56	67
Regional Tourism Organisations	30	650
Other grants and sponsorships	558	1,264
WA Tourism Recovery Grants (COVID-19 response)	-	8,895
Travel Agents Support Package (COVID-19 response)	-	3,011
<u>Capital</u>		
Aboriginal tourism development	572	2,164
Total grants and subsidies	12,592	19,128

Transactions in which Tourism WA provides funding to another party without receiving approximately equal value in return are categorised as grant or subsidy expenses. These payments are recognised at fair value at the time of the transaction and recognised as an expense in the reporting period in which they are paid. They include transactions such as: grants, subsidies and other transfer payments made to public sector agencies.

Grants can be paid as general purpose grants which refers to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

In response to COVID-19 and the significant impact on the Western Australian tourism industry, the Safe Transition Industry Support Package programs, Regional Aviation Recovery program and Tourism and Travel Agent Support Fund were administered by Tourism WA to support the industry and contribute to affordable airfares for intrastate regional travel.

2.3 Event operations expenses

	2022	2021
	\$'000	\$'000
Event sponsorship and development by funding source:		
Consolidated Account	18,361	6,448
Royalties for Regions Fund – Regional Events Program	4,972	3,196
Total event operations expenses	23,333	9,644

Event operations expenses are recognised in the period that the event takes place.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

2.4 Advertising and promotion expenses

	2022	2021
	\$'000	\$'000
Promotions and co-operative campaigns	22,056	11,111
Collateral – production and distribution	5,542	1,099
Familiarisation visits	696	541
Multimedia and audiovisual	26	1,709
Total advertising and promotion expenses	28,320	14,460

Advertising and promotion expenses are expensed in the reporting period in which the campaign or other activity occurs.

'Collateral – production and distribution' includes the amortisation of campaign production costs (refer note 4.2). Although these campaign production costs are amortised through expenses, the marketing collateral created is useable in future periods.

2.5 Other expenditure

2.5.1 Employee benefits expense

	2022	2021
	\$'000	\$'000
Commissioners' fees	213	351
Superannuation – defined contribution plans	18	30
Fringe benefits tax	10	6
Total employee benefits expense	241	387

Employee benefits represents costs associated with the Board of Commissioners of Tourism WA. The Board of Commissioners of Tourism WA are paid at a fixed remuneration rate and do not accrue leave entitlements.

Superannuation contributions for Commissioners comprises employer contributions paid to the West State Super scheme or other superannuation funds.

Tourism WA employees, excluding Commissioners, were transferred to the Department of Jobs, Tourism, Science and Innovation in July 2017. The Department provides personnel to Tourism WA and associated costs are recognised under 'Supplies and services' (see also Note 2.1 'Supplies and services' and 3.1 'Income from State Government').

3.0 DISCLOSURES AND LEGAL COMPLIANCE

2.5.2 Accommodation expenses

	2022	2021
	\$'000	\$'000
Rental	589	543
Repairs and maintenance	76	114
Utilities	11	12
Cleaning	5	8
Total accommodation expenses	681	677

Rental costs are expensed as incurred as agreements between Tourism WA and other State Government agencies for the leasing of accommodation contain significant substitution rights.

Cleaning, utilities and repairs and maintenance are recognised as expenses as incurred.

2.5.3 Other expenses

	2022	2021
	\$'000	\$'000
Impairment losses:		
- Fair value through profit and loss financial asset	350	-
- Property, plant and equipment	-	6
Loss on foreign exchange	40	-
Lease interest expense	3	3
Refund of prior year revenue	-	184
Total other expenses	393	193
Total other expenditure	1,315	1,257

An impairment loss was recognised during the year for a shareholding interest in the Australian Tourism Data Warehouse that has been adjusted to fair value. Refer also to note 4.7.

NOTE 3. OUR FUNDING SOURCES**How we obtain our funding**

This section provides additional information about how Tourism WA obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by Tourism WA and the relevant notes are:

	Notes
Income from State Government	3.1
Commonwealth grants	3.2
Other income	3.3

3.1 Income from State Government

	2022	2021
	\$'000	\$'000
Income received from other public sector entities during the period:		
Department of Jobs, Tourism, Science and Innovation	66,609	71,891
Total income from other public sector entities	66,609	71,891
Resources received from other public sector entities during the period:		
Department of Jobs, Tourism, Science and Innovation	14,789	13,468
Department of Finance	23	24
State Solicitors Office	82	25
Total resources received from other public sector entities	14,894	13,517
Royalties for Regions Fund:		
Regional Community Services Account	11,472	11,644
Total Royalties for Regions Fund	11,472	11,644
Total income from State Government	92,975	97,052

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Income from other public sector entities is recognised when Tourism WA has satisfied its performance obligations under the funding agreement. If there is no performance obligation, income is recognised when Tourism WA receives the funds.

Tourism WA's funding is provided by Government to the Department of Jobs, Tourism, Science and Innovation. Funding for Tourism WA's share of personnel and corporate support services and overheads is retained by the Department (and provided to Tourism WA as **resources received**) with the remainder of funding provided by the Department to Tourism WA as **income**.

Resources received from other public sector entities are recognised as income equivalent to the fair value of assets received, or the fair value of services received, that can be reliably determined and which would have been purchased if not provided.

The Regional Community Services Account is a sub-fund within the overarching 'Royalties for Regions Fund'. The recurrent funds are committed to projects and programs in WA regional areas and are recognised as income when Tourism WA receives the funds.

3.2 Commonwealth grants

	2022	2021
	\$'000	\$'000
Recurrent		
National Partnership Payments – Tourism Business Support	864	-
Domestic marketing	-	1,100
Total Commonwealth grants	864	1,100

Recurrent grants are recognised as income when the grants are receivable.

Funding in 2022 was a 50% contribution towards the WA Tourism and Travel Agent Support Fund in response to the impacts of COVID-19 on the tourism industry.

3.3 Other income

	2022	2021
	\$'000	\$'000
Refunds and recoups	263	285
Other gains	25	89
Executive Vehicle Scheme contributions	9	20
Miscellaneous income	21	11
Total other income	318	405

NOTE 4. ASSETS AND LIABILITIES

This section includes information regarding assets Tourism WA utilises to gain economic benefits or provide service potential along with the key accounting policies and financial information about the performance of these assets. This section also sets out other assets and liabilities that arose from Tourism WA's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes
Property, plant and equipment	4.1
Intangible assets	4.2
Right-of-use assets	4.3
Receivables	4.4
Prepayments	4.5
Amounts receivable for services	4.6
Other non-current assets	4.7
Payables	4.8
Other provisions	4.9

3.0 DISCLOSURES AND LEGAL COMPLIANCE

4.1 Property, plant and equipment

	Furniture, fittings and equipment	Computer equipment	Total
Year ended 30 June 2022	\$'000	\$'000	\$'000
1 July 2021			
Gross carrying amount	24	289	313
Accumulated depreciation	(12)	(202)	(214)
Accumulated impairment loss	-	(6)	(6)
Carrying amount at start of period	12	81	93
Additions	-	19	19
Disposals – gross carrying amount	-	(25)	(25)
Disposals – accumulated depreciation and impairment loss	-	25	25
Depreciation	(1)	(39)	(40)
Carrying amount at end of period	11	61	72
Comprising:			
Gross carrying amount	24	283	307
Accumulated depreciation	(13)	(222)	(235)
Carrying amount at end of period	11	61	72

Initial recognition

Items of property, plant and equipment costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no cost or significantly less than fair value, the cost is valued at its fair value at the date of acquisition. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Subsequent measurement

Subsequent to initial recognition of an asset, property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. As at 30 June 2022, there were no indications of impairment to property, plant and equipment.

Useful lives

All items of property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits.

Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The estimated useful lives for the different asset classes for current and prior years are as follows:

Asset class	Useful life
Furniture, fittings and equipment	5 to 10 years
Computer equipment	3 to 5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period and adjustments made where appropriate.

Impairment

Non-financial assets, including items of property, plant and equipment, intangible assets and right-of-use assets, are tested for impairment whenever there is an indication that the asset may be impaired. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

If there is an indication that there has been a reversal in impairment, the carrying amount is increased to its recoverable amount. However this reversal does not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

4.2 Intangible assets

	Software	Development costs	Campaign production costs	Works in Progress	Total
Year ended 30 June 2022	\$'000	\$'000	\$'000	\$'000	\$'000
1 July 2021					
Gross carrying amount	587	706	-	2,985	4,278
Accumulated amortisation	(509)	(706)	-	-	(1,215)
Carrying amount at start of period	78	-	-	2,985	3,063
Additions	294	-	-	-	294
Transfers	425	-	2,560	(2,985)	-
Disposals – gross carrying amount	(594)	-	(2,560)	-	(3,154)
Disposals – accumulated amortisation and impairment loss	516	-	2,560	-	3,076
Amortisation expense	(17)	-	(2,560)	-	(2,577)
Carrying amount at end of period	702	-	-	-	702
Comprising:					
Gross carrying amount	719	706	-	-	1,425
Accumulated amortisation	(17)	(706)	-	-	(723)
Carrying amount at end of period	702	-	-	-	702

Initial recognition

Intangible assets are initially recognised at cost. For assets acquired at significantly less than fair value, the cost is their fair value at the date of acquisition.

Acquisitions of intangible assets and internally generated intangible assets costing \$5,000 or more that comply with the recognition criteria of AASB 138 Intangible Assets (as noted above) are capitalised.

Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- (a) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- (b) an intention to complete the intangible asset, and use or sell it;
- (c) the ability to use or sell the intangible asset;
- (d) the intangible asset will generate probable future economic benefit;
- (e) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- (f) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Costs incurred in the research phase of a project are immediately expensed.

Subsequent measurement

The cost model is applied for subsequent measurement of intangible assets, requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software controlled by Tourism WA has a finite useful life and is carried at cost less accumulated amortisation and accumulated impairment losses.

Following a decision by the IFRS Interpretations Committee in March 2021, Software as a Service (SaaS) arrangements are no longer capitalised if Tourism WA has no control over the software. As a result of this change, Tourism WA derecognised assets, with a gross cost of \$125,646 and a carrying amount of nil, during the year.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Development costs

Development costs incurred for an individual project are carried forward when the future economic benefits can reasonably be regarded as assured and the total project costs are likely to exceed \$50,000. Other development costs are expensed as incurred.

Campaign production costs

Internally developed campaign production costs associated with researching campaign concepts, including fees paid to creative agencies, are expensed as incurred up to approval of the final concept. Costs incurred for development of the approved campaign concepts, including casting, travel and accommodation, licencing, music, location costs, filming and other production and post-production costs, are carried forward when the future economic benefits can reasonably be regarded as assured. These are carried at cost less accumulated amortisation (charged against advertising and promotion expenses) and accumulated impairment losses. All costs of advertisement placement are expenses when incurred.

Useful lives

Amortisation of finite life intangible assets is calculated on a straight-line basis at rates that allocate the asset's value over its estimated useful life. All intangible assets controlled by Tourism WA have a finite useful life and zero residual value. Estimated useful lives are reviewed annually.

The estimated useful lives for each class of intangible asset are as follows:

Asset class	Useful life
Software ^(a)	3 to 5 years
Development costs	3 to 5 years
Campaign production costs	2 to 3 years

^(a) Software that is not integral to the operation of any related hardware.

Impairment of intangible assets

Intangible assets with indefinite useful lives are tested for impairment annually or when an indication of impairment is identified. As at 30 June 2022 there were no intangible assets with indefinite useful lives.

The policy in connection with testing for impairment is outlined in Note 4.1.

4.3 Right-of-use assets

Year ended 30 June 2022	Accommodation	Vehicles	Total
	\$'000	\$'000	\$'000
Carrying amount at start of period	71	61	132
Additions	3	6	9
Disposals	-	(43)	(43)
Depreciation	(16)	(24)	(40)
Net carrying amount at end of period	58	-	58

Tourism WA has leases for vehicles and a storage facility. The lease contracts are typically made for fixed periods of 1-5 years with an option to renew the lease after that date. Lease payments for the storage facility (not leased through the Department of Finance) are renegotiated at the end of the lease term to reflect market rentals.

Tourism WA also has Memorandum of Understanding Agreements with the Department of Finance for other leases. These lease costs are not recognised under AASB 16 *Leases* because of substitution rights held by the Department of Finance and are accounted for as an expense as incurred.

Initial recognition

At the commencement date of the lease, Tourism WA recognises right-of-use assets and a corresponding lease liability. The right-of-use assets are measured at cost comprising of:

- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any initial direct costs; and
- restoration costs, including dismantling and removing the underlying asset.

The corresponding lease liabilities in relation to these right-of-use assets have been disclosed in note 5.1.

Tourism WA has elected not to recognise right-of-use assets and lease liabilities for short-term leases (with a lease term of 12 months or less) and low value leases (with an underlying value less than \$5,000). Lease payments associated with these leases are expensed over a straight-line basis over the lease term.

Subsequent measurement

The cost model is applied for subsequent measurement of right-of-use assets, requiring the asset to be carried at cost less any accumulated depreciation and accumulated impairment losses and adjusted for any re-measurement of lease liability.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Depreciation and impairment of right-of-use assets

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets.

If ownership of the leased asset transfers to Tourism WA at the end of the lease term, or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are tested for impairment when an indication of impairment is identified. The policy in connection with testing for impairment is outlined in note 4.1.

4.4 Receivables

	2022	2021
	\$'000	\$'000
Current		
Receivables	81	229
Accrued revenue	23	18
Advances to overseas marketing contractors	474	322
GST receivable	1,893	1,632
Total receivables at the end of period	2,471	2,201

Receivables are initially recognised at their transaction price or, for those receivables that contain a significant financing component, at fair value. Tourism WA holds the receivables with the objective to collect the contractual cash flows and therefore subsequently measure the receivables at amortised cost using the effective interest method, less an allowance for any impairment.

Tourism WA recognises a loss allowance for expected credit losses (ECLs) on a receivable not held at fair value through profit or loss. The ECLs are based on the difference between the contractual cash flows and the cash flows that Tourism WA expects to receive, discounted at the original effective interest rate. Individual receivables are written off when Tourism WA has no reasonable expectation of recovering contractual cash flows. Tourism WA had no expected credit losses or write offs for the year.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

4.5 Prepayments

	2022	2021
	\$'000	\$'000
Current		
Event sponsorship	8,049	7,704
Licence, maintenance and support fees	295	178
Marketing campaign activity	209	209
Other	64	12
Total current	8,617	8,103
Non-current		
Licence, maintenance and support fees	46	145
Total non-current	46	145
Total prepayments at the end of period	8,663	8,248

Prepayments represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

4.6 Amounts receivable for services (holding account)

	2022	2021
	\$'000	\$'000
Current	475	475
Non-current	4,145	4,620
Total amounts receivable for services at the end of period	4,620	5,095

Amounts receivable for services represent the non-cash component of service appropriations. For Tourism WA, the non-cash component of service appropriations was received up to 30 June 2017 (prior to Machinery of Government changes). The balance of amounts receivable for services is restricted in that it can only be used for asset replacement.

The amounts receivable for services are financial assets at amortised cost and are not considered impaired (ie. there is no expected credit loss of the holding account).

4.7 Other non-current assets

	2022	2021
	\$'000	\$'000
Investments	-	350
Total other non-current assets at the end of period	-	350

At 30 June 2022, Tourism WA held a 13.57% interest (2021: 13.57%) in the Australian Tourism Data Warehouse Pty Ltd, which is classified as a fair value through profit and loss financial asset in accordance with AASB 9. Its principal activity is the development of a database for Australian tourism products. The fair value of the investment historically equated to Tourism WA's shareholder equity interest. As there is no active market, the investment has been fully impaired during the year.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

4.8 Payables

	2022	2021
	\$'000	\$'000
Current		
Trade payables	3,172	6,049
Accrued expenses	8,018	3,627
Accrued salaries	3	5
Total payables at the end of period	11,193	9,681

Payables are recognised at the amounts payable when Tourism WA becomes obliged to make future payments as a result of a purchase of assets or services or agreed contractual milestones. The carrying amount is equivalent to fair value as settlement is generally within 30 days.

Accrued salaries represent the amount due to Commissioners, but unpaid, at the end of the reporting period. Accrued salaries are settled within a fortnight after the reporting period. Tourism WA considers the carrying amount of accrued salaries to be equivalent to its fair value.

4.9 Other provisions

	2022	2021
	\$'000	\$'000
Current		
Annual leave - overseas staff	130	142
Total other provisions	130	142

Provision is made for benefits accruing to overseas staff in respect of annual leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

Employee related provisions associated with local staff were transferred to the Department of Jobs, Tourism, Science and Innovation following the transfer of staff to the Department on 1 July 2017. Reported provisions solely represent annual leave provisions for overseas staff of Tourism WA.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

NOTE 5. FINANCING

This section sets out the material balances and disclosures associated with the financing and cashflows of Tourism WA.

	Notes
Lease liabilities	5.1
Finance costs	5.2
Cash and cash equivalents	5.3
Capital commitments	5.4

5.1 Lease liabilities

	2022	2021
	\$'000	\$'000
Not later than one year	16	41
Later than one year and not later than five years	42	91
Later than five years	-	1
Total lease liabilities at the end of period	58	133
Current	16	41
Non-current	42	92
Total lease liabilities at the end of period	58	133

Initial measurement

At the commencement date of the lease, Tourism WA recognises lease liabilities measured at the present value of lease payments payable over the lease term. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, Tourism WA uses the incremental borrowing rate provided by the Western Australian Treasury Corporation.

Lease payments included by Tourism WA as part of the present value calculation of lease liability include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options (where these are reasonably certain to be exercised); and
- payments for penalties for terminating a lease, where the lease term reflects Tourism WA exercising an option to terminate the lease.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Periods covered by extension or termination options are only included in the lease term by Tourism WA if the lease is reasonably certain to be extended (or not terminated).

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

Variable lease payments, not included in the measurement of lease liability, are recognised by Tourism WA in profit or loss in the period in which the condition that triggers those payments occurs.

Subsequent measurement

Lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities; reducing the carrying amount to reflect the lease payments made; and remeasuring the carrying amount at amortised cost, subject to adjustments to reflect any reassessment or lease modifications.

This section should be read in conjunction with note 4.3

Lease expenses recognised in the Statement of Comprehensive Income

	2022	2021
	\$'000	\$'000
Lease interest expense	3	3
Expenses relating to variable lease payments not included in lease liabilities	7	7
Total lease expenses	10	10

Variable lease payments that are not included in the measurement of the lease liability are recognised in the period in which the event or condition that triggers those payments occurs.

5.2 Finance costs

	2022	2021
	\$'000	\$'000
Finance costs		
Interest expense on lease liabilities	3	3
Finance costs expensed	3	3

Finance costs represent the interest component of lease liability repayments.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

5.3 Cash and cash equivalents

	2022	2021
	\$'000	\$'000
Cash and cash equivalents	16,150	24,536
Restricted cash and cash equivalents		
- Royalties for Regions Fund ^(a)	2,827	2,723
Balance at end of period	18,977	27,259

^(a) Unspent funds are either committed to projects and programs in WA regional areas or will be returned to the Department of Treasury.

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

5.4 Capital commitments

Tourism WA has no capital expenditure commitments at the end of the reporting period.

NOTE 6. FINANCIAL INSTRUMENTS AND CONTINGENCIES

This note sets out the key risk management policies and measurement techniques of Tourism WA.

	Notes
Financial instruments	6.1
Contingent assets and liabilities	6.2

6.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	2022	2021
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	18,977	27,259
Financial assets at amortised cost ^(a)	5,197	5,664
Fair value through profit and loss financial asset	-	350
Total financial assets	24,174	33,273
Financial liabilities		
Financial liabilities at amortised cost	11,251	9,814
Total financial liabilities	11,251	9,814

^(a) The amount of financial assets at amortised cost excludes GST recoverable from the ATO (statutory receivable).

Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Measurement

All financial assets and liabilities are carried without subsequent remeasurement.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

6.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Tourism WA has no contingent assets or liabilities at reporting date.

NOTE 7. OTHER DISCLOSURES

This section includes additional material disclosures required by accounting standards or other pronouncements for further understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	7.1
Changes in accounting policies	7.2
Key management personnel	7.3
Related party transactions	7.4
Related bodies	7.5
Affiliated bodies	7.6
Remuneration of auditors	7.7
Supplementary financial information	7.8

7.1 Events occurring after the end of the reporting period

The Statement of Comprehensive Income and Statement of Financial Position have been prepared on the basis of conditions existing at reporting date. There is no additional evidence of events or conditions occurring after balance date that may have an impact on the financial statements.

7.2 Changes in accounting policies

Tourism WA considers there is no material impact of initial application of Australian Accounting Standards that are operative for reporting periods ended on or after 30 June 2022.

Tourism WA made no voluntary changes to accounting policies during the reporting period.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

7.3 Key management personnel

Tourism WA has determined key management personnel to include Cabinet Ministers, members of the accountable authority (board members) and senior officers of Tourism WA. Tourism WA does not incur expenditures to compensate Ministers and those disclosures may be found in the *Annual Report on State Finances*.

The total fees, salaries, superannuation, non-monetary benefits and other benefits for Board members and senior officers of Tourism WA for the reporting period are presented below.

Compensation of members of the accountable authority

Compensation band (\$)	2022	2021
50,001 – 60,000	1	1
40,001 – 50,000	-	-
30,001 – 40,000	4	9
20,001 – 30,000	1	-
	\$'000	\$'000
Total compensation of members of the accountable authority	232	380

Commissioner fees for Kevin Brown are paid directly to Perth Airport Pty Ltd.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Compensation of senior officers

Compensation band (\$)	2022	2021
230,001 – 240,000	1	1
220,001 – 230,000	-	1
210,001 – 220,000	1	-
190,001 – 200,000	1	1
170,001 – 180,000	-	1
160,001 – 170,000	-	1
140,001 – 150,000	1	1
110,001 – 120,000	-	1
90,001 – 100,000	1	-
70,001 – 80,000	1	-
60,001 – 70,000	3	2
40,001 – 50,000	2	-
30,001 – 40,000	-	1
20,001 – 30,000	2	-
	\$'000	\$'000
Total compensation of senior officers	1,308	1,418

Senior officers are defined as those officers who sat on the Executive Management Team for part or all of the financial year.

Compensation details of senior officers are disclosed in this note however these personnel are remunerated by the Department of Jobs, Tourism, Science and Innovation. The Department provides personnel resources to Tourism WA, including senior officers, and associated costs are recognised under 'Supplies and services' (see Note 2.1).

7.4 Related party transactions

Tourism WA is a wholly-owned public sector entity that is controlled by the State of Western Australia.

Related parties of Tourism WA include:

- all Cabinet Ministers and their close family members, and their controlled or jointly controlled entities;
- all key management personnel and their close family members, and their controlled or jointly controlled entities;
- other agencies and statutory authorities, including related bodies, that are included in the whole of government consolidated financial statements (ie. wholly-owned public sector entities);

- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

Material transactions with related parties

There were no related party transactions during the year that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

7.5 Related bodies

Tourism WA had no related bodies during the financial year.

7.6 Affiliated bodies

Business Events Perth

Tourism WA has an agreement with Business Events Perth (BEP) for the provision of business events marketing and promotional services. The current agreement expires 30 June 2022.

Tourism WA controls the activities of BEP to the extent that it provides the majority of BEP's funding and that BEP has contracted to submit its annual operation plan and budget for approval by Tourism WA prior to implementation. BEP is not subject to operational control by Tourism WA. BEP received more than 50% of its total funding from Tourism WA in 2021-22.

Payments inclusive of GST made to BEP in 2021-22 totalled \$6,109,400 (2020-21: \$6,274,400).

Regional Tourism Organisations

Tourism WA has Marketing and Services Agreements with each of the five Regional Tourism Organisations (RTOs) in Western Australia to promote and market the regions. The RTOs comprise Destination Perth, Australia's Coral Coast, Australia's Golden Outback, Australia's South West and Australia's North West. The current agreements expire 30 June 2026.

The RTOs are not subject to operational control by Tourism WA but are required to submit their annual business plan for approval prior to implementation. All of the RTOs, except Australia's South West, received more than 50% of their total funding from Tourism WA in 2021-22.

Base payments made, inclusive of GST, to each of the RTOs that were affiliated bodies in 2021-22 were \$912,537 (2020-21: \$802,537). Total additional payments of \$1,089,645 were made to the RTOs that were affiliated bodies in 2021-22 for other activities (2020-21: \$2,220,216).

Western Australian Indigenous Tourism Operators Council (WAITOC)

Tourism WA has two Marketing and Services Agreements with WAITOC to promote the Western Australian Aboriginal tourism sector, both expiring on 30 June 2025.

WAITOC is not subject to operational control by Tourism WA but received more than 50% of its total funding from Tourism WA in 2021-22.

Total payments made, inclusive of GST, to WAITOC in 2021-22 were \$2,069,699 (2020-21: \$993,009).

3.0 DISCLOSURES AND LEGAL COMPLIANCE

7.7 Remuneration of auditors

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2022	2021
	\$'000	\$'000
Auditing the accounts, financial statements, controls and key performance indicators	130	127
Auditing Royalties for Regions Annual Report financials	-	1
	130	128

7.8 Supplementary financial information

(a) Write-offs

During the financial year, nil was written off Tourism WA's books under the authority of:

	2022	2021
	\$'000	\$'000
The accountable authority	-	-
The Minister	-	-
Executive Council	-	-
	-	-

(b) Losses through theft, defaults and other causes

	2022	2021
	\$'000	\$'000
Losses of public money and public and other property through theft or default	-	-
Amounts recovered	-	-
	-	-

3.0 DISCLOSURES AND LEGAL COMPLIANCE

(c) Forgiveness of debts

	2022	2021
	\$'000	\$'000
Forgiveness (or waiver) of debts by Tourism WA	-	-
	-	-

(d) Gifts of public property

	2022	2021
	\$'000	\$'000
Gifts of public property provided by Tourism WA	30	11
	30	11

NOTE 8. EXPLANATORY STATEMENTS

This section explains variations in the financial performance of Tourism WA.

	Notes
Explanatory Statement for controlled operations	8.1
Explanatory Statement for administered items	8.2

8.1 Explanatory Statement for controlled operations

This section explains variations in the financial performance of Tourism WA for operations under its own control, as represented by the primary financial statements.

All variances between annual estimates (original budget) and actual results for 2022, and between the actual results for 2022 and 2021, are shown. Narratives are provided for key major variances that are greater than 10% from their comparative and where the variation is more than 1% of the dollar aggregate of:

- Total Cost of Services of the previous year for the Statements of Comprehensive Income and Cash Flows (\$85,831,000); and
- Total estimated Assets for the Statement of Financial Position (\$25,469,000).

Estimates reported in this note represent original budget estimates. During the course of any given year, budgets are revised to account for new or adjusted Government initiatives through State budget processes.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

STATEMENT OF COMPREHENSIVE INCOME VARIANCES

	Variance Note	Original Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2022 and 2021 \$'000
COST OF SERVICES						
Expenses						
Employee benefits expenses		264	241	387	(23)	(146)
Supplies and services	1	46,718	41,119	41,098	(5,599)	(18)
Depreciation and amortisation expenses		744	97	244	(647)	(147)
Accommodation expenses		418	681	677	263	4
Grants and subsidies	2, a	9,306	12,592	19,128	3,286	(6,536)
Event operations expenses	3, b	46,091	23,333	9,644	(22,758)	13,689
Advertising and promotion expenses	c	28,649	28,320	14,460	(329)	13,860
Other expenses		6	393	193	387	200
Total cost of services		132,196	106,776	85,831	(25,420)	20,945
Income						
Commonwealth grants	4	-	864	1,100	864	(236)
Interest revenue		250	115	81	(135)	34
Other income		1,090	318	405	(772)	(87)
Total Income		1,340	1,297	1,586	(43)	(289)
NET COST OF SERVICES		130,856	105,479	84,245	(25,377)	21,234
Income from State Government						
Income from other public sector entities	5	80,575	66,609	71,891	(13,966)	(5,282)
Resources received	d	15,800	14,894	13,517	(906)	1,377
Royalties for Regions Fund	6	13,524	11,472	11,644	(2,052)	(172)
Total income from State Government		109,899	92,975	97,052	(16,924)	(4,077)
SURPLUS/(DEFICIT) FOR THE PERIOD		(20,957)	(12,504)	12,807	8,453	(25,311)

STATEMENT OF FINANCIAL POSITION VARIANCES

	Variance Note	Original Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between actual and estimate \$'000	Variance between actual results for 2022 and 2021 \$'000
ASSETS						
Current Assets						
Cash and cash equivalents		7,037	16,150	24,536	9,113	(8,386)
Restricted cash and cash equivalents		275	2,827	2,723	2,552	104
Receivables		2,201	2,471	2,201	270	270
Prepayments	7	7,748	8,617	8,103	869	514
Amounts receivable for services		475	475	475	-	-
Total Current Assets		17,736	30,540	38,038	12,804	(7,498)
Non-Current Assets						
Amounts receivable for services		4,145	4,145	4,620	-	(475)
Prepayments		-	46	145	46	(99)
Property, plant and equipment		85	72	93	(13)	(21)
Intangible assets	8, e	3,063	702	3,063	(2,361)	(2,361)
Right-of-use assets		90	58	132	(32)	(74)
Other non-current assets	9, f	350	-	350	(350)	(350)
Total Non-Current Assets		7,733	5,023	8,403	(2,710)	(3,380)
TOTAL ASSETS		25,469	35,563	46,441	10,094	(10,878)
LIABILITIES						
Current Liabilities						
Payables		9,506	11,193	9,681	1,687	1,512
Lease liabilities		10	16	41	6	(25)
Employee related provisions		142	130	142	(12)	(12)
Total Current Liabilities		9,658	11,339	9,864	1,681	1,475
Non-Current Liabilities						
Lease liabilities		82	42	92	(40)	(50)
Total Non-Current Liabilities		82	42	92	(40)	(50)
TOTAL LIABILITIES		9,740	11,381	9,956	1,641	1,425
NET ASSETS		15,729	24,182	36,485	8,453	(12,303)
EQUITY						
Contributed equity		12,962	12,962	12,761	-	201
Accumulated surplus		2,767	11,220	23,724	8,453	(12,504)
TOTAL EQUITY		15,729	24,182	36,485	8,453	(12,303)

3.0 DISCLOSURES AND LEGAL COMPLIANCE

STATEMENT OF CASH FLOWS VARIANCES

	Variance Note	Original Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2022 and 2021 \$'000
CASH FLOWS FROM STATE GOVERNMENT						
Funds from other public sector entities	5	80,575	66,609	71,891	(13,966)	(5,282)
Capital appropriations	g	201	201	2,089	-	(1,888)
Holding account drawdown		475	475	475	-	-
Royalties for Regions Fund	6	13,524	11,472	11,644	(2,052)	(172)
Net cash provided by State Government		94,775	78,757	86,099	(16,018)	(7,342)
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits		(264)	(213)	(426)	51	213
Supplies and services	1	(30,778)	(26,657)	(27,135)	4,176	533
Accommodation		(418)	(658)	(501)	(240)	(157)
Grants and subsidies	2, a	(9,306)	(12,708)	(18,415)	(3,402)	5,707
GST payments on purchases		(6,500)	(6,787)	(6,162)	(287)	(625)
Event operations payments	3, b	(45,591)	(21,317)	(10,671)	24,219	(10,701)
Advertising and promotion payments	c	(28,649)	(25,820)	(9,741)	2,829	(16,079)
Lease interest payments		-	(3)	(3)	(3)	-
Other payments		(6)	(162)	(278)	(156)	116
Receipts						
Commonwealth grants	4	-	864	1,100	864	(236)
Interest received		250	101	77	(149)	24
GST receipts on sales		150	212	144	62	68
GST receipts from taxation authority	h	6,350	6,189	5,140	(161)	1,049
Other receipts		775	316	133	(459)	183
Net cash used in operating activities		(113,987)	(86,643)	(66,738)	27,344	(19,905)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets	g	(684)	(357)	(2,869)	327	2,512
Net cash used in investing activities		(684)	(357)	(2,869)	327	2,512
CASH FLOWS FROM FINANCING ACTIVITIES						
Payments						
Principal elements of lease payments		(51)	(39)	(49)	12	10
Net cash used in financing activities		(51)	(39)	(49)	12	10
Net increase/(decrease) in cash and cash equivalents		(19,947)	(8,282)	16,443	11,665	(24,725)
Cash and cash equivalents at the beginning of the period		27,259	27,259	10,816	-	16,443
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		7,312	18,977	27,259	11,665	(8,282)

Major estimate and actual (2022) variance narratives

1. Expenditure on supplies and services is less than estimated, largely due to:
 - lower personnel costs from vacancies throughout the year. Personnel are provided by the Department of Jobs, Tourism, Science and Innovation and these costs are recognised in supplies and services; and
 - less expenditure than originally planned on various destination development programs and contracted digital and marketing services as a result of delays in project delivery, the impacts of COVID-19 on agency activity and changes in service delivery models for some marketing activity.
2. Grants and subsidies are greater than estimates due to a number of industry support programs announced and administered during the year to support the tourism industry through the extended effects of the COVID-19 pandemic. Refer to note 2.2 'Grants and subsidies' in the notes to the financial statements for additional information.
3. Events, one of the core activities of the agency, were again severely impacted by the COVID-19 pandemic for most of 2021-22 due to restrictions on travel and venue capacity. As a result, event operations expenses are well below original estimates for the year.
4. Commonwealth funding was announced during the year and received by the State as a contribution towards the WA Tourism and Travel Agent Support Fund industry support program.
5. Income from other public sector entities represents Government cash funding received by Tourism WA through the Department of Jobs, Tourism, Science and Innovation. Funding received is lower than estimated as a result of the deferral of funding to future years for international aviation recovery and events.
6. Funding received through Royalties for Regions is lower than estimated as a result of the deferral of regional events funding to future years largely due to the postponement or cancellation of events impacted by COVID-19 restrictions.
7. Prepayments are higher than originally anticipated due to event sponsorship milestones paid in 2021-22 for 2022 winter blockbuster events.
8. The variance in intangible assets in the current year, and compared to prior year, is due to the expensing of campaign production costs to advertising and promotion expenses in 2021-22.
9. The variation in other non-current assets, for the current year and compared to prior year, is due to an impairment loss recognised in 2021-22 for a shareholding interest in the Australian Tourism Data Warehouse.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Major actual (2022) and comparative (2021) variance narratives

- a. Grants in 2021-22 were less than the prior year largely due to a higher level of industry support programs in 2020-21. Refer to note 2.2 'Grants and subsidies' in the notes to the financial statements for additional information.
- b. Event expenditure was higher than the prior year as 2020-21 represented a full year of the impacts of the COVID-19 pandemic.
- c. Advertising and promotion expenses in the prior year were significantly less than 2021-22 due to the agency's core activity of marketing the State to interstate and overseas markets being impacted by COVID-19 restrictions throughout the year.
- d. Resources received is mostly personnel and corporate support provided to Tourism WA by the Department of Jobs, Tourism, Science and Innovation. The amount received is greater in 2021-22 as all corporate support and overheads are now provided by the Department whereas, in the prior year, Tourism WA received a higher level of Government cash funding and paid for a higher level of these overheads directly.
- e. See note 8 above.
- f. See note 9 above.
- g. There was a higher level of capital appropriation and purchase of non-current assets in the prior year due to expenditure, and associated funding, for intangible assets.
- h. Compared to prior year, the increase in GST receipts from taxation authority is representative of the increased level of agency expenditure in 2021-22, particularly in the last quarter, following the reopening of the Western Australian borders.

8.2 Explanatory Statement for administered items

This section explains variations in the financial performance of Tourism WA for the undertaking of transactions as an agent of the State Government, as represented in the administered schedules.

All variances between annual estimates and actual results for 2022, and between the actual results for 2022 and 2021, are shown below. Narratives are provided for key major variances which are greater than 10% and 1% of Total Administered Income.

	Variance Note	Original Estimate 2022 \$'000	Actual 2022 \$'000	Actual 2021 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2022 and 2021 \$'000
Administered Items Variances						
Income						
Income from other public sector entities		2,800	2,800	2,800	-	-
Total administered income		2,800	2,800	2,800	-	-
Expenses						
Grants and subsidies	1, a	3,514	-	2,086	(3,514)	(2,086)
Total administered expenses		3,514	-	2,086	(3,514)	(2,086)

Major estimate and actual (2021) variance narratives

- Funding provided to Qantas is for Perth airport infrastructure and is linked to milestones associated with Perth to London direct flights. Funding previously scheduled for 2021-22 will likely be provided in 2022-23 due to the direct flights recommencing in May 2022.

Major actual (2022) and comparative (2021) variance narratives

- Funding provided to Qantas is paid annually in arrears upon the achievement of milestones. Prior year expenditure represents milestones achieved by Qantas for the 2019-20 year.



3.3 KEY PERFORMANCE INDICATORS

CERTIFICATION OF KEY PERFORMANCE INDICATORS

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Western Australian Tourism Commission's performance, and fairly represent the performance of the Western Australian Tourism Commission for the financial year ended 30 June 2022.



Di Bain
Chair

3 October 2022



Janelle Marr
Commissioner

3 October 2022

3.0 DISCLOSURES AND LEGAL COMPLIANCE

KEY PERFORMANCE INDICATORS

The following Key Performance Indicators (KPIs) were developed in consultation with the Department of Treasury and the Office of the Auditor General (OAG). These KPIs came into effect in July 2020, and this is the second year they have been reported on. These KPIs were developed to more closely align Agency KPIs with government goals. Where results are available and comparable, actuals for historical years have been provided.

The government goal that is supported by the Western Australian Tourism Commission (Tourism WA) is: “Future Jobs and Skills: Grow and diversify the economy, create jobs, and support skills development.”

The desired outcome supporting this is: “Increased competitiveness and viability of the Western Australian tourism industry.” ‘Competitiveness’ reflects the fact Western Australia faces real product competition with other interstate and overseas destinations. Tourism industry ‘viability’ is secured when it is characterised by profitability and new investment whilst being sensitive to community views and environmental concerns.

The KPIs provide an indication of whether Tourism WA has achieved this outcome. Tourism WA has two types of KPIs.

Key Effectiveness Indicators

Key Effectiveness Indicators assist with the assessment of agency performance in the achievement of government desired outcomes.

Key Efficiency Indicators

Key Efficiency Indicators assist with the assessment of agency service delivery. They monitor the relationship between the service delivered and the resources used to produce the service.

KEY EFFECTIVENESS INDICATORS

1. Total dollar amount spent by visitors in Western Australia

This KPI measures the result of successfully promoting Western Australia as a visitor destination and facilitating visitation through cooperative marketing campaigns and aviation access development. This KPI includes spend from domestic overnight, international overnight, and daytrip visitors. While Tourism WA does not directly control visitor spend in the State, it is influenced by Tourism WA's activities.

Total visitor spend in Western Australia saw a significant decline in 2020-21 compared to previous years due to the impact of COVID-19 and associated travel restrictions. Total visitor spend began to recover in 2021-22. The target was exceeded due to higher than anticipated expenditure from intrastate overnight and daytrip visitors.

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual	2019-20 Actual	2018-19 Actual
KPI 1 Total dollar amount spent by visitors in Western Australia	\$9.7 billion	\$10.4 billion	\$8.8 billion	\$13.5 billion	\$11.5 billion

In 2021-22, Tourism WA changed the visitor spend definition used in all Tourism WA reporting and publications. The change brings Tourism WA's reporting into alignment with reporting by TRA and all other State Tourism Organisations (STOs), allowing for easier comparability of performance across jurisdictions. The new spend definition is more inclusive with the main difference being that it includes 'pre-trip' expenditure on domestic airfares, long distance transport, and (for international visitors) a proportion of pre-paid package expenditure. Historical results for prior years have been re-stated using the new visitor spend definition, allowing for comparability over time.

The 2021-22 target was also revised mid-way through the year to align with the new spend definition, and therefore differs to the original 2021-22 target of \$8.8 billion published in the 2021-22 Western Australia State Budget Papers.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Notes:

- i. Spend information is sourced from the Regional Expenditure data, provided by Tourism Research Australia (TRA). The expenditure figures are based on responses from TRA's National Visitor Survey (NVS) and International Visitor Survey (IVS) for the visitor's entire trip. The Regional Expenditure model allocates visitor expenditure to specific tourism regions to determine spend estimates for each of Australia's states.
- ii. The results of the NVS and IVS, including the Regional Expenditure data, are released by TRA each quarter and figures are reported for the latest 12-month period (i.e., Year Ended (YE) December 2021 in this instance). YE December information is used as it is usually available ahead of each year's State Budget process.
- iii. The NVS figures are based on a large-scale survey of Australians, while the IVS figures are based on interviews with international visitors at airport departure lounges across Australia. The response rates for the NVS in YE December 2021 was 21%. There was no IVS interviewing conducted in year ending December 2021 due to restrictions on international travel.
- iv. Overnight Domestic Visitors Definition: Australian residents aged 15 years and over who spent at least one night away from home in Western Australia.
- v. Overnight International Visitors Definition: International visitors aged 15 years and over who spent at least one night in Western Australia.
- vi. Daytrip Visitors Definition: Day trips or same day visitors are those who travel for a round trip distance of at least 50km, are away from home for at least 4 hours, and who do not spend a night away from home as part of their travel. Same day travel as part of overnight travel is excluded as is routine travel such as commuting between work/school and home.
- vii. Visitors include those travelling for all purposes including leisure, business, visiting friends and relatives and education.
- viii. Sample size for Western Australia: daytrips n=1,822; interstate n=267; intrastate n=3,506; international n=10,316. The international 'sample size' in YE December 2021 reflects a full count of passenger cards used to measure Overseas Arrivals and Departures (OAD) short-term visitor arrivals aged 15 years and over as reported by the Australian Bureau of Statistics. Visitor estimates in the IVS are benchmarked to this figure. In YE December 2021, the OAD used a full count (rather than sample) of passenger cards to measure short-term visitor arrivals to Australia due to the small number of visitor movements occurring due to COVID-19. YE December 2020 comprised part sample (January-March pre-COVID-19) and part OAD full count (April-December). YE December 2019 and earlier were based on samples benchmarked to OAD.
- ix. Confidence intervals for Western Australia at the 95% confidence level: daytrips \pm 8.5%; interstate \pm 13.6%; intrastate \pm 6.0%; international \pm 4.4%. These confidence intervals are calculated by TRA.

2. Total overnight visitors to/within Western Australia

This KPI measures the result of successfully promoting Western Australia as a visitor destination and facilitating visitation through cooperative marketing campaigns and aviation access development. This KPI reflects overnight visitors only, it does not include daytrip visitation. While Tourism WA does not directly control visitation to/within the State, it is influenced by Tourism WA’s activities.

Total overnight visitors to/within Western Australia saw a significant decline in 2020-21 compared to previous years due to the impact of COVID-19 and associated travel restrictions. Overnight visitation began to recover in 2021-22. The target was exceeded due to higher than anticipated intrastate overnight visitation.

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual	2019-20 Actual	2018-19 Actual
KPI 2 Total overnight visitors to/within Western Australia	9.7 million	9.8 million	9.0 million	12.0 million	10.8 million

The 2021-22 target was revised mid-way through the year, from the original target of \$10 million in the 2021-22 budget papers, to align with the modelling and data used when setting a revised target for KPI 1. See KPI 1 for more information on the changes to the visitor spend definition and restatement of historical results for prior years.

Notes:

- i. Visitor statistics are provided by Tourism Research Australia (TRA). The figures are based on responses from TRA’s National Visitor Survey (NVS) and International Visitor Survey (IVS).
- ii. The results of the NVS and IVS are released by TRA each quarter and figures are reported for the latest 12-month period (i.e., Year Ended (YE) December 2021 in this instance). YE December information is used as it is usually available ahead of each year’s State Budget process.
- iii. The NVS figures are based on a large-scale survey of Australians, while the IVS figures are based on interviews with international visitors at airport departure lounges across Australia. The response rates for the NVS in the YE December 2021 was 21%. There were no IVS interviewing from 1 April 2020 due to COVID-19.
- iv. Overnight Domestic Visitors Definition: Australian residents aged 15 years and over who spent at least one night away from home in Western Australia.
- v. Overnight International Visitors Definition: International visitors aged 15 years and over who spent at least one night in Western Australia.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

- vi. Visitors include those travelling for all purposes including leisure, business, visiting friends and relatives and education.
- vii. Sample size for Western Australia: interstate n=267; intrastate n=3,506; international n=10,316. The international 'sample size' in YE December 2021 reflects a full count of passenger cards used to measure Overseas Arrivals and Departures (OAD) short-term visitor arrivals aged 15 years and over as reported by the Australian Bureau of Statistics. Visitor estimates in the IVS are benchmarked to this figure. In YE December 2021, the OAD used a full count (rather than sample) of passenger

cards to measure short-term visitor arrivals to Australia due to the small number of visitor movements occurring due to COVID-19. YE December 2020 comprised part sample (January-March pre-COVID-19) and part OAD full count (April-December). YE December 2019 and earlier were based on samples benchmarked to OAD.

- viii. Confidence intervals for Western Australia at the 95% confidence level: interstate $\pm 13.6\%$; intrastate $\pm 6.0\%$; international $\pm 4.4\%$. These confidence intervals are calculated by TRA.

3. Western Australia's market share of international visitor spend in Australia

Monitoring Western Australia's market share of international visitor spend in Australia is useful for assessing how Western Australia is performing in comparison to other States/Territories. It is a useful indicator of how competitive the Western Australia tourism industry is. While Tourism WA does not directly control international visitor spend in the State, it is influenced by the agency's activities.

Increasing Western Australia's share of international visitor spend is a long-term State target. No 2021-22 Budget Target was set for this indicator due to uncertainty regarding Australia's border restrictions at the time. Reporting of this KPI reflects calendar years due to the timing of release of Commonwealth data. The actual result is unable to be reported for 2021-22 as Australia's border was closed to the vast majority of international visitors for the duration of calendar year 2021.

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual	2019-20 Actual	2018-19 Actual
KPI 3 Western Australia's market share of international visitor spend in Australia	n/a	n/a	7.1%	7.6%	7.4%

In 2021-22, Tourism WA changed the visitor spend definition used in all Tourism WA reporting and publications. The change brings Tourism WA's reporting into alignment with reporting by TRA and all other State Tourism Organisations (STOs), allowing for easier comparability of performance across jurisdictions. The new spend definition is more inclusive with the main difference being that it includes 'pre-trip' expenditure on domestic airfares, long distance transport, and (for international visitors) a proportion of pre-paid package expenditure. Historical results for prior years have been re-stated using the new visitor spend definition, allowing for comparability over time.

Notes:

- i. Spend information is sourced from the Regional Expenditure data, provided by Tourism Research Australia (TRA). The expenditure figures are based on responses from TRA's International Visitor Survey (IVS) for the visitor's entire trip. The Regional Expenditure model allocates visitor expenditure to specific tourism regions to determine spend estimates for each of Australia's states.
- ii. Western Australia's market share of international spend in Australia is calculated by dividing total international visitor spend in Western Australia by total international visitor spend in Australia.
- iii. The IVS results are released by TRA each quarter and figures are reported for the latest 12-month period (i.e. Year Ended (YE) December 2021 in this instance). YE December information is used as it is usually available ahead of each year's State Budget process.
- iv. The IVS figures are typically based on interviews with international visitors at airport departure lounges across Australia. There was no IVS interviewing from 1 April 2020 due to COVID-19.
- v. Overnight International Visitors Definition: International visitors aged 15 years and over who spent at least one night in Western Australia.
- vi. Visitors include those travelling for all purposes including leisure, business, visiting friends and relatives and education.

4. Number of persons employed directly or indirectly by tourism in Western Australia

Measuring tourism employment in Western Australia is important to monitor the health of the tourism industry and to demonstrate the value of the tourism industry to the broader Western Australia economy. Results for this KPI are reported with a one-year time lag due to availability of data (i.e. 2021-22 result reflects number of employed persons in 2020-21). This KPI has a direct link to the Government Goal relevant to Tourism WA *"Grow and diversify the economy, create jobs and support skills development"*.

Tourism employment in the State has been significantly impacted by COVID-19 and associated travel restrictions on tourism to/within Western Australia. The target for 2021-22 was not met as the impact of COVID-19 on employment in tourism was stronger than had been predicted when the target was set.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

	2021-22 Target	Results ¹			
		2021-22 Actual	2020-21 Actual ²	2019-20 Actual ²	2018-19 Actual ²
KPI 4 Number of persons employed directly or indirectly by tourism in Western Australia*	88,400	78,400	94,200	98,800	89,200

¹ Reported with a one-year time lag

² Results for prior years differ slightly to those previously reported as each STSA release includes revisions to historical estimates to reflect updated input data and changes in the economy, in alignment with international best practice

Notes:

- i. Tourism employment data is sourced from Tourism Research Australia's (TRA) State Tourism Satellite Account (STSA). The STSA is the authoritative source of tourism employment statistics in the country used by all State Tourism Organisations.
- ii. The STSA is released annually, typically in March, reporting on the previous financial year. Therefore, results for this KPI are reported with a one-year time lag (i.e. 2021-22 result reflects number of employed persons in 2020-21).
- iii. The STSA is derived from the National Tourism Satellite Account produced by the Australian Bureau of Statistics (ABS). Satellite accounts are required for tourism because 'tourism' is not identified as an industry in the ABS national accounts framework. This is because tourism is defined by the characteristics of the consumer, rather than the goods or services produced (i.e., who is doing the purchasing, rather than what is being purchased). Implicitly, tourism is included in the core national accounts. Therefore, the tourism employed persons number cannot simply be added with employed persons counts for other industries reported by the ABS, as this would result in double counting.
- iv. The results reflect an average throughout the year, rather than a single point in time.
- v. A direct impact occurs where there is a direct relationship (physical and economic) between the visitor and producer of a good or service. Indirect impacts are a broader notion of tourism consumption that includes downstream effects of tourism demand. For example, when a visitor buys a meal, indirect effects are generated for the food manufacturer, the transporter, the electricity company, etc., that provide the necessary inputs required to make the meal. Indirect impacts are calculated using Input-Output analysis methods. This KPI result reflects both direct and indirect tourism employment.

5. Percentage of visitors very likely to recommend visiting Western Australia

In order to build a strong market base, Western Australia as a destination must deliver a positive tourism experience to drive word-of-mouth and advocacy. This KPI measures the effectiveness of strategies being employed by Tourism WA and the tourism industry to deliver a positive tourism experience.

This KPI result is sourced from a survey of visitors to/within Western Australia. Typically, respondents to the survey are an even split of intrastate, interstate and international visitors. Ultimately, due to COVID-19 and associated travel restrictions the majority of survey respondents (78%) in 2021-22 were intrastate visitors, while the remainder (22%) were interstate visitors.

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual	2019-20 Actual	2018-19 Actual
KPI 5 Percentage of visitors very likely to recommend visiting Western Australia	87%	86%	90%	83%	81%

Notes:

- i. Likelihood to recommend is measured through Tourism WA’s Visitor Expectation and Experience Research (VEER).
- ii. VEER is conducted through a face-to-face survey of visitors to Western Australia.
- iii. The KPI is based on responses to the question “On a scale of 0 to 10, how likely are you to recommend Western Australia as a holiday destination to a family member, friend, or colleague?” and reflects the proportion of total respondents who give a result of 9 or 10 out of 10.
- iv. Interviewing typically takes place across the full year to address seasonality issues. Data is analysed and reported annually.
- v. Typically, the total sample size would be n=400 split relatively evenly between intrastate, interstate, and international. However, due to travel restrictions and border closures, the total sample size for 2021-22 was n=264 visitors, made up of n=207 intrastate and n=57 interstate visitors.
- vi. The response rate for 2021-22 was 90%.
- vii. The confidence interval for the sample of n=264 interviews is +/-6.0% at the 95% confidence level.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

6. Ratio of funds provided by the tourism industry to Tourism WA's investment in cooperative marketing

This KPI measures Tourism WA's success in encouraging the tourism industry to integrate into the State Government's destination marketing activities, thereby achieving greater leverage of government funding and better outcomes for the State's tourism industry.

Tourism WA allocates a sum of money each year that is available to industry when they participate in cooperative marketing campaigns, where the tourism operator and Tourism WA match funds on the campaign. The industry operator also uses Tourism WA's consumer-facing branding as part of the agreement. This cooperative marketing approach provides significant benefits for the destination and the Western Australia tourism industry generally.

This KPI demonstrates the amount of funding the tourism industry puts into marketing campaigns relative to Tourism WA. When entering contract negotiations with co-operative marketing partners, Tourism WA typically asks partners to match Tourism WA's investment dollar for dollar (through cash and/or in-kind contributions). The target for 2021-22 was set based on achieving this matched funding, and represents a return to baseline from the high result seen in 2020-21 (which was due to the inclusion of a specific domestic market campaign with a particularly high partner contribution).

The target for 2021-22 has been achieved.

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual	2019-20 Actual	2018-19 Actual
KPI 6 Ratio of funds provided by the tourism industry to Tourism WA's investment in cooperative marketing	1.0 : 1	1.1 : 1	1.7 : 1	1.1 : 1	1.3 : 1

Notes:

Domestic cooperative marketing

- i. The domestic cooperative marketing program targets airlines, wholesalers, retailers, direct sell agents, and online travel agents to undertake joint campaigns with Tourism WA for Western Australia product.
- ii. Each year Tourism WA identifies appropriate cooperative marketing partners based on strategic priorities and market, audience, product and brand alignment.

- iii. For those partners approved for funding, Tourism WA shares the brand campaign strategy and media buy details to allow partner alignment where possible with Western Australia brand activity. Domestic marketing leverages the distribution partner relationships across a number of campaign platforms including niche digital marketing (Western Australia landing pages), Electronic Direct Mail (eDM), sharing of rich media assets, trade communications and incentives (retail agents), social marketing, destination content and PR strategies and holiday deals on westernaustralia.com.

International cooperative marketing

- iv. International cooperative marketing enables Tourism WA to leverage further economic benefit for the State through increased visitation, spend and brand awareness by working with selected partners in key source markets.
- v. Tourism WA’s International Market Managers identify cooperative opportunities with airlines, wholesalers, retailers and non-traditional partners and undertake joint campaigns in the United Kingdom, Continental Europe, Singapore, Malaysia, Indonesia, China, Hong Kong, Japan, New Zealand, the USA, and India.
- vi. Tourism WA’s participation in cooperative marketing activities in these international markets is evaluated based on the potential return on investment and alignment to the State’s tourism brand. In joint brand promotions, Tourism WA’s funding contribution is generally matched dollar for dollar and aims to promote regional dispersal and introduce new products to the market where possible.

Combined total

- vii. The result tallies the total investment by cooperative marketing campaign partners (both cash and in-kind investment) and compares this amount against the total investment by Tourism WA, presented as a ratio.
- viii. The partner contribution amount used to calculate the ratio for historic years may vary slightly to the total value reported in Tourism WA’s previous KPI 3 *‘Value of cooperative marketing funds provided by the tourism industry’* as some records may have been updated to reflect finalised campaign activity.

7. Direct economic impact of major events sponsorship

This KPI measures the result of attracting events to, and supporting events in, the State. This KPI measures how much money is generated for the Western Australia economy as a result of hosting major events in Western Australia, financially sponsored by Tourism WA.

The 2021-22 target was not met due to a significant reduction in the number of events in scope for reporting compared to what was expected when the target was set. When the 2021-22 target was set, 14 events were in scope and expected to proceed at full capacity. However, only four of those 14 events are in scope for reporting as the remaining ten events were either cancelled, postponed to 2022-23 or beyond, or fell out of scope due to the impact of COVID-19 and associated travel restrictions.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual ¹	2019-20 Actual	2018-19 Actual
KPI 7 Direct economic impact of major events sponsorship	\$86.5 million	\$30.4 million	Not applicable	\$56.7 million	\$52.3 million

¹ The actual result for 2020-21 was unable to be reported as there were no events in scope that year due to the impact of COVID-19

Major events definition

- i. Major events are defined as an event whose sponsorship value from Tourism WA is \$500,000 or more. Only major events that attract interstate and/or international visitors, or intrastate visitors who have travelled into a different region of Western Australia to attend the event are in scope for this KPI. Major events will fall out of scope for this KPI if the event does not proceed at full capacity and/or the anticipated non-local visitation is inadequate for research purposes.

Direct economic impact

- ii. Direct economic impact is defined as the amount of new money that enters the Western Australia economy as a direct result of an event (i.e., the money would not enter the economy if the event was not held). That is any event related spend in the State by non-WA individuals and organisations, minus any spend outside of the State by Western Australia individuals and organisations. For events held in the State specifically for Western Australians to attend, an independent measure of the local economic activity generated by the event is determined. This represents the amount of event-related spend by Western Australia individuals that flows through the Western Australia economy.

- iii. The two measures used to determine direct economic impact are as follows:

State Economic Impact (SEI) – money into the State economy (inbound measure, interstate and international – including participants, spectators and organisers)

Regional Economic Impact (REI) – money into the region/moving around the State economy (intrastate measure)

- iv. SEI and REI are mutually exclusive because they are applied to different events. No event has both SEI and REI applied to it.
- v. The economic impact is based on the most recently completed studies for the events conducted by Metrix Consulting. Multi-year events have a study conducted at least once every three years. Studies are conducted for all one-off events. If a significant change is made to a multi-year event, a study is conducted.

KEY EFFICIENCY INDICATORS

8. Ratio of Tourism WA's total cost of services to total visitor spend in Western Australia

This KPI is a single cost-effectiveness indicator for the whole of Tourism WA, as all of Tourism WA's services are integrated and work together towards the same outcome (i.e., visitor spend). This KPI relates Tourism WA's total cost of services to visitor spend as a means of providing an overview of Tourism WA's effectiveness and efficiency.

The target was exceeded due to:

- an underspend in 2021-22 against the Safe Transition Industry Support Package programs; and
- higher visitors spend for the year than estimated.

	2021-22 Target	Results			
		2021-22 Actual	2020-21 Actual	2019-20 Actual	2018-19 Actual
KPI 8 Ratio of Tourism WA's total cost of services to total visitor spend in Western Australia	1 : 73	1 : 97	1 : 102	1 : 151	1 : 114

In 2021-22, Tourism WA changed the visitor spend definition used in all Tourism WA reporting and publications. The change brings Tourism WA's reporting into alignment with reporting by TRA and all other State Tourism Organisations (STOs), allowing for easier comparability of performance across jurisdictions. The new spend definition is more inclusive with the main difference being that it includes 'pre-trip' expenditure on domestic airfares, long distance transport, and (for international visitors) a proportion of pre-paid package expenditure. Historical results for prior years have been re-stated using the new visitor spend definition, allowing for comparability over time.

The 2021-22 target was also revised mid-way through the year to align with the new spend definition, and therefore differs to the original 2021-22 target of 1:67 published in the 2021-22 Western Australia State Budget Papers.

Notes:

- The visitor spend component of the ratio is sourced from the Regional Expenditure data, provided by Tourism Research Australia (TRA). Consistent with KPI 1, the results for the calendar year are reported (i.e., 2021 reported for 2021-22), as calendar year data is typically available ahead of each year's State Budget process. All notes from KPI 1 apply to the visitor spend component of this KPI.



3.4 MINISTERIAL DIRECTIVES

Section 16 (2) of the *Western Australian Tourism Commission Act 1983* requires that the text of any written directions from the Minister are to be recorded in the Annual Report.

Treasurer's Instruction 903 (12) requires statutory authorities to disclose, in their Annual Reports, information about Ministerial directives relevant to the setting of desired outcomes or operational objectives, the achievement of desired outcomes or operational objectives, investment activities and financial activities.

3.5 OTHER FINANCIAL DISCLOSURES

3.5.1 WORK HEALTH, SAFETY AND INJURY MANAGEMENT

Tourism WA is committed to providing and maintaining a safe and healthy working environment for all assigned personnel, vocational students, contractors and visitors. The Department of Jobs, Tourism, Science and Innovation provides human resource services including workplace safety and health to Tourism WA. A common integrated occupational safety and health management system and framework has been developed to meet both the Department's and Tourism WA's duties under the Work Health and Safety Act 2020 and aligns with the Code of Practice, Occupational Safety and Health in Western Australian Public Sector.

The Department has commenced transition activities to implement and raise awareness of the new Work Health and Safety Act and Regulations. The Tourism WA and Department's Work Health and Safety (WHS) Committee members met regularly and have actively worked to promote and resolve any issues or hazards. Health and Safety representatives for Tourism WA conducted regular workplace inspections to ensure the workplace was free of hazards.

The Department's performance on employee work health and safety measures is reported in the Department's annual report.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

3.5.2 BOARD REMUNERATION

Remuneration of the Board of Commissioners of the Western Australian Tourism Commission in 2021-22 was as follows:

Position	Name	Period of membership	Remuneration
Chair	Dianne Bain	1 July 2021 to 30 June 2022	58,942
Deputy Chair	Manny Papadoulis	1 July 2021 to 30 June 2022	37,039
Commissioner	Anneke Brown	1 July 2021 to 30 June 2022	37,039
Commissioner	Kevin Brown*	1 July 2021 to 30 June 2022	33,650
Commissioner	Kia Dowell	1 July 2021 to 31 March 2022	27,866
Commissioner	Janelle Marr	1 July 2021 to 30 June 2022	37,039
Total			231,575

All members are paid a set annual fee. Remuneration includes superannuation and any allowances and non-cash benefits provided.

*Commissioner fees for Kevin Brown were paid directly to Perth Airport Pty Ltd.

3.5.3 WA MULTICULTURAL POLICY FRAMEWORK

In March 2020, the WA Government launched the WA Multicultural Policy Framework (the framework) for the WA Public Sector. The framework was developed in response to the State's growing diversity. It translates the principles and objectives of the WA Charter on Multiculturalism (2004) into multicultural priorities.

The framework encompasses three policy priority areas:

1. Harmonious and inclusive communities
2. Culturally responsive policies, programs and services
3. Economic, social, cultural, civic and political participation

JTSI's plan outlines the department's commitment to activities for the next five years and is a key strategic document to guide service responsiveness, employment opportunities and outputs for people of Culturally and Linguistically Diverse (CaLD) backgrounds.

Key achievements in 2021/22 against the three policy priority areas include:

1. Working with key partners to promote opportunities for international students to participate in community and cultural activities. This included securing \$1.4 million under the Lotterywest COVID-19 Relief Fund, to deliver a range of international student engagement and support programs. Six programs were delivered by JTSI, StudyPerth and TAFE International WA through the Department of Training and Workforce Development.

2. Collecting equity and diversity data from approximately 95 per cent of all employees.
3. Supporting Asian literacy and capability through the delivery of a series of Asian Business Capability workshops on Japan, South Korea, and Malaysia.
4. Additional achievements include:
 - Hosting JTSI-Asian Business Councils Forum in October 2021, December 2021 and February 2022, providing a platform for strategic discussions between the Government and the Councils on opportunities to strengthen investment and trade with key Asian markets.
 - Sponsoring the Philippines Business Council event in May 2022 to celebrate the 75th anniversary of the diplomatic relationship between Australia and the Philippines.
 - Providing support to the Indian Innovation and Technology schools robotics program with Curtin University.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

3.6 OTHER LEGAL REQUIREMENTS

3.6.1 EXPENDITURE ON ADVERTISING, MARKET RESEARCH, POLLING AND DIRECT MAIL

In accordance with Section 175ZE of the *Electoral Act 1907*, Tourism WA incurred the following expenditure in advertising, market research, polling and direct mail.

	2021-22
	\$'000
(a) Advertising agencies	281
(b) Market research organisations	1,187
(c) Polling organisations	-
(d) Direct mail organisations	-
(e) Media advertising organisations	15,587
	17,055
(a) Advertising agencies	
The Monkeys	281
	281
(b) Market research organisations	
BDA Marketing Planning Pty Ltd	-
Centre for Asia Pacific Aviation Pty Ltd	32

	2021-22
	\$'000
Faster Horses Pty Ltd	77
Isentia Pty Ltd	3
Kantar Public Australia Pty Ltd	236
Metrix Consulting Pty Ltd	384
Nielsen Sports Pty Ltd	103
Painted Dog Research Pty Ltd	169
Roy Morgan Research Pty Ltd	153
STR Global Ltd	12
Think! X Innovations Inc	-
Thinkfield	18
	1,187

3.0 DISCLOSURES AND LEGAL COMPLIANCE

	2021-22		2021-22
	\$'000		\$'000
(e) Media advertising organisations		Network Ten Pty Ltd	568
Australian Traveller Media	5	Nine Network Australia Pty Ltd	4
Bridgewater Holdings Private Limited	52	Offshoot Creative Pty Ltd	8
Carat Australia Media Services Pty Ltd	108	PT Dynamo Media Network	20
CDCI, INC	31	PT Produksi Kreatif Anak Bangsa	22
Digital Balance Australia Pty Ltd	86	Sea Dog TV International Pty Ltd	17
Goolarri Media Enterprises Pty Ltd	8	Seraph Media Pte Ltd	10
Heart Media SDN BHD	53	Story(ation) Pty Ltd	8
Influasia SDN BHD	19	Television New Zealand Limited	13
Initiative Media Australia Pty Ltd	11,270	The Brand Agency Unit Trust	2,812
Kong King Consulting Limited	100	The KP Collective	-
Marketforce Pty Ltd	19	The Misfits Media Company Pty Ltd	4
Media Equation Pty Ltd	38	Travelwest Publications Pty Ltd	25
Media Plus (M) SDN BHD	181	Travmedia.Com Pty Ltd	6
Mediacentric Group Pte. Ltd	72	Two From Two	-
Micromedia Advertising Design	24	White Noise Media	10
			15,587

3.0 DISCLOSURES AND LEGAL COMPLIANCE

3.6.2 UNAUTHORISED USE OF CREDIT CARDS

Personnel assigned to Tourism WA hold corporate credit cards where their functions warrant usage of this facility. Despite each cardholder being reminded of their obligations annually under Tourism WA's credit card policy, 12 employees inadvertently used the corporate credit card for various purchases where the expense was not for business purposes. The incidences were not referred for disciplinary action as the Chief Financial Officer noted prompt advice and settlement of the personal use amount, and that the nature of the expenditure was immaterial and characteristic of an honest mistake.

	2022
Aggregate amount of personal use expenditure for the reporting period	2,955
Aggregate amount of personal use expenditure settled by the due date (within 5 working days)	2,100
Aggregate amount of personal use expenditure settled after the period (after 5 working days)	463
Aggregate amount of personal use expenditure outstanding at balance date	392

3.6.3 DISABILITY ACCESS AND INCLUSION PLAN OUTCOMES

Tourism WA's Disability Access and Inclusion Plan (DAIP) is in accordance with the legislative framework. The seven desired outcomes in the DAIP are supported by strategies to address the gaps identified in meeting the legislative requirements. The strategies are also informed by the review and consultation undertaken in preparation of the plan.

A five-year (from 2017/18 to 2021/22) DAIP has been implemented and includes all outcomes required under the legislation.

During 2021-22, the following activities were progressed:

Outcome 1 - People with disabilities have the same opportunities as other people to access the services of, and any events organised by, Tourism WA.

Tourism WA is proud of its world class events calendar and the appeal these events have to

national and international visitors. The event holders of all events sponsored by Tourism WA are required to use their best endeavours to ensure that, in respect to the event, they facilitate the desired access and inclusion outcomes expressly or implicitly set out in the Disability Access and Inclusion Plan of Tourism WA. Specifically, the event holder must do all things reasonable to ensure that there are sufficient facilities at the venue for persons with disabilities to attend and maximise their enjoyment of the event.

Outcome 2 - People with disabilities have the same opportunities as other people to access the buildings and other facilities of Tourism WA.

Tourism WA maintains its Perth offices to facilitate ease of access for all people and always ensures that advice is sought when planning and designing any facilities or undertaking major refurbishments.

Outcome 3 - People with disabilities receive information from Tourism WA in a format that will enable them to access the information as readily as other people are able to access it.

Tourism WA encourages people to contact the agency if they require information in alternative formats. This message is provided on both the corporate and consumer websites.

Tourism WA also continues to improve and upgrade its websites to facilitate stronger alignment with current standards. All new online information and functionality implemented by Tourism WA is developed in line with best practice for people with disabilities wherever possible.

Outcome 4 - People with disabilities receive the same level and quality of service from staff as other people receive.

Staff members who interact with the public receive awareness training to enable them to assist visitors with a disability.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Outcome 5 - People with disabilities have the same opportunities as other people to make complaints to Tourism WA.

All existing complaint mechanisms meet the needs of people with disabilities. Tourism WA's website provides a variety of feedback mechanisms for people with disabilities to lodge grievances and comment on tourism-related matters.

Outcome 6 - People with disabilities have the same opportunities as other people to participate in any public consultation by Tourism WA.

When required, Tourism WA seeks public consultation directly and through survey organisations and other research bodies. Tourism WA reminds all staff and survey organisations of this requirement under the DAIP, including the ability to provide the same opportunities for people with disabilities to be involved in any public consultation.

No direct public consultation was undertaken by Tourism WA in 2021-22.

Outcome 7 - People with disabilities have the same opportunities as other people to be employed by the Department of Jobs, Tourism, Science and Innovation.

The Department of Jobs, Tourism, Science and Innovation's recruitment and employment policies and practices reflect the aim of having a diverse workforce. The department also captures accurate demographic and disability data from its employees.

3.6.4 COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

In accordance with Section 31 (1) of the Public Sector Management Act 1994, Tourism WA is required to report on compliance with the public sector standards and ethical codes. Encouraging and fostering a culture of ethical behaviour and the highest standards of integrity and transparency in all interactions is a strong focus within Tourism WA. The Code of Conduct, Fraud and Corruption Risk Management Framework and Conflict of Interest Framework along with supporting policies, are available to all employees. New employees receive a comprehensive corporate induction with an emphasis on the expectation of highly ethical behaviour, declarations of conflicts of interest and responsibility for reporting suspected unethical behaviours or actions.

A new Accountable and Ethical Decision-Making web-based training module was developed and launched during the year to all employees, including those based in our international offices. This program provides employees with tools to inform conduct, decision-making and understanding of integrity frameworks including the Code of Conduct. In accordance with the Public Interest Disclosure Act 2003, the department has duly appointed Public Interest Disclosure Officers and has published internal policies and procedures related to its obligations.

The management of employees undertaking functions for Tourism WA is undertaken in accordance with the public sector standards in human resource management and approved public sector policies and procedures. Compliance with the Code of Ethics and the Department of Jobs, Tourism, Science and Innovation's Code of Conduct is reported in the department's annual report.

The department's performance on employee work health and safety measures is reported in the department's annual report.

3.6.5 RECORDKEEPING PLAN

The State Records Act 2000 requires Tourism WA to have a record-keeping plan and to comment in the Annual Report on compliance with the plan. The following information is provided in accordance with the State Records Commission Standards, Standard 2: Principle 6.

Tourism WA's current recordkeeping plan, along with the record retention and disposal authority and record-keeping policies, has been approved by the State Records Commission. The plan acknowledges Tourism WA's responsibility to ensure all employees are aware of their compliance responsibilities and provided with training in these areas.

Under Section 28 of the *State Records Act 2000*, no more than five years must elapse between the record-keeping plan and its review. The current record-keeping plan was approved in 2018 and applies through 2022.

Evaluation of recordkeeping systems

Tourism WA maintains and evaluates its recordkeeping system as follows:

The record-keeping system infrastructure is maintained at latest release levels to comply with required standards.

Performance indicators on the efficiency and effectiveness of record-keeping programs and systems are compiled each month. Reported statistics include record creation by business area; record creation by record type; one-year comparisons; user activity; user requests; system maintenance tasks; and archive management.

On the basis of the monthly KPI statistics, the recordkeeping systems are assessed as being efficient and effective.

3.0 DISCLOSURES AND LEGAL COMPLIANCE

Records Management training

Tourism WA staff receive induction and ongoing training in relation to the agency's record-keeping policies, practices and procedures.

Focused training sessions are conducted regularly and available to all staff. In addition, experienced Information Management staff are available to provide record-keeping advice and Electronic Document and Records Management System training on a one-on-one, ad hoc or project basis.

Information Management staff receive regular specialist external training such as Freedom of Information Coordinator workshops.

Factsheets have been created for staff training purposes and are available on the corporate intranet. Also, regular communication to staff on records management is provided.

Recordkeeping induction

Tourism WA's induction program is provided to all new staff within three months of commencement. The program includes an online recordkeeping course which outlines staff responsibilities to keep records as outlined in the Recordkeeping Plan.

Additionally, new employees received a face-to-face induction from experienced Information Management staff, covering an overview of the Recordkeeping Plan, the Records Procedure Manual, and staff responsibilities, including the capture of emails and procedures for forwarding records for capture into the corporate system.

Evaluation of the recordkeeping training program

The training program is reviewed and updated regularly according to the evolving requirements of Tourism WA. Following induction training, a survey is sent to attendees to assess their understanding of the training.

On the basis of the reviews and survey responses, the recordkeeping training program is assessed as being efficient and effective.





Tourism Western Australia

Level 10, 1 William Street, PERTH WA 6000

GPO Box X2261 PERTH WA 6847

T. 08 9262 1700 F. 08 9262 1787

info@westernaustralia.com

westernaustralia.com

tourism.wa.gov.au



Tourism
WESTERN AUSTRALIA

**WESTERN
AUSTRALIA**