

A MODEST MEMBER

The Australian Financial Review, 12 June 1970

Do we want our money to fly?

Several weeks ago I heard one of my parliamentary colleagues make a powerful speech about the importance of the tourist industry. He pointed out, in glowing terms, how quickly the investment in the industry was growing, how many people were employed, how the number of overseas tourists had increased, how much money they spend, and so on.

He then went on to make a plea for spending immense amounts of money on airports so that the big new planes could disgorge their tourist hordes who would rush off around Australia throwing money around with one hand and taking photos with the other.

It was an alluring picture, so I thought that here was a popular bandwagon on which I ought to climb.

Then, of course, Eccles started to throw buckets of cold water over my enthusiasm. He started off by saying that it is true that overseas tourists spend a lot of money in Australia. The last figure available is \$111 million in 1968-69.

On the other hand, Australian tourists going overseas spent \$146 million in that year. So we lost more than we gained.

He agreed that it was true that the erection of airport palaces at enormous expense would encourage overseas tourists to come here. But it would also encourage Australian tourists to go away, so he didn't think that spending money on airports was automatically good.

Then the sour old sod went on to say that the only economic benefit to Australia which accrued from tourism came from money spent by overseas visitors. It was no benefit to our economy if a Melbourne tycoon spent his money in Alice Springs, rather than in Melbourne. It would mean a lot to Alice Springs, no doubt, but this would be at the expense of Melbourne.

Eccles says that developing tourist facilities in a remote area, such as Alice Springs, certainly has side benefits, such as providing roads which cattle trains can use as well as tourist buses.

So tourism did help open up outlying areas and this was good. But he insisted that this was more a social than an economic argument, because it was at the expense of the development in other areas.

The money spent by overseas tourists was different, it was all economic profit. But he says that most people usually put in the credit column the money spent by Australian tourists as well.

I can't help feeling a bit sceptical about some of the social benefits claimed for tourism. For instance, I used to love going to Alice Springs; but not now. There are too many people there like me.

I tried the whole business on old Fred the farmer. Really, Fred is hopeless. When he found out that the landing fees paid by airline companies are only enough to cover about half the cost of providing the airfields for them, he was absolutely furious. "Do you mean to tell me," he shouted, "that I, a taxpayer who doesn't fly, have to make up the loss incurred in supplying the airfields for those who do?"

He then said that he had always resented having to dive into his taxpaying pockets to fly me around the country for nothing "talking my head off" as he sourly put it.

"But now," he said, "now I find I've not only got to pay for you, but also for everyone else who flies, whether for business or pleasure!"

The more he dwelt on the subject, the sorrier for himself he became. "Do you really mean to tell me, that I have to stop home slogging my guts out to find the taxation money so that Chambers of Manufacturers can afford to fly to conventions on the Gold Coast?" he whined.

"Why don't you put the landing fees up so that those who use the airfields pay the full cost of providing them? Airlines would have to put the fares up, but surely those who use them facilities should pay for them and not those who don't."

I wish I hadn't mentioned the matter to Fred. It's a pity he's not a man of vision.