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MEDIA RELEASE

Federal Budget backs tourism capability but raises competitive concerns

NSW Tourism Association has welcomed new Federal Budget funding to extend the Quality Tourism Framework (QTF), describing it as a major win for tourism operators across New South Wales.

The Federal Government has committed \$2 million over two years to extend the Australian Tourism Industry Council's Quality Tourism Framework, supporting at least 1,000 additional tourism businesses nationally to achieve sustainability, accessibility and emissions reduction accreditation programs.

NSW Tourism Association said the investment was particularly important for NSW's visitor economy, where the majority of operators are small and medium-sized tourism businesses competing in an increasingly quality-conscious and sustainability-driven global market.

"The extension of QTF funding is an important tourism measure in this year's Budget for NSW operators," Natalie Godward, CEO NSW Tourism Association said.

"Visitors increasingly want sustainable, accessible and high-quality tourism experiences and this funding helps businesses build the capability and accreditation needed to meet those expectations."

The Quality Tourism Framework supports businesses to improve sustainability practices, assess accessibility, reduce emissions and strengthen overall business quality standards. More than 7,000 tourism businesses nationally have already participated in the program.

NSW Tourism Association said the funding would deliver practical benefits across metropolitan and regional NSW, helping operators strengthen their market positioning while improving visitor experiences.



“For regional operators especially, programs like QTF provide practical tools that help businesses improve operations, strengthen their product offering and remain competitive in both domestic and international markets,” said Godward.

“As Sydney continues to serve as Australia’s primary international gateway, maintaining a strong reputation for quality tourism experiences across the state is critical.”

The Association also welcomed the continuation of measures supporting small business investment and workforce participation, including:

- permanent continuation of the \$20,000 instant asset write-off
- reforms supporting small business tax loss refunds
- continued Working Holiday Maker access for tourism and hospitality roles in regional Australia
- funding for regional EV charging infrastructure supporting self-drive tourism

However, NSW Tourism Association said the increase to the Passenger Movement Charge from \$70 to \$80 from January 2027 was disappointing and risked making Australia less competitive internationally.

“While we welcome targeted industry investment, increasing the cost of international travel sends the wrong signal at a time when Australia is competing aggressively for global visitors,” Godward said.

“The impact will be particularly felt in Sydney, which remains the nation’s key international aviation and cruise gateway.”

NSW Tourism Association also noted there was no increase in Tourism Australia funding despite growing global competition for visitors.

“Long-term investment in industry capability, destination marketing and visitor infrastructure remains essential to ensuring NSW continues to grow its visitor economy and support tourism jobs across the state.”

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