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MEDIA RELEASE

Australia ranks among best nations in Booz Allen Hamilton/World Economic Forum study of international travel and tourism competitiveness

*Australia 14th of 124 countries in new annual survey, but high prices loom
as barrier to future growth*

Sydney, 14 March 2007 – Co-ordinated efforts by successive governments to promote a sustainable travel and tourism industry and effective destination-marketing campaigns have helped secure Australia a top-15 ranking in a major survey of international tourism and travel competitiveness.

The findings are revealed in a new annual study – the Travel & Tourism Competitiveness Report (TTRC) - conducted by the World Economic Forum and global management consultancy Booz Allen Hamilton, and released in Berlin recently.

Australia ranked 14th overall among the 124 countries studied, with New Zealand just ahead in 13th place. Switzerland came in first as the world's most competitive tourism and travel destination in the inaugural 2007 survey.

The study ranked each country against 52 criteria including safety and security, environment, health and hygiene, price, travel (air and ground) and communications infrastructure, and natural and cultural attractions. Australia ranked highly in most of the criteria, but fared poorly (111th) on price competitiveness, reflecting the experience of many developed countries in the survey.

Booz Allen Hamilton's Sydney-based Vice President, Chris Manning, said that although Australia performed well overall other countries in the Asia-Pacific region were closing the gap after making travel and tourism an economic policy priority.

“As the world becomes smaller, competition for business travellers and tourists is clearly heating up and Australia will need to keep moving quickly to avoid losing some of its competitive edge,” Mr Manning said.

“Although Australia ranks well across most key measures, travel here is still relatively costly compared to other destinations in our region such as Malaysia, Thailand and even India, and this might be a barrier to future growth,” he said.

Mr Manning said Australia’s competitiveness was underpinned by excellent air and ground transport infrastructure, which was important given its distance from other continents and the long distances between major sites in Australia.

“Tourism growth is directly related to an efficient air transport network, and Australia has successfully managed to create a highly efficient pathway for international travellers to enter and travel within the country,” he said.

Australia ranked fifth of all nations in terms of air transport infrastructure in the survey, a result attributed in part to the early privatisation of the aviation sector.

Despite concerns in the local tourism industry of falling international visitor numbers, the Australian inbound tourism industry has grown at an average of 3% over the past 10 years. More than five million international travellers now visit Australia annually.

According to the Booz Allen/WEF survey, a major factor boosting Australia’s competitiveness was the country’s excellent natural and cultural resources, including considerable nationally protected land area and 16 World Heritage sites. This is attributed to Australia’s comparatively stringent environmental regulations in place aimed at sustaining a clean and vibrant natural environment as a tourism resource.

“Australian governments – Federal and State - deserve good marks for seeking to develop travel and tourism in a sustainable way because this is now paying off,” Mr Manning said.

Among the top 30 ranking countries in the survey, 27 were industrialised nations. Only five of the top 20 countries were outside Europe and North America – Australia, New Zealand, Hong Kong (6th overall), Singapore (8th) and the United Arab Emirates (18th).

New Zealand ranked exceptionally well in the categories of “national perception of international visitors” and “government prioritisation of sustainable travel & tourism” (second in both categories). With 2.4 million international arrivals per year, New Zealand experienced over 5% growth on average in the last decade. According to projections, by 2020 the number of international visitors to New Zealand each year will be larger than the country’s population.

Within Asia, strong rankings for Hong Kong and Singapore were attributed largely to excellent infrastructure (the ground transport infrastructures of both countries were ranked among the top three in the world) and world-class human resources. The two countries ranked highest on policy environment, and were among the safest countries in terms of crime and security issues.

Among other Asian nations, Japan ranked 25th, followed by Taiwan (30th), Malaysia (31st) and Thailand (42nd). On overall rankings, behind Switzerland in first place were Austria ranked second, followed by Germany, Iceland and the United States.

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About Booz Allen Hamilton

Booz Allen Hamilton has been at the forefront of management consulting for businesses and governments for more than 90 years. With 18,000 employees on six continents, the firm generates annual sales in excess of US\$3.7 billion. Providing consulting services in strategy, operations, organisation and change, and information technology, Booz Allen helps clients solve their toughest problems, working by their side to help them achieve their missions. Booz Allen is committed to delivering results that endure.

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About the study:

The Travel & Tourism Competitiveness Report (TTCR) was compiled by the World Economic Forum in cooperation with international strategy and technology consultants Booz Allen Hamilton and partners, including IATA (International Air Transport Association), the United Nations World Tourism Organisation, World Travel Tourism Council and other industry participants.

In total, 124 countries around the world were studied, drawing on 52 variables. These took into account elements such as the statutory regulatory framework, health and safety, infrastructure, the local price level, and aspects relating to the environment and culture. Data from international travel and tourism organisations supplemented these variables, as did the opinions of experienced industry experts. Values taken from the Forum's regularly-conducted "Executive Opinion Survey" rounded off this analysis.

To download the full report, please visit www.weforum.org, or to obtain a copy of the PowerPoint slide presentation delivered recently at ITB-Berlin, please contact Evan Petrelis on (02) 8920-0700 or email epetrelis@sefiani.com.au

Top 20 in the overall TTCR Ranking:

Country	Rank
Switzerland	1
Austria	2
Germany	3
Iceland	4
United States	5
Hong Kong	6
Luxembourg	7
Singapore	8
Canada	9
United Kingdom	10
Denmark	11
France	12
New Zealand	13
Australia	14
Spain	15
Finland	16
Sweden	17
UAE	18
Cyprus	19
Netherlands	20

Top 10 Asian countries:

Country	Rank
Hong Kong	6
Singapore	8
Japan	25
Taiwan	30
Malaysia	31
Thailand	42
Korea	43
Indonesia	59
India	65
China	71