

Max Najar on involving agents in free travel voucher schemes and the chances of a Jobkeeper extension

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Travel agents can certainly see a multitude of reasons why they deserve extended Jobkeeper benefits, but does the Federal Government view subsidising the industry with the same enthusiasm wonders Max Naiar.

Sorry if it hurts, Max says, but is it time for a reality check? A leading corporate and retail travel agent in South Australia, he claims some Federal Government Ministers are insisting limited support money goes to the broader travel industry – everything from resorts to coach lines and tour operators – before travel agents. One argument doing the rounds of Canberra highlights the fact that a large percentage of the money collected by travel agents ends up in the coffers of overseas companies.

As a result, Najar says, the Australian economy, in desperate need of a boost, loses out as about 80% of the money collected heads offshore. That argument is clearly weakened by the fact that right now domestic tourism is the major product being sold – but as soon as Australians are allowed to go overseas again the scale will tip dramatically. It also ignores the facts that the travel agency business is very labour intensive and owners of usually prominent retail offices are paying hefty rent as well as taxes and wages.

Najar also believes Governments would get maximum value from free holiday voucher programs by using travel agents. While the recent release of free or discounted vouchers to encourage domestic travel is a great idea – the program would have been so much more successful if travel agents were involved, he said. The South Australian government recently announced a second round of 'Great State' tourism vouchers to the value of \$150. Last year the scheme injected nearly \$10 million into South Australia's visitor economy.

"It just shows how out of touch tourism boards are when the advertising for the vouchers ignores the potent marketing arm offered by travel agents. With around 4,000 travel agents holding a database of millions of clients, where is the logic in not using them?

"We know that hundreds, perhaps thousands of vouchers have not been redeemed which is a real shame and defeats the purpose of what is a great way to give domestic tourism a much needed shot in the arm.

"Agents would have been able to remind pax to use the voucher via their direct communication tools, include vouchers to create a package and market the holiday via their own database. They would have reduced the number of unused vouchers making end suppliers even happier and injecting more money into our economy. "My suggestion is that as well as the public giveaway voucher there is a voucher B that is only redeemable via an AFTA accredited travel agent to be used at more establishments, have a longer use-by date and be commissionable as well. This way the entire industry is involved and travel agents are kept "front-of-mind" and viable.

"The Government's plan to promote domestic travel would be boosted and the marketing money saved could be diverted to travel agents who are battling to survive. "It will also bring in new customers to the agency database who might not have been aware of how simple and safe organising a holiday is when you leave the details to a professional."

Written by Ian McIntosh