



ACF Submission

to

The Parliamentary Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia

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Introduction

ACF is a not-for-profit community organisation, more than 340,000 people strong, committed to achieve a healthy environment for all Australians. For over 50 years we have been a strong voice promoting solutions for the environment through research, consultation, education and partnerships. We are independent, non-partisan and funded by donations from our community.

ACF has helped some Indigenous organisations in the start up of some new nature and culture based tourism enterprises in partnership with Intrepid Travel and others following on from the return of land to Traditional Owners and the creation of new National Parks or National Heritage sites in northern Australia.

ACF has a long history of cooperation with the tourism sector including the Tourism and Conservation Network (under the Howard Government), the Tourism and Transport Forum on fostering nature based tourism, and with tourism associations and programs in northern Australia including Indigenous Tourism Champions programs.

These recommendations reflect our learnings from new tourism ventures and engagement with the tourism sector in northern Australia, including direct feedback from ACF supporters trialling new nature and culture based tourism ventures.

ACF is not a tourism operator and we are interested in learning about specific ideas, through the work of this Inquiry, for effective tourism enterprise support programs especially from operator networks such as Savannah Way Ltd and Kakadu Tourism, along with associations such as the Eco-tourism Australia.

ACF trusts the Committee will also make a concerted effort to reach out to more remote Indigenous communities about their aspirations, plans, and barriers encountered in establishing cultural and nature based tourism ventures. Most of these communities will not have made a submission yet most also have a goal to establish visitor services and visitor management programs in their IPA management plans and Healthy Country Plans.

SUMMARY OF RECOMMENDATIONS

1. Prioritise investment in tourism infrastructure under the Northern Australia Infrastructure Facility (NAIF) and under State/Territory infrastructure programs with a focus on:

- 1.1 Communications and digital connectivity
- 1.2 Regional and remote area solar energy/clean energy programs
- 1.3 All weather roads and bridges and related transport infrastructure
- 1.4 Revise the Investment Mandate of NAIF and restructure the facility to enable a stronger focus and more accessible scale in support of regional and remote tourism.

2. Commit to a steady and sustained increase in investment in the natural assets of the north: National Parks, Indigenous Protected Areas and heritage protection.

- 2.1 Boost long term support for National Parks, Indigenous Protected Areas and Heritage Sites – the life blood of the tourism sector in northern Australia.
- 2.2 Increase the number of Indigenous Rangers
- 2.3 Increase the capacity of agencies managing protected areas to collaborate with tourism operators

3. Develop a pan northern Australia tourism plan and reinvigorate or boost tourism enterprise development support programs, especially with Indigenous communities.

- 3.1 Develop a 2030 Northern Australia - Nature and Culture Based Tourism Development Plan
- 3.2 Reinvigorate tourism enterprise support programs appropriate to northern Australia
- 3.3 Ensure user friendly research and statistical services to support local marketing strategies
- 3.4 Establish key tests of success

The “Natural Advantage” of Northern Australia – key to its sustained economic prosperity.

The landscapes of Northern Australia contribute substantially to the finding by Tourism Australia in international surveys that Australia is the world’s number one destination for “natural beauty and the environment”. Northern Australia is home to no less than seven World Heritage sites with more under consideration (Cape York, Burrup Peninsula), as well as 19 million ha National Heritage listed West Kimberley and other extensive Indigenous Protected Areas across the north.

The Green Paper on Developing Northern Australia well articulated the north’s natural advantage, along with the long term economic opportunities this brings.

“Northern Australia’s climate shapes its diverse landscapes, which include tropical rainforests, wetlands and mangroves, extensive grasslands and desert. Many of these are globally significant and support rich biodiversity, with plant and animal species found nowhere else in the world. This is an important part of Australia’s international reputation and tourism offering. The north is home to seven World Heritage Sites with outstanding natural and scientific values: the Great Barrier Reef, the Wet Tropics of Queensland, Kakadu National Park, Uluru-Kata Tjuta National Park, Ningaloo Coast, Purnululu National Park and the Riversleigh Australian Fossil Mammal Site. The cultural values of Kakadu and Uluru-Kata Tjuta are also recognised on the World Heritage List.

“As well as supporting the multi-billion dollar tourism industry, the region’s natural landscapes are integral to the lifestyles of northern Australians. Connection to country is an important part of Indigenous culture, and boating, recreational fishing, and four wheel driving are important recreational activities for many northern Australians.

“The conservation and natural resource management sector also makes an important contribution to the northern Australian economy. The growth markets for biodiversity and ecosystem services could provide further economic opportunities, particularly for Indigenous communities. “

A strong, diverse and sustainable economy for northern Australia is vital to underpinning the wellbeing of its communities, the long term management of its natural resources, and to maintain its universal heritage values recognised under World and National Heritage listings.

Tourism, and related support services, is central to a prosperous economic future for northern Australia.

A CSIRO Futures Report for the Queensland Government: *The Future of Tourism in Queensland* (section 3.2 “A Natural Advantage”) noted that in relation to the landscape, rivers and biodiversity assets which northern Australia retains: “The economic laws of supply and demand mean that as a good or service becomes more scarce the price goes up.” That is, the landscape and biodiversity assets which northern Australia retains will increase significantly in global scarcity and value in the future. This will be reflected in future increases in tourism from China and other Asian nations searching out pristine landscapes, forests, reefs and rivers and experiencing the wonder of nature...with northern Australia becoming increasingly known as the world’s premier destination for natural beauty and the environment.

Tourism and government organisations submitting to this Inquiry will be able to provide details of the importance and the potential of the tourism sector in northern Australia. Beyond the statistics, it is important to note that many of the nature and culture based tourism enterprises in northern Australia, especially in more remote areas like the Kimberley and Cape York, are small to medium sized businesses. In these regions these small businesses are long term, reliable employers, generating demand for regional supply and service businesses, and help underpin local and regional economies. Their importance to regional and remote communities can be much more significant than the scale of their annual turnover might suggest.

Ensuring NAIF and infrastructure investments in northern Australia support tourism and produce the best economic, social and environmental outcomes.

The White Paper on Developing Northern Australia was disappointingly narrow in its consideration of the potential of the tourism sector. This flowed into a constrained structure and set of criteria for the Northern Australia Infrastructure Facility (NAIF) which does not serve the tourism industry very well.

The NAIF Investment Mandate Direction 2016 includes a public benefit test requiring the NAIF Board to give preference to projects that will 1. Serve or have the capacity to serve multiple users; and 2. Produce benefits to the broader economy and community beyond those able to be captured by Project Proponents.

The NAIF public benefit test provides a useful principle but is not sufficient to guide investments to infrastructure which are expressly geared to provide multiple economic and community benefits. To advance the recommendations on infrastructure investment to benefit tourism and a range of other economic sectors requires a change in the investment criteria, focus and structure of NAIF.

- Add a mandatory criteria that “A proposed project should indicate an expectation of long term public benefits, taking into account economic, environmental and social aspects of the project” (As was included in the 2008 Building Australia Fund, for example)
- Restructure the facility to add a new small/medium scale infrastructure grant facility, plus a concessional loan facility geared to packages of smaller and medium scale regional infrastructure needs, within the cost to the Commonwealth of the original \$5 billion fund amount.

These two changes would ensure NAIF is more relevant to the needs of the tourism sector and able to support infrastructure identified as high priority under the proposed 2030 pan northern Australia tourism development plan, as recommended in this submission.

A welcome criteria added to the NAIF Investment Mandate, after public consultation, was for Indigenous engagement: “The Project Proponent must provide a strategy which sets out objectives for Indigenous participation procurement and employment that reflect the Indigenous population in the region of the proposed Project.” However, some Indigenous leaders have raised questions on if or how this will be implemented. Addressing this question is vital to the NAIF Board considering how multiple social, economic and environmental benefits of infrastructure can be achieved to underpin the tourism sector and improve services to remote Indigenous communities.

ACF believes the focus of the NAIF should be on infrastructure essential for multiple business sectors including tourism, as well as other social benefits. This includes communications and digital connectivity, regional and remote solar/clean energy programs, all weather roads, bridges and related transport infrastructure. This type of infrastructure greatly increases the services and liveability of regional and remote areas.

This approach stands in stark contrasts to large infrastructure projects such as a coal export rail line which only serves the interests of one sector, or even just one company.

The experience of Kakadu and the Pilbara regions should provide a warning about the costs of the dominance of one sector, the mining/resources sector, crowding out tourism and hollowing out regional economies by increasing the costs of air travel and accommodation to the detriment of the local communities when that sector goes into a steep downturn. A more diverse and resilient economy in northern Australia will have tourism and its myriad of different small business operators and suppliers at its heart.

RECOMMENDATIONS IN DETAIL

1. Prioritise investment in tourism infrastructure under the Northern Australia Infrastructure Facility (NAIF) and State/Territory infrastructure programs.

These investments also provide the infrastructure needed for other economic sectors in northern Australia, such as agriculture, as well as greatly improving the social services for people living in more remote areas.

1.1 Communications and digital connectivity

Communications infrastructure is vital to the development and success of tourism in regional and remote areas of northern Australia. Visitors, especially those seeking high value nature and culture based off the beaten track experiences will research in advance, evaluate (via sites like Trip Advisor) book and pay online. Operators need reliable communications to run tourism ventures, and in more remote areas this is vital in emergency situations (floods, fires, breakdowns).

No reliable mobile phone and no internet coverage, equals, no sustainable tourism business.

1.2 Regional and remote area solar energy/clean energy programs

To reliably power communication and digital connectivity and to improve the visitor experience in more remote locations, renewed effort needs to be applied to expanding remote area solar (with battery storage). Over the medium and long term this is a very cost effective investment:

- to reduce costs associated with diesel generators and increase reliability for basic services such as lighting and refrigeration;
- to ensure communication systems remain working during the wet season and extreme weather;
- to enhance the visitor experience – paying a premium and travelling hours to a remote location for solitude, only to have the experience undermined by the constant throb of the diesel generator.

1.3 All weather roads and bridges and related transport infrastructure

To increase the reliability and safety of tourism operations, increase comfort for visitors, and to expand the tourism season into shoulder periods in the wet dry climate of northern Australia requires

- an increased investment in all weather roads and bridges, rest areas, and related transport infrastructure enabling visitors to access remote areas – by boat or light plane.

If all weather roads were in place to tourism destinations this would allow operators to plan tours with more certainty over a longer season. It also provides better access to essential services such as health and education to the residents in more remote areas. A severe wet season can create major washouts on roads which can leave the road impassable, or very dangerous, for months into the dry season curtailing operations in the dry season and undermining the viability of tourism ventures which are already highly seasonal.

1.4 Revise the Investment Mandate of NAIF and restructure the facility to enable a stronger focus and more accessible scale in support of regional and remote tourism.

- Add a mandatory criteria that “A proposed project should indicate an expectation of long term public benefits, taking into account economic, environmental and social aspects of the project” (As was included for the 2008 Building Australia Fund, for example)

- Restructure the facility to add a new small/medium scale infrastructure grant facility, plus a concessional loan facility geared to packages of smaller and medium scale regional infrastructure needs, within the cost to the Commonwealth of the original \$5 billion fund amount.

2. Commit to a steady and sustained increase in investment in the natural assets of the north: National Parks, Indigenous Protected Areas and heritage protection.

2.1 Boost long term support for National Parks, Indigenous Protected Areas and Heritage Sites – the life blood of the tourism sector in northern Australia.

National Parks, Indigenous Protected Areas and our National and World Heritage sites are highly valuable and increasingly rare assets in the competitive international tourism market. They form the green infrastructure which undergirds tourism in northern Australia, along with the breadth and depth of Indigenous cultural experiences that are linked to looking after country – appreciating the north as an ancient cultural landscape. The Commonwealth and State/Territory Governments need to prioritise investment in these valuable natural assets.

This requires bipartisan, long term commitment by Commonwealth and State/Territory Governments to:

- increase the capital and recurrent budgets for National Parks, Indigenous Protected Areas and heritage management agencies – allowing for the proper management of these valuable areas with more certainty.

2.2 Increase the number of Indigenous Rangers

The timescales required for successful protected area management extend over multiple political cycles. Given that Indigenous Protected Areas and joint managed National Parks make up the majority of the National Reserve System in northern Australia this also requires a commitment to:

- double the number of Indigenous Rangers over the next four years, under the highly successful Working on Country program, and commit to a 10 to 20 year plan for enhancing Indigenous management of land, river and marine areas;
- extend the contract periods out to at least 10 years to allow Indigenous Ranger groups to plan and train new staff with more efficiency and effectiveness.

Such a commitment will also have a flow on effect by increasing the opportunities for Indigenous ranger groups to engage in tourism ventures.

2.3 Increase the capacity of agencies managing protected areas to collaborate with tourism operators

Some of this investment should be invested in increasing the capacity of protected area management agencies and Indigenous organisations to collaborate with tourism and conservation organisations to:

- enhance visitor services - both infrastructure and interpretation programs - while maintaining the integrity of protected areas;
- enhance and integrate online marketing and visitor information and booking services for these areas;
- develop integrated information and permit systems to enhance visitor access to Indigenous protected areas providing more direct benefits and revenue to remote communities to be able to invest in new tourism opportunities and training.

3. Develop a pan northern Australia tourism plan and reinvigorate or boost tourism enterprise development support programs, especially with Indigenous communities

The National Landscapes Program and the Indigenous Tourism Champions Program were positive initiatives in helping to foster the marketing approach and new Indigenous enterprises for tourism in northern Australia. The Queensland Eco-tourism Plan 2016-2020 provides useful strategic direction for both nature based and Indigenous cultural tourism development.

3.1 Develop a 2030 northern Australia - Nature and Culture Based Tourism Development Plan

To reinvigorate and boost nature and culture based tourism enterprise development in northern Australia the Commonwealth Government could:

- initiate in collaboration with Queensland, WA and NT governments, a “2030 pan Northern Australia - Nature and Culture Based Tourism Development Plan” drawing on the Queensland Eco-tourism Plan and similar regional development plans in the NT and WA.

This would be a collaborative effort with organisations such as Savannah Way Ltd, Kakadu Tourism and the Kimberley Land Council.

3.2 Reinvigorate relevant tourism enterprise support programs appropriate to northern Australia

A pan northern plan will help integrate marketing efforts for tourism in northern Australia but a plan needs relevant enterprise support programs appropriate to the north to deliver real progress.

- Produce an (all weather) roadmap on what types of tourism enterprise support programs would be most useful for conditions in northern Australia and how they would best be delivered.

In some regions such as the Kimberley the delivery of these tourism enterprise support programs would include closer collaboration with the Kimberley Land Council – Cultural Enterprise Hub.

3.3 Ensure user friendly research and statistical services support for local marketing strategies

Supporting both the plan and the enterprise support programs the Commonwealth Government should lead by also investing in:

- a comprehensive pan northern Australia marketing research and statistics program to identify trends, potential markets and how to reach these markets, with a user friendly easy to access outreach program to tourism businesses, especially small and start up enterprises, to help these businesses invest in the most effective marketing strategies.

3.4 Establish key tests of success

The tests of success for this pan northern tourism vision and delivery programs would include:

- Prospective visitors to northern Australia are demonstrably benefitting from a consistent, informative pan northern Australia marketing strategy which guides visitors to their preferred experiences and destinations, and easy to use booking systems (including seamless and consistent booking systems for protected areas across Queensland, NT and Western Australia);
- The support programs for tourism ventures, especially smaller and start up businesses, is providing a consistent, reliable, cost efficient service which results in a solid brand reputation for northern Australia tourism;
- There is a significant and sustained increase in the number of Indigenous owned and operated tourism ventures.