



BROOME CHAMBER OF COMMERCE & INDUSTRY (Inc)
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The joint standing committee on Northern Australia
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Dear Sir/Madam

INQUIRY INTO OPPORTUNITIES & METHODS FOR STIMULATING THE TOURISM INDUSTRY IN NORTHERN AUSTRALIA

The Broome Chamber of Commerce & Industry has provided information, advice and networking opportunities to businesses and community organisations in the Broome area for over 20 years. It is the first point of contact for many stakeholders seeking information on economic and social issues of the region, as well as individuals seeking to do business in Broome.

In 2016 the Chamber formed Cruise Broome as a specialised body focused on the future development of Broome as a cruise ship destination. Cruise Broome is a volunteer committee of 6 members, 3 institutional (Kimberley Ports Authority, Broome Tourism Leadership Group, Broome Chamber of Commerce & Industry) and 3 industry (Galwey Pearls, The Roey Hotel and Broome Transit). Within twelve months Cruise Broome has delivered enormous traction in developing relationships with the cruise ship sector and Tourism WA, and has identified key issues affecting growth of the industry. Within eight months Cruise Broome has delivered beyond expectations.

Cruise shipping is an important part of Western Australia's tourism industry, generating \$275 million in expenditure in 2015-16, and provides direct economic benefits for the State's ten cruising gateway destinations including Broome. Growing the cruise sector to optimise economic benefits, especially for regional port destinations, directly supports the State Government's objective to increase tourism's contribution to the State economy to reach \$12 billion by 2020. Broome has demonstrated a strong commitment to developing cruise shipping for the region, and delivered successful visits for 13 superliners in 2014-15. The Australian Cruise Association Economic Impact of Cruise Shipping Report (September 2016) estimates these visits equated to \$6.7 million in total expenditure.

With a further 17 large cruise ship visits currently scheduled to visit Broome in 2016-17, it is vital to ensure a memorable experience for all passengers by providing a warm welcome and appropriate infrastructure/services.

1. Domestic and international tourism comprising: recreational, environmental, cultural, educational, and industrial tourism

It has been identified on many occasions the need for Broome to offer greater cultural and industry tourism experiences, of which there currently aren't enough to meet the needs of short-stay cruise ship passengers. However the barriers to those motivated individuals to enter into tourism through diversification of land use are counter productive.

In support of the submission by Australia's North West Tourism:

"The attractions in the North West, and the reasons why people travel to this remote region, are very much related to the landscape and the natural beauty of the region. Although some are on freehold title, the land on which the majority of these assets sit is in one of the following categories:

- *Pastoral leases*
- *Aboriginal Lands Trust land*
- *National Parks and protected areas under Department of Parks and Wildlife*

In addition to Native Title, each category brings with it its own set of rules and regulations, and whilst it is acknowledged that there needs to be some level of rigour in this area, the complexity is higher than elsewhere in Australia.

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What has been highlighted though, by a growing number of operators, is the difficulty in developing tourism enterprises. It is not uncommon to hear of developments experiencing several years delay before all approvals are obtained and the business can commence.

Of particular note is the red tape associated with diversifications on pastoral land and the lack of suitable tenure for Aboriginal lands. Certainty of land tenure is essential to businesses in their quest to raise finance to enable investment in tourism development. Without this certainty they are unable to borrow against their asset.

Much of this has already been identified in the Northern Australian White Paper, however it is reiterated here due to its relevance in stimulating the tourism industry in Northern Australia.

Recommendation 1: *Provide clarity, assistance and a more streamlined approach in relation to approvals processes that enable private sector investment in tourism infrastructure in the region.*

Recommendation 2: *Alleviate the complexities of land tenure that currently do not support landholders who do not have freehold title, including Aboriginal people and pastoralists, and are looking to develop tourism product on their leases."*

2. The role of peak bodies, local communities, and all levels of government in developing and promoting tourism opportunities nationally and internationally, including regulations and workforce issues that may inhibit tourism development

Remote destinations such as Broome rely on the leadership of peak bodies such as the Broome Chamber to advocate economic development initiatives, however much is needed to support these industry bodies to encourage private enterprise to develop tourism experiences which trade on the heritage and environmental assets of the region. This is where government support is needed on a grass roots level to build capability within our community organisations to deliver outcomes that the regions benefit from.

Following years of frustration from industry stakeholders in the lack of destination ownership of the cruising sector in Broome, Cruise Broome was formed by the Chamber with the support of the Shire of Broome and Kimberley Development Commission to cover the administrative, coordination and active promotion of the destination for a 2 year period. With this seed investment Cruise Broome has been given clear guideline from the KDC and Shire of Broome that there is no allocation for future funding toward cruise ships and the group needs to form a business model which supports its ongoing efforts.

With local businesses already heavily committed to memberships for industry support (the Chamber, Australia's North West Tourism, Broome Visitor Centre) additional to differential rates to support tourism, adding an additional levy to private business is not feasible. Facilitating the ship arrivals already involves a large element of volunteers, and significant cost in producing information, coordination and attending key stakeholder meetings to ensure Broome is current with industry opportunities and pro-active to meeting industry needs. As such Cruise Broome is left in an awkward position to engage in commercial activity in order to ensure its ongoing financial viability. It proposes to do so through the sales of merchandise, and commissions on new tours that it delivers to the ships via shore excursion agents. Although this is with the greater benefit of local businesses in mind to ensure the cruise ships continue to bring passengers to Broome, to some this is not well received and in ways contrary to the Chamber's role in supporting local business as a not-for-profit entity.

Recommendation 3: Re-think existing ASBAS NATI and AusIndustry Entrepreneur funding guidelines to be more practical in its delivery by supporting local organisations to deliver industry development and promotion specific to their local needs and capabilities.

3. Communication and transport infrastructure (particularly air, sea, road and rail transport and port infrastructure) which may facilitate and grow tourism

In support of the submission by the Kimberley Ports Authority (KPA):

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“In discussions with Carnival Australia, KPA has identified that one of the contributing factors to the visitor experience to Broome is the restriction associated with berthing times. The reason that berthing times are restricted is that the entrance to the Broome port facility is tidally constrained due to several shoal areas centered around a large rock near the center of the approach called “Channel Rock”.

“Due to the existence of these obstructions, vessels such as cruise ships are only able to enter or depart the Port on certain higher tides which effectively dictate the berthing / arrival times of such vessels. This can mean that passengers arrive late at night, very early in the morning, or the middle of the day rather than at optimum cruising scheduled times, likewise sailing times are affected and the vessels’ stay in Port may be limited to a few hours. The restricted times alongside can result in cruise ship passengers not being able to access Broome’s tourism offerings at their best. In this regard it should be noted that some of the iconic tourism experiences require visitors to take a small plane or drive out of Broome.

“A further consequence of the large tides and the existing infrastructure at the Port of Broome that passenger access and egress to yachts and white boats from the existing wharf facility is at times extremely challenging again limiting the opportunities for these vessels to provide an optimum service.”

Recommendation 4: Support the investigation of the removal of Channel Rock and associated channel improvements with the below potential outcomes:

- The removal of a navigational hazard which reduces the risk of injury, damage to environment and vessels
- Reduce costs for Port users as they may be able to take advantage of KPA’s fees and charges structure by berthing in the morning
- Allow the next generation of cruise ships which could reach 70,000t

Thank you for allowing us the opportunity to provide this feedback and we look forward to the outcomes of this inquiry.

Warm regards,

JAEL NAPPER
Chief Executive Officer
Broome Chamber of Commerce & Industry