

**The Parliament of the Commonwealth of Australia**

**THE AUSTRALIAN ENVIRONMENT  
AND TOURISM REPORT**

**A report by the Senate Standing Committee on  
Environment, Recreation and the Arts**

**SEPTEMBER 1992**

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## PREFACE

On 19 May 1988, the Senate referred to this Committee an inquiry on the Australian Tourist Industry; the terms of reference are as follows:

1. The role of the Commonwealth Government in the further development of the Australian tourist industry with particular reference to:
  - (a) the environmental impact of tourist developments, particularly in coastal regions and national heritage areas; and
  - (b) the co-ordination of foreign tourist development strategies between the States.
2. The role of foreign investment in tourist developments and the net benefit to Australia of overseas tourism.

The Committee's consideration of these terms of reference was delayed because the *Drugs in Sport* reference, received at the same time, became a priority and occupied the Committee for the following two years. Reports on *Drugs in Sport* were tabled on 14 June 1989 and 24 May 1990. At the same time, the Committee concluded its inquiry into the *Environmental Impact of Development Assistance*, tabling that report on 22 December 1989. Further, in September 1990 the Committee commenced an inquiry into *The Circumstances Surrounding the Positive Drug Test on Mr Alex Watson* and tabled that report on 28 May 1992. Because of the delay in finalising the *Australian Tourist Industry* inquiry, the Committee readvertised that reference on 27 April 1991.

The Committee draws attention to its decision not to print this report on recycled paper because of the relatively limited durability of that material.

## **ACKNOWLEDGMENTS**

This inquiry depended in large part on the co-operation of many witnesses in public hearings and on the provision of a considerable amount of documentation, in particular submissions from interested parties. The submissions received by the Committee are listed at Appendix 1. The Committee is grateful for the interest shown and the advice that was provided. While some of the submissions are not mentioned in this report, they were carefully considered and taken into account in the report's preparation.

Further, in publishing its reports, the Committee is mindful of the assistance of Secretariat staff under the direction of the Committee Secretary. For the finalisation of this report the Committee thanks Ms Gay Stevenson, Ms Christine McPaul and Mr Derek Drinkwater (Research Officers), Ms Laurie Swift and Ms Angela Mistic (Executive Assistants).

## ACRONYMS AND ABBREVIATIONS

AAT	Administrative Appeals Tribunal
ABS	Australian Bureau of Statistics
ACF	Australian Conservation Foundation
ADC	Aboriginal Development Commission
AIDC	Australian Industry Development Corporation
AIMS	Australian Institute of Marine Science
ANTA	Australian National Travel Association
ASAs	Air Service Agreements
ASCOT	Australian Standing Committee on Tourism
ATC	Australian Tourist Commission
ATIA	Australian Tourism Industry Association
ATSIC	Aboriginal and Torres Strait Islander Commission
BIE	Bureau of Industry Economics
BOMA	Building Owners and Managers Association
BTCE	Bureau of Transport and Communications Economics
BTR	Bureau of Tourism Research
CAA	Civil Aviation Authority
CALM	Conservation and Land Management (Western Australian Department)
CEDA	Committee for Economic Development of Australia
CEP	Code of Environmental Practice
CER	Closer Economic Relations
DASETT	Department of the Arts, Sport, the Environment, Tourism and Territories
DILGEA	Department of Immigration, Local Government and Ethnic Affairs
DTM	BTR's Domestic Tourism Monitor
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statements
EPA	Environment Protection Agency
EPAC	Economic Planning Advisory Council
ESD	Ecologically Sustainable Development
FAC	Federal Airports Corporation
FATA	Foreign Acquisitions and Takeovers Act 1975
FDI	Foreign Development Investment
FIRB	Foreign Investment Review Board
GBRMPA	Great Barrier Reef Marine Park Authority
GDP	Gross Domestic Product

IAC	Industries Assistance Commission
ITMA	Inbound Tourism Marketing to Australia
ITR	Integrated Tourism Resort
IVS	BTR's International Visitor Survey
NTS	National Tourism Strategy
TAC	Tourism Advisory Council
TAFE	College of Technical and Further Education
TMC	Tourist Ministers' Council
TTF	Tourism Task Force
VFR	Visiting Friends and Relatives
VFT	Very Fast Train
WTO	World Tourism Organisation

## RECOMMENDATIONS

### CHAPTER TWO

#### *Recommendation One*

That the Bureau of Tourism Research and the Australian Bureau of Statistics employ an agreed set of definitions for statistics related to the tourism industry, and particularly seek a correlation between the ABS accommodation data and the data in the BTR's International Visitor Survey and the Domestic Tourism Monitor. (2.70)

#### *Recommendation Two*

That the ABS urge all collectors of tourism statistics to collect all data under the guidelines of the ABS *Framework* so as to allow the ABS to produce a standardised and comprehensive *Directory of Tourism Statistics*. (2.71)

#### *Recommendation Three*

That until a comprehensive and consistent *Directory of Tourism Statistics* is published, the ABS include an opening chapter of each edition of the *Directory* explaining its limitations. (2.72)

### CHAPTER THREE

#### *Recommendation Four*

That the BTR canvass with government authorities, practising economists and academics alternative economic models for net benefit analysis, and that the BTR be provided with additional resources to allow it to carry out additional research functions. (3.20)

## **CHAPTER FOUR**

### ***Recommendation Five***

That the Commonwealth Government retain the responsibility for international marketing of Australia as a tourist destination. That the Australian Tourist Commission continue to perform that function on behalf of the Commonwealth. That sufficient funding be maintained to the Australian Tourist Commission to allow it to carry out its activities in order to achieve Government targets for inbound growth and the consequent economic yield from international tourism. (4.47)

### ***Recommendation Six***

That section 7 (e) of the *Australian Tourist Commission Act 1987* requiring the Commission to 'closely monitor and report the effects of international tourism on Australia's natural environment and society' be strengthened to require reports at least annually on those effects. (4.48)

### ***Recommendation Seven***

That an investigation be carried out by the Tourist Ministers' Council into State and Federal overseas tourism representation to evaluate whether the most cost-effective arrangements are in place, or whether a rationalisation is required. (4.49)

### ***Recommendation Eight***

That a review of the Australian Tourist Commission's promotion and marketing be carried out to identify a program which will encourage international tourism to all Australian States. (4.50)

## **CHAPTER FIVE**

### ***Recommendation Nine***

That empirical studies of the likely effects of developments on environmentally sensitive sites be commissioned by developers at the concept stage of a development. (5.79)

### ***Recommendation Ten***

That projects likely to cause significant environmental scarring only receive development approval conditional upon an undertaking to renovate the area. (5.80)

## **CHAPTER SIX**

### ***Recommendation Eleven***

That there be environmental impact statements, including social and cultural impact statements, for all tourist developments unless there is a successful application to the relevant authority for exemption. (6.34)

### ***Recommendation Twelve***

That before tourism developments are approved, provision be made for community consultation including with the involvement of local government where appropriate. (6.35)

## **CHAPTER SEVEN**

### ***Recommendation Thirteen***

That the EPA become operational as a matter of urgency. (7.50)

### ***Recommendation Fourteen***

That draft environmental guidelines for tourism developments be finalised by the Environment Protection Agency by the end of 1992 for ratification at the earliest possible date under the Intergovernmental Agreement on the Environment. (7.51)

## **CHAPTER EIGHT**

### ***Recommendation Fifteen***

That joint ventures between Australian and foreign investors be encouraged. (8.42)

### ***Recommendation Sixteen***

That the FIRB develop clearer criteria to identify the impact of foreign investment and that foreign investment proposals be required to demonstrate the likely economic benefits they will provide. (8.43)

### ***Recommendation Seventeen***

That the criteria for determining when an environmental impact statement is required be clarified. (8.44)

### ***Recommendation Eighteen***

That foreign investment proposals should be assessed against social impact criteria where appropriate. (8.45)

### ***Recommendation Nineteen***

That the criteria against which the social impact of developments are measured be extended to State and local government requirements for EIS unless there is a successful application to the relevant authority for exemption. (8.46)



## **CHAPTER TEN**

### ***Recommendation Twenty***

That, for foreign investment in the tourism industry, the liberalised policy on foreign investment since July 1986 be maintained. (10.62)

### ***Recommendation Twenty-One***

That, for the purpose of advising the Treasurer on foreign investment proposals, the Foreign Investment Review Board (FIRB) continue. (10.63)

### ***Recommendation Twenty-Two***

That to become more independent, the FIRB be restructured as follows:

- that the Board be comprised of permanent part-time members none of whom are selected from the Commonwealth bureaucracy;
- that the Board be served by a Secretariat; and
- that the Board establish and maintain its own office. (10.64)

### ***Recommendation Twenty-Three***

That, with regard to foreign investment proposals, the Treasury documents be copied to the FIRB for its independent comment and advice direct to the Treasurer. (10.65)

### ***Recommendation Twenty-Four***

That FIRB approval for foreign investment in new developments for the tourist industry be conditional upon a requirement to report progress on the development each six months from the date of approval until completion of the development. (10.66)

### ***Recommendation Twenty-Five***

That the FIRB maintain sufficient resources to monitor foreign investment proposals that have been approved and provide that information in its annual reports. (10.67)

### ***Recommendation Twenty-Six***

That statistics concerning foreign investment proposals in tourism facilities from investors' reports be provided to the ABS for subsequent publication (conjointly with the BTR). (10.68)

### ***Recommendation Twenty-Seven***

That in complying with the Environment Protection (Impact of Proposals) Act 1974, the FIRB request social impact statements which include employment projections, time for completion and long term employment, where appropriate, in addition to environmental impact statements. (10.69)

### ***Recommendation Twenty-Eight***

That the FIRB ensure potential developments are based on market research. (10.70)

## **CHAPTER ELEVEN**

### ***Recommendation Twenty-Nine***

That the Australian Standing Committee on Tourism include relevant advice from the Australian Local Government Association on significant issues referred to the Tourism Ministers' Council. (11.75)

***Recommendation Thirty***

That implementation of the National Tourism Strategy be expedited to achieve the most beneficial outcome for the tourist industry economically, environmentally and socially. (11.76)

**CHAPTER TWELVE**

***Recommendation Thirty-One***

That the Federal Minister for Transport and Communications establish a task force to report by the end of 1992 on national transport infrastructure needs given that international tourist numbers have been targeted to reach up to 6.5 million by the year 2000. That the Minister consult on this matter with the Australian Transport Advisory Council. (12.87)

