

PART 1

INTRODUCTION

CHAPTER 1

TOURISM, THE ENVIRONMENT AND DEVELOPMENT

The Environment and Tourism Development

1.1 For nearly two centuries Australia was seen as an alien land, harsh and dry, dangerous and frightening, certainly not a land of 'milk and honey'. Early white settlers feared and loathed the Australian environment, later settlers sought to tame it or rape it but very few had much regard for it. Some painters like Margaret Preston and Hans Heysen valued it and recorded it and others like John and Elizabeth Gould and Joseph Banks sought it, stuffed it, recorded it and shipped it to England.

1.2 The attitude to the environment was also affected by Australia's cultural cringe. That is, the colonial attitudes that regarded Australia as alien and primitive were extended long past colonial days. It is only in recent years that many Australians have come to appreciate their own environment, and its plants and animals, and want to protect and preserve it. As the environment support grew, so did a considerable tension between the environment and development lobbies. Tourism which has seen itself as a development industry was, until recently, at war with the environment. Now however, that attitude has changed. Those promoting tourism recognise that Australia's singular environmental features like the Great Barrier Reef and Uluru Rock are huge drawcards and that it is in their own interest to protect them.

1.3 Pressure on the environment from tourism is increasing. It is anticipated that the number of foreign tourists could treble by the year 2000; domestic tourism, currently about eighty per cent of the market, is expected to

remain vigorous. There is a need to consider carefully the ways in which the Australian environment is under threat from tourism. Unless those threats can be identified, tourism could increase the damage to the very environment that is attractive to tourists, and on which the industry in large part depends. In other words, it will kill the goose that lays the golden egg.

1.4 The Committee canvassed that opinion of those knowledgeable about the environment and concerned with the impact of the tourist industry on the environment, as well as those promoting tourism and concerned to protect the Australian environment as a drawcard for tourists.

1.5 The Committee included people, especially the local community, in its definition of environment. The impact of tourism on society was a major concern of the Committee; it canvassed these issues with various groups including Aboriginal communities.

The Economic Significance of the Tourist Industry

1.6 The Committee was concerned to analyse the economic significance of tourism. At present, tourism is Australia's fastest growing industry and ranks as Australia's largest foreign exchange earner. Export earnings from tourism now exceed that from wool and mineral ores.

1.7 The Committee considered opinions about the economic effect of tourism's projected growth, particularly as some evidence suggested that dramatic growth could have negative economic consequences, at least in the short term.

1.8 Despite evidence that the economic effects of tourism growth may not be immediately beneficial, it was clear to the Committee that the tourism industry will play a major role in Australia's economy for the foreseeable future. While there

may be doubt about the economic benefits of expansion of the industry, at least in the short term, there is no doubt about the benefit of employment growth in this labour intensive industry.

1.9 Tourism is the world's largest employer¹. Yet Australia's share of the industry, measured by overseas tourist arrivals, is very small. There is opportunity for considerable growth in Australia's tourist industry. This has been recognised in the creation of a separate Department of Tourism at the Federal level.

1.10 The Committee was concerned to examine the impact of foreign investment on tourism. It considered evidence from the Treasury and from the Foreign Investment Review Board and canvassed a wide range of witnesses including industry representatives.

Tourism Statistics

1.11 In order to address the range of issues covered by the terms of reference the Committee sought the most recent studies analysing the Australian tourist industry and examined basic data particularly from the ABS and the BTR. The Committee's task was complicated by the fact that statistics on tourism have not been collected and presented uniformly and comprehensively and little success has been achieved in standardising that data.

1.12 Clearly, analyses of the Australian tourist industry need to employ a range of sources of data. (Appendix 4 lists the current publications of national statistics relating to tourism.) It is necessary to have all sources of basic data collected in a standardised form and published systematically.

1.13 The problems that underlie the inadequate state of tourism industry statistics are being addressed. In June 1991 the ABS released its *Framework for the Collection and Publication of Tourism Statistics*. In February 1992 the ABS released

¹ *Travel and Tourism*, WTO, 1992

the *Directory of Tourism Statistics 1991*, based on its own *Framework* which was compiled to assist the design and conduct of tourism surveys and the researchers who use that data. However, because the ABS *Framework* is not yet comprehensively used by the *Directory's* source contributors, the data it contains is still not completely standardised. Until this matter is resolved, inquiries and studies on the Australian tourist industry will continue to be inconclusive.

Summary

1.14 The Committee received 103 submissions and heard from 94 witnesses at public hearings; this was supplemented by inspections of tourist sites in three States and the Northern Territory. (Appendix 1 lists submissions received. Appendix 2 lists the witnesses who appeared before the Committee and Appendix 3 lists the inspection sites visited by the Committee.) In all, the Committee considers that it has examined the most relevant sources of information in relation to the terms of reference of this report.