

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Resources, Energy and Tourism Portfolio

Budget Estimates

29 May 2012

Question: **BR20**

Topic: **Tourism Value of Australia's Iconic Species**

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Senator Waters asked:

Senator WATERS: I will look up some more details about that particular program. I am interested in whether the department or Tourism Australia has done any work to determine the economic value specifically of, say, our iconic species?

Mr McEvoy: I do not know for sure. I remember Victoria did a study on what the penguins are worth to them. They worked out how much each penguin was worth.

Senator WATERS: I am interested in those sorts of figures.

Mr McEvoy: I do not know in detail.

Mr Clarke: Do you mean the economic value of our natural assets?

Senator WATERS: Specifically our species and then also our World Heritage places our natural assets more broadly.

Mr Clarke: That is an interesting research question.

Senator WATERS: It is. Hence I am asking: have you already done the work?

Mr Clarke: It depends on what is the hypothetical and what we are testing the proposition against.

Senator Chris Evans: You have been asked for the value of a penguin. Can you provide an answer to the committee? It is clearly available to you.

Mr Clarke: Can I say, Yes, Minister?

Mr McEvoy: There might some stuff that we do not know directly, so perhaps we can take it on notice.

Senator WATERS: Could you also take on notice whether you have done any research.

Mr Clarke: Or whether we can source any research that might have been in the literature.

Senator WATERS: Yes, that would be helpful: about our iconic species but also about places, particularly our World Heritage places. I am also particularly interested, obviously as a Queensland senator, in the Great Barrier Reef. Can you tell me whether you have done any research or whether you have a view as to whether there are risks to Australia's tourism industry from the loss of those species?

Mr Clarke: Related research comes from a report recently commissioned by tourism ministers. It was delivered by Frontier Economics and recently published on the website, which talks about damage to the tourism sector that arises from climate change. It breaks that down into the various sorts of inevitable sea level rise and major storm, weather, fire et cetera events.

Senator WATERS: Biodiversity loss as well?

Mr Clarke: I cannot recall whether loss of iconic species was specifically in there, but it is an attempt to quantify the impact of degradation of Australia's natural assets as a result of climate change.

Senator WATERS: That sounds like it is moving in the right direction.

Mr Clarke: Yes. I am happy to provide you with that report.

Senator WATERS: Perhaps you could take on notice or answer for me whether you have a view on what the risks are to our tourism industry? For example, the koala has recently been listed federally as vulnerable, hence threatened. Does that have an impact on our tourism pull power?

Mr Clarke: I will ask Mr McEvoy to again give in essence the marketers response. The quantitative response is the best research we have is a document I referred to, and I am happy to take that on notice and provide it to you.

Answer:

Nature Tourism

The Tourism Division has not undertaken any studies directly relevant to the question, however, in 2009, TRA reported that domestic and international tourists who did one of the following: visit national parks or state parks; visit wildlife parks, zoos or aquariums; visit botanical or public gardens; bushwalk or rainforest walk; whale or dolphin watch; snorkel; and/or scuba dive; spent \$33.3 billion in total on their trips.¹

Frontier Economics' *Final report: Modelling analysis of some economic impacts of climate change on the Australian holiday tourism industry*

As part of the research undertaken for the National Long-Term Tourism Strategy, Frontier Economics undertook research and modelling of the economic costs of climate change on the Australian tourism industry, specifically on the quality of three key environmental assets: vineyards, coral reefs and snowfields. Frontier Economics did not model other effects due to a lack of data. Frontier Economics' *Final report: Modelling analysis of some economic impacts of climate change on the Australian holiday tourism industry* is at <http://www.ret.gov.au/tourism/Documents/nlts/FrontierEconomicsReport.pdf>.

¹ Tourism Research Australia 2010, *Snapshots 2009 Nature Tourism in Australia*. Available at: www.ret.gov.au