

TOURISM MINISTERS' MEETING
COMMUNIQUE

14 October 2011

Tourism Ministers met in Canberra today to advance progress on the National Long-Term Tourism Strategy (the Strategy).

Ministers noted that with the completion of a number of research projects and scoping studies, a new phase of the Strategy was about to begin. Ministers agreed to pursue policy reform and measures to deliver practical benefits to industry to cut red tape, improve tourism access, address labour and skills shortages, and facilitate the uptake of online technologies.

Ministers welcomed the continued roll out of the National Tourism Accreditation Framework following a presentation by the Chair of the Tourism Quality Council of Australia, Mr Simon Currant.

Investment and Regulatory Reform

Ministers considered the Investment and Regulatory Reform Working Group's final recommendations arising from the reports on barriers to tourism investment and tourism investment facilitation and agreed to release publicly the reports – a summary of key findings is at **Attachment A**.

The Investment and Regulatory Reform Working Group made a number of recommendations to: streamline the planning approval process, increase the supply of labour; accommodation; tourism in high natural amenity areas; and to improve the effectiveness of tourism investment facilitation.

Taking these into account, Ministers agreed on an implementation timetable. Ministers would report back in second quarter in 2012 on how they have responded to each of the Working Group's recommendations, with a report in October 2012 outlining progress made by each jurisdiction in implementing recommendations. Ministers agreed that recommendations that have cross-jurisdictional implications should be progressed through the Council of Australian Governments.

Ministers also agreed to prioritise six priority reform areas, subject to individual jurisdiction's consideration:

- review of land-use definitions and zoning;
- merit-based process to manage and escalate consideration of state or regionally significant tourism developments;
- establishment of a tourism investment facilitation function in each jurisdiction;
- policy and regulatory changes to support floor space ratio concessions for accommodation in high density areas;
- review of the introduction of accessible room requirements for new buildings under classes 2 and 3 of the Building Code of Australia (BCA); and
- review of the development approval process for tourism development in National Parks and other high natural amenity areas.

Labour and Skills

Ministers noted that, for the first time, all jurisdictions either had measures in place, or have committed to introduce measures to recognise interstate Responsible Service of Alcohol certificates. Ministers also agreed to formalise a Memorandum of Understanding with in-principle agreement to work collaboratively to remove cross-jurisdictional barriers to labour mobility.

Ministers also discussed the findings of the largest ever regional tourism employment survey. The report found that:

- there are currently over 35,800 unfilled tourism vacancies across Australia, which are forecast to increase to 56,000 by 2015;
- café and restaurant managers, chefs and waiters will be the most in demand occupations by 2015;
- skills shortages will be most prevalent for waiters, chefs and bar attendants;
- the average industry vacancy rate was more than four times the economy-wide vacancy rate;
- nearly half of all tourism businesses are experiencing recruitment, retention and/or skills deficiencies; and
- Northern Territory and Western Australia are experiencing the most acute labour and skills issues.

Ministers nominated eight ‘hot spots’ – one in each jurisdiction – for the development of regional tourism employment plans to address the labour and skills shortages identified by the report. Relevant Commonwealth Government agencies will work with regions to link existing and prospective programs geared towards improving education, training and employment outcomes to assist in the development of these plans. The regions selected are:

1. Broome, WA
2. Sydney, NSW
3. Red Centre, NT
4. Tropical North Queensland
5. Regional Tasmania
6. Regional Victoria
7. Canberra
8. Kangaroo Island, SA

Ministers also noted a program underway on actions arising from the Tourism Industry Roundtable of 30 August 2011, notably: linking the eight regional employment pilots for tourism with government area coordinators and programs; a Regional Migration Agreement trial in Broome, Esperance or Darwin; consultation with industry on immigration options; finalisation of a template Labour Agreement to meet labour needs for front-of-house occupations; and a 457 visa guide to assist employers in sponsoring overseas workers. These will be progressed by the Labour and Skills Working Group.

Ministers welcomed the expansion of the Pacific Seasonal Worker Pilot Scheme for the tourism sector in Broome. The scheme will enable tourism operators in Broome who have difficulties finding local workers, employ workers from East Timor to help alleviate labour shortages and to support Australia’s development objectives in East Timor.

Industry Resilience

Ministers agreed to endorse the revised National Tourism Incident Communication Plan (NTICP). The NTICP allows for the communication of accurate and timely information relating to incidents affecting the tourism industry nationally.

Digital Distribution

Ministers endorsed the National Online Strategy for Tourism (NOST). The NOST has been developed as a blue print to enable the Australian tourism industry to work collaboratively to ensure that Australia excels in tourism promotion and online distribution.

Ministers also noted the publication of the Going Global Action Plan (Action Plan). The Action Plan outlines the steps required in getting online and/or progressing to the next level of online capability through tools such as the tourism e-kit.

Tourism Research

Ministers approved the direction and evolution of the National Tourism Research Agenda and noted progress of the Tourism Research Advisory Board's data mapping project and developing baseline Indigenous tourism performance indicators.

Tourism Access Working Group

Ministers endorsed the focus on priority markets identified in the draft Mapping Australia's Tourism Aviation Priorities report for future international aviation access negotiations. Key markets for further air service liberalisation include China, the EU, Indonesia, Malaysia, other ASEAN nations, and Brazil.

Ministers also agreed to the development of a communications strategy to better promote the benefits of Australia's air services 'Regional Package' and the 'Enhanced Regional Package'.

Strategy Governance

Strategy Working Groups were established with a finite life to enable them to be disbanded once their work was completed. Noting that agreed actions were close to completion, Ministers agreed to wind up the Destination Management Planning Working Group. Following a Workshop on 12 October 2012, which discussed the findings of the Experience Development Strategy pilots and the Product Gap audits, a Best Practice Destination Management Guide is being completed, which will be disseminated for adoption by regional tourism organisations and other partners across Australia, led by the Australian Regional Tourism Network (ARTN).

Consistent with the Prime Minister's announcement of 6 October 2011, Ministers agreed to task ASCOT to develop an updated Tourism Strategy that addressed the challenges and opportunities associated with the rise of Asia, appreciating terms of trade and the higher Australian dollar to help the tourism industry achieve the 2020 Tourism Potential. Ministers also requested that any updated Strategy should be consistent with the Strategy's existing supply-side reform framework and complement the Strategy's current focus on lifting productivity and removing barriers to growth. Ministers noted that any updated Strategy would also maintain a strong focus on labour and skills, investment and infrastructure and work within the existing Toursim Ministers' governance framework. Ministers agreed that the updated Strategy will be launched by Minister Ferguson before the end of the year.

Strategy Reports

Ministers agreed to release a number of recently completed reports. These are:

- Impediments to tourism investment (LEK Consulting on behalf of the Investment and Regulatory Reform Working Group);

- Guide for tourism investment (Allen Consulting on behalf of the Investment and Regulatory Reform Working Group);
- Fact sheets on climate change programs;
- National Online Strategy for Tourism (Keystone on behalf of the Digital Distribution Working Group); and
- Update on the National Tourism Research Agenda.

These reports, and the Deloitte Access Economics report released on 13 October 2011, are available at:

<http://www.ret.gov.au/tourism/tmc/publications/Pages/default.aspx>

The Tourism Ministers' meeting was attended by:

The Hon Martin Ferguson AM MP (Commonwealth - Chair)
 Senator the Hon Nick Sherry (Commonwealth)
 The Hon Dr Kim Hames MLA (Western Australia)
 The Hon Louise Asher MP (Victoria)
 The Hon Jan Jarratt MP (Queensland)
 The Hon John Rau MP (South Australia)
 The Hon Scott Bacon MP (Tasmania)
 The Hon Andre Nobbs MLA (Norfolk Island)

Apologies were received from:

The Hon George Souris MP (New South Wales)
 Mr Andrew Barr MLA (Australian Capital Territory)
 The Hon Malarndirri McCarthy MLA (Northern Territory)
 The Rt Hon John Key MP / Hon Jonathan Coleman MP (New Zealand)

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ATTACHMENT A

Key findings of the Impediments to Tourism Investment report (LEK Consulting) and the Guide for Tourism Investment report (Allen Consulting)

Key findings of the reports were:

- Market failures are resulting in sub-optimal tourism investment, requiring Government intervention via more effective tourism investment facilitation and regulatory reform;
- Better tourism investment facilitation needs to be pursued in conjunction with regulatory reform;
- Tourism investment facilitation should be more systematic, better communicated and resourced;
- The industry faces a disproportionate regulatory burden impacting negatively on investment;
- Compared to the average, tourism development proposals are 40 per cent more likely to be considered complex, take 28 per cent longer to be assessed and planning costs are proportionately 42 per cent higher;
- Tourism's multi-use nature means investment is often affected by a variety of regulations across a number of agencies and is not well understood by officials;
- The dominance of smaller firms means the industry is less able to absorb the costs of delay caused by regulatory complexity; and
- Regulatory restrictions around development in high natural amenity areas are restraining investment and the supply of eco-tourism product.