

Northern Australia Standing Committee Submission

As the largest ferry company in Australia, with significant interests in Northern Australia, SeaLink Travel Group Limited (SeaLink) is an established, geographically diversified transport and tourism company. We provide services to both the transport industry, (moving regular commuters and freight between destinations in Australia) and the tourism industry, (promoting and packaging holiday destinations, providing tours and delivering tourists to Australian travel destinations). SeaLink now owns and operates a fleet of 73 ferries and other maritime craft, carrying over 8 million passengers per year under the SeaLink and Captain Cook Cruises brands in four states and the Northern Territory. Additionally, SeaLink operates a fleet of 30 coaches, buses and other passenger vehicles. SeaLink also holds licences, leases and agreements which enable it to operate services and access port facilities. SeaLink currently employs over 1,100 staff located around Australia.

SeaLink has won numerous awards for business excellence, tourism and entrepreneurship.

SeaLink Travel Group successfully listed on the Australian Securities Exchange (ASX) on the 16th October 2013 (ASX code, SLK) and is in the Standard & Poor ASX300 Index, with a market capitalisation of over \$450 million.



Northern Australian Ferry Transport Operations

- 150,000 annual passenger movements between Darwin and Mandorah NT
- 25,000 annual passenger movements on ferry services to the Tiwi Islands NT three days per week
- 400,000 passenger movements between Townsville and Magnetic Island North Queensland contracted by Qld Government
- 50,000 passenger movements to Palm Island in North Queensland, including 300,000 tonne of passenger consumable freight annually
- Daily ferry services between Groote Eylandt and Bickerton Island, East Arnhem Land
- Provision of barging and ferry services for the three LNG plants in Gladstone, Queensland
- Barging of mineral sands from North Stradbroke Island to Brisbane

- Passenger and vehicular ferry services from Cleveland (Queensland mainland) to Dunwich (North Stradbroke Island)

Tourism

- Wholesale and tour packages across North Queensland
- Tours within the Great Barrier Reef Marine Park, North Queensland
- Extensive servicing of the Australian Cruise Ship industry, in Airlie Beach, Townsville, Cairns and Port Douglas
- Daily, art and history tours to the Tiwi Island NT
- Lunch cruise daily, Darwin Harbor
- International packaged holidays throughout Australia
- National and International sales team selling Australian holidays

Technology

- QuickTravel – purpose built Reservation System
- IT Solutions
- Web development, including building on line sales
- On board ticketing solutions

Safety

SeaLink is an experienced leader and has a very strong safety record in the provision of point to point ferry services, including fleet and infrastructure management, vessel safety and compliance.

Expertise

SeaLink Travel Group has a significant multi skilled staff team within the marine transport and tourism sector, the expertise to design, implement and manage new projects in the marine tourism and transport industry.



Palm Island's reef Cat vessel provides 55,000 passenger journeys annually

Domestic and International Tourism

SeaLink recognize that Australia's forecast tourism growth is contingent on industry, Councils and Government aligning the goal posts in relation to tourism growth. The 2013 Deloitte report, "Positioning for Prosperity" sets the context that Australia is set to win, due to its proximity to Asia, its wonderful natural assets, its politically safe environments with a diverse language culture, easy air access and its education sector as a drawcard. By 2035 the forecast wealth of China and Asia could potentially provide Northern Australia a significant culture and prosperity opportunity. Northern Australia is extremely well positioned to attract significant inbound travel growth if it can build and renew infrastructure in transport, accommodation and tourism experience.

SeaLink recognize the opportunity of Northern Australia and plans further investment in both its Darwin and Townsville operations having recently completed a significant marine tourism and transport feasibility study. The SeaLink Executive team has been working across the tourism sector for over twenty five years and recommends the following strategic action to open up tourism opportunity in the domestic and international sectors.

SeaLink fundamentally recommends the establishment of a central co-ordinating agency for tourism development in Northern Australia to facilitate;

Strategy 1 – Product Development

Strategic Tourism Product Development is required that focuses on Northern Australia's unique product offers;

- Indigenous culture, art and history;
- Remote and outback communities and experiences;
- World heritage parks and reserves;
- Unique remote adventure touring in Australia's most remote wilderness and wild rivers coast;
- Australia's tropical cities with Asian food and cultural influence:



Cape Cleveland Lighthouse Tour, North Queensland

Strategy 2 – Co-ordinated Focus on growing Air Access

Northern Australia has a competitive advantage above other Australian ports, with a 2-5 hour flight time into East Asia. Building on the strategic capability of Darwin, Cairns and Townsville's national and international airports is critical ensuring there co-operation and not competition for growing air access capability. A co-operative growth strategy and investment plan in Northern Australia will position Australia's northern gateways and attractions as destinations as opposed to second tier arrival cities. Significant growth in tourism arrivals into Darwin, Cairns, Townsville, Kununurra and Broome can grow and lessen the impact on tier one destination airports in Sydney, Melbourne and Brisbane with strategic tourism planning. Capitalising on the destination partnerships is a priority, such as the Defence Partnership between Singapore and Townsville, trading and port relationships. Working with airline partners such as Qantas and Virgin, Singapore and Malaysian Airlines and now China Southern and China Eastern for Australia have positioned Australia well to capitalise on the growing world travel economy. Ensuring equity in access will build capacity across the Northern airports. Funding such as Aviation attraction pools could be consolidated for Northern gateways and deliverable on a strategic northern gateway plan.

Strategy 3 – Touring Routes

The road connections for domestic and international visitors remain critical.

The main North South Highway should be strengthened with its tourism infrastructure and its interpretation of the tourism landmarks. Adjoining tourist loops should be supported in an effort to build the "drive tourism" experience. Branding routes such as the 'Explorers Way' will build their marketing and salesmanship capability.

The 'Savannah Way' across Northern Australian from Cairns to Broome should also attracting significant support to open Northern Australia savannah communities.

These highways should start to adopt, along with other Australian drive journeys, international signage, tourist amenities and identifiable stories. Other routes that support inland tourism across Northern Australia's savannah and outback can be supported through Council, community, tourism and agriculture organisational grants and contributions.

Strategy 4 – Rail Access

The rail connections into Darwin from Australian cities, must be supported and built upon, for its unique international opportunity and to continue to provide a valuable domestic visitors opportunity. The arrival experience into Darwin is still lacking and the finalization of this project should be a priority.

Strategy 5 – Australian Cruise Ship Industry

The Australian Cruise Ship industry continues to go from strength to strength across Northern Australian ports and this should be strengthened for visitor arrivals into unique Northern Australian ports such as Cairns, Darwin and Townsville. The marine infrastructure upgrades across these ports to support Cruise ship experiences should be prioritized. More and more the market is looking for unique experiences that could be provided by indigenous communities across the top end of Australia in the Tiwi Islands, the Kimberly coast, Broome, East Arnhem and North Queensland.

The Role of Peak bodies

Peak bodies such as Tourism Australia and state Tourism Authorities, continue to play a critical co-ordinating role in national and state initiatives.

Too often, there is duplication between state and national strategies, often with multiple Government Departments having areas of the tourism portfolio, resulting in a lack of expertise and local feel for key initiatives in regions such as North Queensland, the Northern Territory or Northern Western Australia. Commonly there is a lack of staff in the field and therefore resourcing in these regions with the centralization of government in major urban southern centres. Competition for resource support is often swayed in favour of larger more successful regions.

The establishment or broadening of the scope of the Office of Northern Australia (to provide leadership across the whole of the North and not just the NT) and the expansion of the Co-operative Research Centre for Northern Australia is core to the Northern Australia strategy. We would support the greater resourcing / or reallocation of existing tourism resource into these bodies to ensure a localised body was able to co-ordinate a strategic approach to Northern Australian tourism development and research, perhaps being a combination of TA, TEQ, TWA none of whom have any presence in Northern Australia. This body might also take a stronger co-ordination of NT and RTO tourism strategy to ensure alliance across tourism borders.

Agencies such as the RDA offices across Northern Australia demonstrate the nature of strong local connections and to support grass route projects, however they are often lacking the resources necessary to make them more powerful in community and political situations.

Recent Northern Australia conference conversations in Darwin and Townsville have identified tourism economy building projects and the need for Government at all levels to work with Councils, RTO's and Industry to align strategy for this growth.

Industry bodies such as TTF, ATEC and Tourism Accreditation bodies continue to find niche service delivery, lobby and important industry development functions however also demonstrate a lack of Northern Australian commitment.

The future of Australia's Northern tourism economy is in the hands of Australia's tourism industry in Northern Australia. Bringing strategic and co-operative tourism public and private investment partnerships together across Northern Australia is critical to planning for our industry future. We have also called for the resourcing of an industry led, Northern Australia Tourism Alliance to assist conversation across the North and this could be an initiative led by a stronger tourism resourcing of the Office of Northern Australia.

Across Northern Australia Indigenous tourism labour continues to be in short supply and business mentoring and partnerships continues to have limited success. The further prioritization of this project is critical. Our visitation across Northern Australia is contingent in continuing to be able to deliver a quality indigenous experience. We call for the support for a tourism business to indigenous business, development and mentoring programme that will support indigenous business development over a long term partnership. A company like SeaLink, major hotel groups and other transport operators can provide a strong and sustainable role in indigenous business mentorship.

Communication and Transport Infrastructure

SeaLink is committed to the opening up of new marine tourism and transport routes across Northern Australia recently completing feasibility work for both Darwin Harbour, West and East Arnhem. Many of these communities have significant undeveloped tourism product and with little or no economy, realising the potential is severely limited by infrastructure.

SeaLink is committed to co-funding marine infrastructure with communities and Governments at all levels and provides the following case examples;

- Recently SeaLink was successful in attracting through the RDA, Local and State Governments to build new marine infrastructure for Palm Island North Queensland that provided all weather ferry access and emergency care for a community of 3500 indigenous Australians. This project however was three years in planning and development. Projects of this nature should not take this amount of time to facilitate and should be prioritized and streamlined through funding and regulatory agencies before realizing them;
- The Mandorah Jetty in Darwin was built in the 1970's, by the Commonwealth, as a cargo jetty. Its modern use as a recreational and ferry transport jetty presents a severe risk to its use as a public transport facility and should be prioritized for renewal on a major projects plan;
- SeaLink have demonstrated the strong tourism and community benefit a new ferry transport service can bring for remote communities in the Tiwi Islands NT and Palm Island NQ. The economic benefit these services bring, the opportunity for tourism and the community social benefit is well documented. Opening similar services across East and West Arnhem communities has been identified by Council's, Land Management Organisations and local agencies as bringing new tourism, transport, emergency evacuation and social equity opportunity. Part of the limitation of these communities is the lack of financial scope to establish marine facilities – the ability for remote communities to have access to improved passenger landing facilities along with barge facilities is vital to achieve growth:

A Northern Australia Tourism funding and grant program, seeking partnerships with industry should be established at the Office of Northern Australia to facilitate strategic growth projects in Northern Australia focussing on the core product development areas highlighted earlier in this paper.

Summary

The above ideas and summations come as a result of extensive experience in tourism development in Australian regional locations. The establishment of a well-resourced dedicated Agency committed to sustainable tourism growth in the North is absolutely required to realise the tourism potential of Northern Australia. Without the single focussed Agency (or part thereof) Northern Australia will continue to compete with Australia's urban southern centres and will continue to not realise investment, co-ordinate cross border strategy, grow its product and develop its regional strengths.

What might a Northern Australian Tourism Organisation look like?

The Northern Australia Tourism Authority (NATA)

- A Statutory Authority of Government - Constitution
- Managed through a Tourism Board of Management made up of Industry Specialists, State Tourism Authority representation, Federal Tourism Authority representation, Indigenous Land Council Representation
- Linkages to Northern Australia CRC, the office of Northern Australia, RDA Network

NATA Objectives

1. To co-ordinate major tourism projects across Northern Australia
2. To attract private and public investment into tourism projects across the North, including new product, visitor analysis, infrastructure investment and industry development.
3. To facilitate a Northern Australia grants and concessions scheme for investment facilitation - a funded five year ATDP for Northern Australia
4. To work with the private sector, State and Federal Governments, Tourism & Economic Development bodies, Aboriginal and Torres Strait Authorities, RTO's and RDA's to improve / partner on opening air, sea, road and rail access projects
5. To strengthen indigenous tourism product and experience supporting community economic development models for remote communities
6. To work with state tourism bodies to identify specific marketing strategy for Northern Australia with Asia
7. To work with State National Park Authorities to open parks of high tourism value year round, to resolve tenure and management problems and attract public/private partnerships

NATA KPI's

- To attract \$1b in Tourism Industry projects in Northern Australia 2018 -2023
- To increase visitation to Northern Australia by 25% over 5 years.
- To increase Economic Spend in the Region by \$500m over 5 years
- To establish a Northern Australia Tourism Research partnership to enable accurate visitor data collection and analysis for Northern Australia
- To establish a Strategic Investment Plan to open year round the Kakadu National Park, "Falls" experience and other Park hallmarks across East and West Arnhem National Parks
- To create a National Parks Tourism Strategy for Northern Australia, identify parks of tourism value, the investment plan and public/private partnership models for facilitation get visitor accessibility
- To create an international air access alliance corridor that supports visitor arrivals trade and economic development across Northern Australia collaborating with airline partners
- To create a unique partnership with Asian neighbours including a major Event and Sales partnership activities

NATA, the Administrative Body

- Estimated 15-20 Staff (5 years) - FTE's to be supplied through existing Federal and State Tourism Agencies - reallocation of roles and responsibilities from existing tourism bodies to the NATA
- Federally Funded included a \$100m (over 5 years) ATDP for Northern Australia fund matched \$1 grant : \$2 private sector to facilitate private sector investment
- Specialist's executive responsibility in tourism Investment, Economic Development, Product Development and Marketing.

