



Joint Standing Committee on Northern Australia
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Tuesday 10 January 2017

RE: Inquiry Into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia

To the Joint Standing Committee on Northern Australia,

Thank you for the opportunity to provide input into your inquiry. The tourism industry as you are aware is one of the most profitable, resilient, innovative and positive industries in northern Australia, and has further potential to provide employment opportunities and reduce the trade deficit into the future. It is pleasing to see that the terms of reference for the inquiry are broad, as the tourism industry touches on many different areas of the economy.

I will first outline my organisation's purpose, followed by a discussion on the areas we believe a concerted focus will pay off for the economy not just in our operating area, but across northern Australia.

Tourism Central Australia

Tourism Central Australia (TCA) is one of two official Regional Tourism Organisations (RTOs) in the Northern Territory, with the other being Tourism Top End. TCA is a not for profit membership based organisation, with over 300 tourism business members from around Australia, primarily focussed on the region of northern outback South Australia, Uluru/Yulara, Kings Canyon, Alice Springs, the MacDonnell Ranges, Tennant Creek, the Barkly and up to and including Elliot and Newcastle Waters. We are responsible for marketing the Red Centre region (#RedCentreNT on social media channels), providing member businesses with advice and industry insights, operating the Alice Springs Visitor Information Centre and advocating to Government and stakeholders on behalf of our members for pro-tourism policies and developments.

The 2020 Tourism Strategy, with its attached ambitious target of tourism to be worth \$140b in Overnight Visitor Expenditure (OVE) to the Australian economy by 2020¹, has provided much guidance and incentive to our organisation to grow the tourism industry in our region. In the Northern Territory, with a 2020 target of \$2.2b in OVE², we have already achieved

¹ The overview of the strategy can be found at <http://www.tourism.australia.com/about-us/tourism2020.aspx>

² As per <http://www.tourismnt.com.au/en/strategies/nt-tourism-vision-2020>



growth from \$1.69b when the target was set to more than \$2.5b to the year ending September 2016³. We have not only reached our \$2.2b target, but have beaten it by a significant margin. With more investment from Federal Government, we will be able to continue to make up some of the potential shortfall in the national target by 2020.

The Board of TCA has a long term, strategic approach to tourism development. Each year the Board meets to update and prioritise the three-year strategic plan, setting the strategy for the up-coming financial year. A copy of the three-year strategic plan and a one page infographic summary for 2016/2017 is attached to this submission.

Items for Focus to Grow Tourism to Northern Australia

We believe there are ten key items that need to be actioned to ensure the tourism industry continues to thrive in northern Australia. There are also several barriers to growth that need to be addressed. Following I will detail these items and I ask for your careful consideration of these.

Ten Key Items for Tourism Growth in Northern Australia

1. Market our Calendar of Events

Northern Australia, despite having a low population base, is host to many excellent events. In the Red Centre alone, we have iconic and famous events such as the Henley on Todd Regatta, Parrtjima Festival in Light, Red Centre Nats, Finke Desert Race, Uluru Field of Light, Easter in the Alice Mountain Bike Event, Alice Springs Beanie Festival, Wide Open Spaces Festival, Desert Harmony Festival, Alice Desert Festival, desertSmart Eco Fair, DesertMob, the Alice Springs and Uluru Camel Cups and so many more. These festivals are significant attractors of interstate and international visitors, given that they celebrate our unique outback lifestyle. Along with the many major events we host, there are many smaller community and regional festivals that with some capacity development and marketing assistance could develop into larger events, attracting more visitors and encouraging existing visitors to stay longer.

To achieve this, an event development program is required. A long term, fully funded program of at least five years in duration is required to assist small event organisers to (but not limited to):

- Create a volunteer recruitment, training and retention program
- Create event plans, business plans, waste management plans, traffic management plans and other necessary logistics plans
- Hire event employees or engage event consultants to work with the events to grow them
- Advise on how to write grant applications and sponsorship attraction plans
- Ultimately develop the capacity within the event organisation teams to become self-sustainable through event profits and sponsorship attraction

³ See the visitation snapshot at

http://www.tourismnt.com.au/~media/files/corporate/research/quick_stats_ye%20september%202016.ashx



- Upskilling event organisers in how to market their events effectively

REQUIRED: Event Organiser Capacity Development Program

2. Market our Outback Adventure Experiences

The outback is a place of adventure. Mountain biking, skydiving, hot air ballooning, trekking, scenic flights in light planes, helicopters and gliders, fossicking, quad biking, camel trekking, Segway tours, horse riding, camping and scenic motorcycle tours are just some of the adventurous activities visitors can experience. A concerted effort, including considerable funding, is required to market these experiences to adventure seekers.

The adventure seeker wants to go to a destination where they can try a range of experiences in the one area. Queenstown in New Zealand is an example of this kind of destination. The outback, centred on Alice Springs, is another such destination, however little is known of the area for these kinds of experiences. Tourism Australia have created excellent campaigns in the 'There's Nothing Like Australia' series, including 'Restaurant Australia', 'Coastal and Aquatic' and the upcoming nature based experiences campaign. TCA believes this nature based campaign should include an outback adventure element, and/or adventurous experiences could be considered as the next iteration of 'There's Nothing Like Australia' after the nature based campaign.

REQUIRED: Using the Red Centre as a Hallmark Destination for Adventurous Experiences in Tourism Australia's Marketing

3. East MacDonnell Ranges Revitalisation

Whilst the West MacDonnell Ranges are well known for sites such as Ormiston Gorge, Glen Helen, Ellery Creek Big Hole, Redbank Gorge, the Larapinta Trail, Standley Chasm and Simpsons Gap, the East MacDonnell Ranges are lesser known but just as pristine and beautiful. The areas of Ruby Gap, Hale Creek, Arltunga, Ross River and Trepina Gorge should be visited just as much as their western counterparts.

From data available through the traffic counter at Arltunga (a gold rush ghost town in the national park east of Alice Springs), we see that interest is steadily increasing in the East MacDonnell Ranges⁴. To increase this interest and thereby have visitors stay longer in the outback, an investment program is required targeting the East MacDonnell Ranges to revitalise the tourism offering there. This investment program should include subsidies and grants for businesses, organisations and government departments wishing to install or upgrade new and existing facilities in the region.

REQUIRED: East MacDonnell Ranges Investment and Grants Program

⁴ See <https://dca.nt.gov.au/parks-and-wildlife-commission/parks-and-wildlife-statistics-and-research/park-visitor-data>



4. Increase Red Centre Visitor Information at Yulara

Once again, whilst this is a Red Centre specific item, it would have positive effects on northern Australian tourism if implemented. Currently information on areas outside of the Yulara precinct is difficult to find in Yulara, and it is TCA's intention to change this. The funding and creation of an accredited Visitor Information Centre (VIC) within the Uluru/Kata Tjuta National Park precinct or Voyages Resort complex is required. This VIC can be operated by TCA with appropriate funding and assistance. A partnership between TCA and Parks Australia or Voyages is suggested as an effective means of delivering this outcome.

REQUIRED: An accredited Visitor Information Centre at the Uluru/Kata Tjuta National Park Cultural Centre or in the Voyages Resort precinct.

5. Indigenous Heritage Interpretation Trails

The song lines and cultural sites of northern Australia are of immense interest to visitors. These song lines do not recognise state and territory borders, but rather rely on ancient methods of retelling and interpretation across enormous distances. The connecting of these sites and stories is required to engage travellers with this heritage. To do so, the Northern Territory Government have embarked on a heritage trail program, and TCA believes this needs to be expanded to a cross state/territory borders development. These sites can be connected with an interpretive app that provides video content including traditional owners telling the culturally acceptable elements of the stories and sites. These can be brought together in a series of Australian Tourism Data Warehouse (ATDW) content pieces that are promoted through all the tourism websites that feature ATDW content, plus a concerted campaign through the indigenous tourism team at Tourism Australia.

REQUIRED: A Cross Border Indigenous Trails Heritage Interpretation App and Associated Collateral

The highlight and centrepiece of the heritage trails development is the following priority.

6. National Indigenous Cultural Centre

This project has the potential to be the biggest tourism game changer the outback has ever seen. The Northern Territory government made an election commitment in 2016 to this project, initially starting with an arts centre and then expanding to a cultural centre. TCA believes this project requires the support of all Australian states and territories, in particular those in northern Australia, as this centre will attract people from all over the world and will act as a feeder to other Australian indigenous heritage destinations. TCA is advocating the following for this development:

- An iconic, architecturally designed centre celebrating our first nations that attracts international attention, discussion and publicity (such as Federation Square, MONA, the Sydney Opera House and other similar ground breaking designs)
- This centre is the starting point for anyone wanting to research indigenous cultures and first nations. As such, it should house:
 - Artworks of significant cultural and heritage value to the various indigenous art movements around Australia



- Significant culturally acceptable collections of artefacts, articles, research pieces and other materials
- Have conferencing and meetings space for researchers, anthropologists, traditional owners, archaeologists and similar groups to host their conventions, conferences and events
- A theatre to celebrate indigenous cultures through song, dance and performance
- A library containing items of relevance to first nations research across the globe
- A comprehensive store selling all forms of Indigenous Art Code certified artworks
- The Alice Springs Visitor Information Centre should be relocated to this centre and given favourable operating conditions (such as a peppercorn lease), as it will be the most visited attraction in Alice Springs. Co-location of a VIC with a major attraction will boost visitation for both facilities. Because of this, TCA should be involved in the development from concept design through to architectural plans and construction, to advise on what a best practice VIC requires to be successful.
- Be located in the CBD and attractions area of Alice Springs. A site located in or within walking distance of the CBD, Royal Flying Doctor Museum, Reptile Centre, Pioneer Women's Hall of Fame and similar attractions is essential to the success of the development.

Developments such as these can attract significant community interest. It is important that from conception to consultation to construction to completion and opening that indigenous leaders, traditional owners, tourism groups, community groups and other stakeholders are consulted often. This process needs to commence as soon as possible, so that when the funding from the Northern Territory government becomes available, construction can commence without delay. Significant funding and resource support will be required from the Federal Government to complete this project, and it will be something the outback can successfully leverage for decades into the future.

REQUIRED: The National Indigenous Cultural Centre in Alice Springs

7. Digital Capacity Development

Digital capacity is an ongoing issue for tourism businesses. As the rate of innovation increases in the digital world, businesses, in particular small to medium enterprises in outback areas, struggle to keep up to date with these changes along with day to day business operations. To address this, TCA began a Digital Integration program in mid 2016. This program assists member operators to list their business on ATDW, as well as link with the Bookeasy online real-time booking platform, used by over 150 VICs nationally including the Alice Springs Visitor Information Centre.



With funding from Tourism Northern Territory, in 2017 TCA will be expanding this program to include one on one business mentoring for social media marketing and website development. We will assist businesses develop and maintain their online profiles, enabling them to better market their businesses. This funding will run out on 31 December 2017, however the need is ongoing. TCA believes that an ongoing program with at least a five-year funding arrangement is required across northern Australia. This will make our industry more competitive internationally, and will thereby increase tourism receipts. Such assistance needs to be one on one and not one to many training, to best achieve the results required.

REQUIRED: One on One Digital Mentoring for Tourism Businesses

8. Socially/Environmentally Sustainable Businesses

With the continued effects of climate change having impacts on northern Australia, businesses are interested in how they can reduce their impact on the environment. As well as this, the social sustainability of businesses has been a focus with businesses wanting to be net contributors to their local communities.

TCA has commenced the application process for Climate Action Certification through Ecotourism Australia, and if successful, will be only the second official RTO across Australia to achieve this status. TCA is a member of Ecotourism Australia and the International Institute for Peace Through Tourism to keep our members informed of what they can do to reduce their environmental impact, and positively influence the communities within which they operate.

Tourism businesses are increasingly interested in how to become more environmentally and socially sustainable, however are unsure of how to start and where to get information. TCA believes that a northern Australian support program delivered through Ecotourism Australia would give tourism businesses the information they require to be more environmentally and socially sustainable. Such a program could include workshops, as well as financial incentives to become Ecotourism Accredited. This program should include workshops in rural centres that give overviews of social sustainability methods, such as how to adapt procurement to have a buy local focus, corporate philanthropy practices and information on various organisations that can assist in helping businesses be more socially sustainable.

REQUIRED: A Social and Environmental Sustainability Program

9. Skills Development/Customer Service Training

A perpetual requirement for the tourism industry; customer service training for frontline staff and business skills development for business owners and managers is essential. The Northern Territory offer some good services through the Department of Business, and the Federal Government through the Business Enterprise Centres and Regional Development Australia networks, however these organisations require more funding and resources. The programs they offer such as business start-up mentoring, small grants for business needs and the like, should be expanded to include funding for business education programs. The

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Vocational Education system should also be tailored to provide free and subsidised training to businesses wanting to put their staff through customer service training.

REQUIRED: A Skills Development Program for Business Owners/Managers, and a Customer Service Program for Frontline Staff

10. Telecommunications Infrastructure

It is essential both from a business and consumer point of view to have stable, fast mobile and data communication services. Travellers simply expect full mobile and data coverage throughout Australia – it is no longer a bonus but a base line necessity. Consistent frustration is experienced by travellers unable to access their mobile networks. As well as this, tourism businesses are often stumped by slow and non-existent mobile and data services. It is necessary for all tourism businesses to have fast, stable access to mobile and data services. Even in our major towns such as Alice Springs, with NBN connectivity, businesses (including TCA) experience slow and intermittent access to the internet. This is simply unacceptable in 2017 for businesses to operate in such a technologically disadvantaged environment.

To remedy this, the installation of satellite, fixed tower and other data and telephony services is required. Highways such as the Stuart and Plenty should have mobile coverage the whole length to allow business users and travellers alike to access emergency services, as well as stay connected to their digital communities. For major towns, NBN connectivity fibre to the premises is essential, rather than fibre to the node.

REQUIRED: Stable, Fast Mobile and Data Services Across Northern Australia

REQUIRED: NBN Connectivity Fibre to the Premises in Major Towns

REQUIRED: Full Mobile and Data Coverage on Major Highways

Barriers to Growth in Northern Australia

Following I will outline a range of barriers to tourism growth, that, if addressed, will unlock the massive potential northern Australia has to increase employment and reduce the Australian trade deficit through tourism receipts.

• **Lack of Stable and Ongoing Funding to Regional Tourism Organisations**

RTOs have long been unstable from a funding point of view. The ad hoc approach from each State and Territory towards RTOs at times demonstrates their appreciation of, and at other times their lack of understanding of, regional tourism development. At their core, RTOs provide the critical link between industry and government, advising government on the requirements of industry, and advising industry of the ways in which they can engage with government programs. As well as this, RTOs provide a regional marketing focus that State Tourism Organisations (STOs) and the National Tourism Organisation (NTO – in Australia's case Tourism Australia, or TA) are not able to provide, as those organisations need to take a macro approach to marketing. As well as this, RTOs provide on ground services that tend to fall through the cracks without their involvement. Some run VICs, others work in

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infrastructure and product development, others provide business advice, and some do these plus more.

To provide these services, RTOs cobble together funding from various sources, such as sponsors, memberships, sales through VICs, local government, State/Territory Governments and grant programs. This melting pot of funding sees the RTOs being pulled in many different directions, needing to satisfy the requirements of multiple and diverse funding partners. Often this means sacrificing projects that are crucial to tourism development to satisfy the political requirements of these funding partners.

What is required is a national approach to RTO funding. The importance of these organisations cannot be overstated, yet they remain a political football with many masters, subject to unstable funding sources. A business levy attached to rates across the nation, or a similar funding program that is not linked to election cycles and is set in legislation will ensure that ongoing funding of RTOs is both secured and increased, better allowing the RTOs to focus on tourism growth in their regions.

REQUIRED: A National Approach to Funding Regional Tourism Organisations

- **Air Connectivity and Airport Development**

One of the major costs of doing business in northern Australia is air travel. It is a barrier to attracting travellers to the region, and is a significant cost for businesses wanting to promote themselves outside the region at travel shows, conventions and the like. The Alice Springs Airport lacks servicing by a discount domestic carrier, and because of this, is an expensive destination to visit. A discount domestic carrier into Alice Springs Airport is essential to visitor growth.

Darwin Airport has the potential to be a major international gateway airport, and with aircraft developments such as the Boeing 787-9 Dreamliner is only 15 hours' direct flight time from London. Darwin Airport requires a focus from the Federal Government, to hub European and Asian carriers into the port, to be able to spoke from there to northern Australian destinations such as Alice Springs Airport and Ayers Rock Airport. In the long term, direct international flights into Alice Springs Airport are required to continue visitation growth to the outback.

REQUIRED: A Low Cost Domestic Air Carrier Into Alice Springs Airport

REQUIRED: More International Carriers Into Darwin Airport, Including Non-Stop European Flights

REQUIRED: International Flights Into Alice Springs

- **The Sealing of the Plenty Highway, and by Extension the Outback Way**

The Outback Way is the main east-west highway spanning two States and a Territory (Western Australia, Queensland and the Northern Territory), yet most of it is unsealed. This is not just a tourist road – it is also the main thoroughfare for truck transport going through



the centre of Australia. The sealing of the Outback Way should be a priority for the Federal Government to provide better access for travellers to the iconic Australian outback, and to decrease transport times and costs for transport companies. This will assist the agricultural and mining sectors as well as tourism.

REQUIRED: Sealing of the Outback Way

- **The Re-Introduction of Sit-Up Train Services On the Ghan**

Last year's decision by Great Southern Rail to remove the sit-up service on the Ghan was understandable from a commercial point of view, however has hindered tourism growth in northern Australia. The subsidised pensioner passenger policy gave this sector of society the ability to take an affordable holiday in northern Australia, when coupled with the sit-up seating on the Ghan. Backpackers also had an affordable means to access the region. Now that the sit-up option does not exist, the affordability of train travel to northern Australia has decreased.

Subsidies should be provided to ensure this crucial train service is accessible for all people, rather than one sector with enough money to afford luxury travel.

REQUIRED: Affordable Train Travel to Northern Australia

- **Backpacker Tax, Passenger Movement Charge and Visas for People Wanting to Travel and Work in Australia**

This ongoing issue is one of great frustration to northern Australian tourism businesses. Access to labour is a critical issue for these business owners, and it seems that new obstacles are raised each time business owners learn the new processes involved to attract international workers.

The solution is simple. Remove the Passenger Movement Charge, tax people who want to travel and work in Australia in the same way Australian workers are taxed, and make it easy to apply for and obtain a visa. In doing so tourism will increase, and businesses in remote areas will be able to attract the workers they need. The declining number of visa approvals for people who want to work and travel since 2011⁵ surely shows that current Government policy is unviable and ill conceived.

REQUIRED: Removal of the Passenger Movement Charge

REQUIRED: Taxing People Who Want to Work and Travel the Same Way as Australian Workers

REQUIRED: Make it Easy to Obtain a Visa to Work and Travel in Australia

⁵ See <https://image-store.slidesharecdn.com/5d7e2b1b-653e-4c60-b175-352c9f129d60-original.png>



Summary

With attention paid to these top ten strategic items and the barriers to tourism growth, the tourism industry in northern Australia will not only continue its growth, but thrive, and will continue to reduce the trade deficit in the Australian economy. The Northern Territory's near reaching of its 2020 OVE target is testament to the fact that investment by Government in tourism pays off. TCA once again thanks the Joint Standing Committee for the opportunity to provide a submission to the Inquiry Into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia, and if you have further questions, we are keen to assist.

Yours sincerely,

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