

Department of Tourism, Major Events, Small Business and
the Commonwealth Games

Queensland Government Submission

to the

Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia

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Introduction

The development of Northern Australia can only be achieved through sustained economic growth, which will provide the jobs to attract population to this region. Queensland is well-placed to provide a strong foundation for the further development of Northern Australia, given the existing strategic infrastructure, metropolitan centres and a range of opportunities it possesses for further growth.

In particular, the Queensland Government notes tourism provides a major opportunity for developing Northern Australia now and into the future. A lack of high-quality facilities and services is seen as limiting Northern Australia's ability to capture and grow our share of the international market, and specifically the booming Asian travel market, unless more investment is made.

The Queensland Government welcomes the opportunity to provide a submission on the Australian Government's "Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia". This submission is divided into sections which address both key opportunities and constraints to stimulating the tourism industry in Northern Australia, with particular focus on Northern Queensland which represents approximately 75% of the North Australia region's population. The Queensland Government is also keen to work collaboratively with the Australian and other State and Territory Governments with responsibilities for Northern Australia in relation to advancing tourism opportunities for Northern Australia.

Overview

North Queensland, site of the world's largest coral reef among numerous other natural attractions of global significance, is already Australia's premier environment-based tourist destination. Queensland boasts some of the world's most spectacular destinations which are divided into 13 geographical tourism regions. The Queensland tourism regions that fall entirely within the Australian Government's definition of North Australia include: Mackay, the Whitsundays, Townsville and Tropical North Queensland. Additionally, the Queensland tourism regions of Outback Queensland and Capricorn fall both north and south of this division. Capricorn forms part of the destination 'Southern Great Barrier Reef' which also includes the tourism regions of Gladstone and Bundaberg North Burnett.

North Queensland, particularly Tropical North Queensland and the Whitsundays, has long been known as a world class tropical resort holiday destination. Primarily known for its beaches and the Great Barrier Reef, North Australia competes with other cheaper beach and tropical holiday locations including Bali, Fiji, Hawaii and other South East Asian beach destinations.

Competition is fierce for domestic and international travellers, especially from overseas destinations. By working together, destinations have the capacity to attract visitors, satisfy their leisure needs and expectations, and generate economic and other benefits for the whole community.

Future opportunities exist in the North Queensland tourism industry for:

- food and agri-tourism opportunities to complement the existing tourism experiences
- greater international airport access for tourism and international market access
- all-weather roads in regional areas to better connect tourism destinations
- development of authentic Aboriginal and Torres Strait Islander tourism experiences
- further development of events and business-based tourism, utilising and expanding existing infrastructure such as convention centres
- capitalising on the visiting friends and relatives market from the growing population base

- growing markets and delivering experiences which increase the average length of stay, average spend per head and total visitor numbers, including a strong emphasis on regional dispersal
- planning for climate transition and adaptation to ensure and market a climate resilient tourism sector in Northern Australia
- developing a centre of excellence for World Heritage preservation and management, and encouraging ecotourism and recreational trails
- providing an appropriately skilled work force to service the future needs of tourism
- expanding opportunities for international education offering a unique opportunity at first-world institutions in a tropical environment.

Key challenges in growing the tourism industry in Northern Australia include access to soft and hard infrastructure; associated costs with transportation; limited availability of accommodation; varying service standards; uncertainty surrounding land tenure (including native title); access to real time market intelligence; entrepreneurship skills and access to networks and capital; the maturity and size of the cultural experience market; online discoverability and marketing; and increasing resilience to a variable and changing climate.

Figure 1, overleaf provides a snapshot of the statistics for the Queensland tourism regions that fall entirely within the Northern Australia boundary being Mackay, the Whitsundays, Townsville and Tropical North Queensland. The snapshot also includes statistics for Outback Queensland and Southern Great Barrier Reef (which includes Capricorn, Gladstone and Bundaberg North Burnett) which fall partially in Northern Australia.

Figure 1

			Total Overnight Visitors	Total Visitor Nights	Total Overnight Visitor Expenditure (\$Millions)
Mackay	IVS	Year Ending September 2016	43,000	461,000	np
		YOY increase	1,000	-248,000	np
		YOY increase %	2.7%	-35.0%	np
	NVS	Year Ending September 2016	733,000	2,767,000	\$322.8
		YOY increase	-148,000	-391,000	-\$38.8
		YOY increase %	-16.8%	-12.4%	-10.7%
Whitsundays	IVS	Year Ending September 2016	229,000	1,513,000	\$209.2
		YOY increase	20,000	45,000	\$37.3
		YOY increase %	9.6%	3.0%	21.7%
	NVS	Year Ending September 2016	516,000	2,199,000	\$517.1
		YOY increase	105,000	-30,000	\$9.4
		YOY increase %	25.5%	-1.3%	1.9%
Townsville	IVS	Year Ending September 2016	125,000	1,624,000	\$90.6
		YOY increase	3,000	72,000	\$3.6
		YOY increase %	2.1%	4.7%	4.1%
	NVS	Year Ending September 2016	1,131,000	4,201,000	\$844.7
		YOY increase	114,000	169,000	\$64.6
		YOY increase %	11.2%	4.2%	8.3%
Tropical North Queensland	IVS	Year Ending September 2016	877,000	6,613,000	\$1,100.6
		YOY increase	121,000	-284,000	\$114.7
		YOY increase %	16.0%	-4.1%	11.6%
	NVS	Year Ending September 2016	1,875,000	9,384,000	\$2,034.4
		YOY increase	-148,000	-436,000	-\$72.3
		YOY increase %	-7.3%	-4.4%	-3.4%
Outback Queensland	IVS	Year Ending September 2016	20,000	217,000	np
		3 year trend change	1,000	-46,000	np
		3 year trend % change	5.2%	-11.9%	np
	NVS	Year Ending September 2016	519,000	2,321,000	\$314.1
		3 year trend change	56,000	202,000	\$25.8
		3 year trend % change	13.4%	9.5%	9.5%
Southern Great Barrier Reef	IVS	Year Ending September 2016	133,000	2,209,000	np
		YOY increase	-9,000	-446,000	np
		YOY increase %	-6.3%	-16.8%	np
	NVS	Year Ending September 2016	1,932,000	7,739,000	\$1,022.0
		YOY increase	-6,000	-10,000	\$68.6
		YOY increase %	-0.3%	-0.1%	7.2%

IVS – Tourism Research Australia’s International Visitor Survey for year ending September 2016.

NVS – Tourism Research Australia’s National Visitor Survey for year ending September 2016

YOY – Year-on-year change.

Trend change – Refers to the change between the average of the three years to the date covered by this report, compared to the average for the same period one year prior.

Lead Queensland Tourism Organisations

State tourism bodies

Queensland Tourism Industry Council

The Queensland Tourism Industry Council (QTIC) is the peak private sector, membership-based industry body for tourism in Queensland. QTIC represents the interests of the tourism and hospitality industry across the State.

Department of Tourism, Major Events, Small Business and the Commonwealth Games

The Queensland Government, led by the Department of Tourism, Major Events, Small Business and the Commonwealth Games (DTEBS), encourages investment for the revitalisation of existing tourism assets and the creation of new tourism infrastructure across the state. DTEBS has a key role in growing Queensland's tourism economy. The department takes a lead in investment attraction, policy, planning and industry engagement for tourism industry development and coordinating tourism outcomes across other Queensland Government agencies.

Tourism and Events Queensland

Tourism and Events Queensland (TEQ) is the Queensland Government statutory body responsible for marketing, destination and experience development and the major events agency, working in partnership with the state's tourism and events industries. TEQ is a consumer-led, experience-focused, destination-delivered organisation that aims to connect people and places like never before through innovation and collaboration with the State's industry.

TEQ's objective is to achieve economic and social benefits for the State by growing the tourism and events industry in a partnership between industry and government. Maintaining a balanced portfolio of markets while capitalising on existing domestic and emerging international opportunities is central to TEQ's global marketing approach.

Local tourism bodies

Regional Tourism Organisations

The Queensland Government supports the state's 13 Regional Tourism Organisations (RTOs) through tourism network funding program. This funding is provided for the purposes of delivering marketing and development activity as well as supporting some operational costs of RTOs which is matched dollar for dollar by local government and industry. RTOs are usually private sector, membership-based bodies that play a role in marketing and developing destinations, and coordinating the efforts of industry, local government and the community to grow tourism.

Visitor Information Centres

Accredited Visitor Information Centres (VICs) provide tourist information to visitors to encourage them to stay longer, spend more money, experience more attractions and revisit a region. VICs can be run by RTOs or local governments or in three cases are wholly private.

Local Tourism Organisations

Local Tourism Organisations (LTO) are usually private sector, membership-based bodies responsible for promoting their local area and its members, and driving or participating in local tourism development initiatives.

Local government

Local government is responsible for developing their local area, and driving or participating in local tourism development initiatives. Some Councils have special economic development units with a tourism development and marketing role. Local governments are also responsible for developing planning schemes for their local government areas, which can impact tourism development.

Local Government Association of Queensland

The Local Government Association of Queensland is the peak body representing local government in its dealings with other governments, unions, business and the community.

Northern Australia Markets, Strategies and Initiatives

Markets

Domestic and international markets

TEQ is working with industry to deliver trade and consumer marketing activity in key markets to promote Queensland tourism experiences, events and product, aimed at bringing more consumers to Queensland. These campaigns are executed through strategic partnerships with influential distribution partners, including major airlines, travel trade and Tourism Australia. This partnership approach amplifies the visibility of Queensland's destinations and experiences across all communication platforms. Tourism and events activities are developed to protect and maintain the current visitor markets as well as to attract and promote growth from new markets.

While domestic marketing remains a key focus, TEQ also maintains a market presence across 13 international source markets which are a balance of emerging and growing Asian markets and traditional markets such as the United Kingdom (UK) and the United States of America (USA).

Focus on growing the Asia market

Globally, the tourism sector is witnessing unprecedented growth in Asian outbound travel. By 2020, Asian outbound travel is expected to reach 286 million travellers, 100 million more than in 2014. This growth has already had a significant impact on Queensland tourism. Asian travellers accounted for one in three international visitor nights in Queensland in 2005 while today they represent nearly half. However, the strong growth from Asian markets are typically benefitting the southeast of the State, with opportunity to improve growth in the tropics.

Queensland's tourism industry has an unprecedented opportunity to effectively capitalise on this growth and boost yield from Asia.

With the growth in Asian outbound travel expected to continue, Queensland could be hosting 1.5 million Asian travellers a year by 2025. North Queensland is well placed to accept a large number of these travellers with Cairns as an international arrivals point for a number of Asian carriers.

On 25 August 2016, the Queensland Government's 'Connecting to Asia Forum' was held in Cairns. This tourism forum was an opportunity for Queensland's tourism industry to connect and explore opportunities to maximise growth from Asian source markets and create new tourism jobs. This follows on from the Queensland Government's *Advance Queensland: Connecting with Asia Strategy 2016-2020*, which includes a \$33.5 million fund aimed at maximising further tourism growth and creating new tourism jobs.

The *Queensland Asia Tourism Strategy 2016-2025*, led by TEQ, seeks to accelerate effort in capitalising on growth from the region across a range of market segments and price points. It aims to maximise Queensland's competitive position with Asian travellers, drive sustained growth in Queensland's tourism industry and deliver jobs in regional Queensland. The strategy is focussing the efforts for marketing and development of these key Asian source markets. It is critical to understand the key drivers of outbound travel from Asia and the characteristics of the new Asian traveller.

To ensure a robust decision making process, TEQ has undertaken extensive research and consultation to identify and take advantage of the opportunities to advance Queensland's tourism industry. The strategy provides a clear vision for the tourism industry to 2025, with the aspirational goal to make Queensland the leading Australian destination for market share, reputation and experience delivery for Asian travellers.

The *Queensland Asia Tourism Strategy* outlines priority target countries: China, Japan, South Korea, India, Indonesia, Singapore, Hong Kong, Taiwan and Malaysia. As part of this strategy TEQ will:

- o accelerate growth in China, Japan and South Korea
- o grow India and Indonesia
- o win share in Singapore, Hong Kong, Taiwan and Malaysia.

Western markets

TEQ maintains a market presence across four key western markets: North America; Europe; New Zealand; and UK. There is considerable interest in North Queensland from travellers from the western source markets including European and USA travellers and backpackers.

Strategies and initiatives

DestinationQ

DestinationQ is a partnership between the Queensland Government and the tourism industry to grow the tourism industry together and achieving our shared aspirational goal of increasing overnight visitor expenditure to \$30 billion by 2020. As part of *DestinationQ*, a 20-year plan for the industry was developed, *Destination Success*, which provides a shared purpose and a common goal between industry and Government.

A key element of the *DestinationQ* partnership is the annual *DestinationQ* forum. Since the first event in 2012, this forum has always been held in regional Queensland. Three of the last five forums have been held in the North Queensland cities of Cairns, Townsville and Mackay.

Advancing Tourism 2016-20

Advancing Tourism 2016–20 is the Government's plan to capitalise on the significant tourism growth in Queensland. It targets key areas, identified by industry, to increase market share and boost tourism jobs. In partnership with industry, the Government will build on Queensland's competitive strengths by prioritising investment to drive real growth.

Queensland's priorities build on the refreshed experience based marketing approach for Queensland that is showcasing our Great Barrier Reef, islands and beaches, natural encounters, lifestyle, food, adventure, discovery and events to the world. The strategic priorities of *Advancing Tourism 2016-20* are:

- Grow quality products, events and experiences
- Invest in infrastructure and access
- Build a skilled workforce and business capabilities
- Seize the opportunity in Asia.

Advancing Tourism in North Queensland is a supplement to *Advancing Tourism 2016–20* and *Advancing North Queensland*, and represents the Queensland Government's plan to grow tourism and jobs. Key actions specific to the North Queensland context are outlined in the supplement, which seeks to capitalise on the opportunity afforded by unprecedented growth in tourism and the unique experiences offered by the region.

20-Year Plan and Destination Tourism Plans

A consumer-led, experience-focused, destination-delivered approach is the foundation principle underpinning TEQ's annual plan. TEQ also has a strategic plan to 2020 that identifies strategic priorities to grow tourism and events.

A suite of Destination Tourism Plans (DTPs) have been developed by Queensland's RTOs in consultation with key industry stakeholders to reflect a shared vision and direction for the destination. Through these plans, Queensland's RTOs are aligning strategies, available resources, and the efforts of industry and all levels of government toward a set of unified long-term objectives.

A DTP is developed by an RTO with support from TEQ, with the RTO responsible for its implementation. The DTP also outlines how the RTO and TEQ will work together to market tourism for the destination. Each DTP is unique and has been tailored to the specific needs of the destination.

Tourism opportunity plans (TOP) provide direction for the sustainable development of tourism in Queensland's destinations through to 2019. Each TOP aims to:

- identify new and upgraded tourism product that meets future visitor expectations and demands
- identify the need for new investment in infrastructure that supports the ongoing development of tourism
- provide relevant research-based information on tourism supply and demand
- provide an agreed focus and mechanism for engagement with tourism industry, infrastructure providers and private investors.

Tourism Opportunity Plans can be found at <http://teq.queensland.com/about-teq-new/plans-and-strategies/tourism-opportunity-plans>

Promoting the experience of Northern Australia

In 2016, TEQ commenced transitioning its strategic marketing approach to include a greater focus on Queensland as the 'Master Brand' and signature experiences that leverage relevant destinations. TEQ's consumer research showed through elevating the exposure of the Queensland brand and focusing on experiences will present a stronger platform to inspire, engage and attract more visitors.

On 27 November 2016, Queensland's new global creative territory "I know just the place" marketing campaign was launched. This creative territory puts a spotlight on Queensland's experiences as told by our locals, with North Queensland experiences a key feature in phase one of the campaign. These iconic North Queensland experiences include:

- Tropical North Queensland: Bibbohra; Paronella Park, Mena Creek; Undara Experience (Undara Volcanic National Park), Savannah Way; Wangetti Beach; Mackay Cay and Mackay Reef (Cape Tribulation); and Cooya Beach
- Townsville: SS Yongala Dive Wreck
- The Whitsundays: Nara Inlet, Hook Island, Whitsunday Islands National Park
- Mackay: Cape Hillsborough National Park

TEQ is working across all of the State's destinations to highlight the very best Queensland has to offer, bringing more tourists to the State and inspiring them to delve further into our incredible experiences and destinations. TEQ recognises that the Great Barrier Reef is a key competitive advantage and works cooperatively with Tourism Australia and a broad range of industry stakeholders to market the Reef and its experiences internationally.

While the attributes of Northern Australia are broader than the Great Barrier Reef, including rainforests, Aboriginal and Torres Strait Islander culture, outback adventure and Cape York wilderness, the world wide status of the Great Barrier Reef represents a significant opportunity to profile Northern Australia to international markets.

TEQ's marketing approach for the Great Barrier Reef focuses on the reefs unique selling proposition, nominally: size and diversity of visitor experiences; diversity of wildlife experiences; and conservation and sustainable tourism practise. In addition, TEQ has a close partnership with industry and key stakeholders including Regional Tourism Organisations, the Great Barrier Reef Marine Park Authority and the Great Barrier Reef Foundation, explores opportunities for commercial partnerships and trade engagement and looks at ways to use events to enhance the experiences on offer.

Tourism Tropical North Queensland has developed the *Citizens of the Great Barrier Reef* program which is a global, social purpose community that will empower current and future generations with the knowledge, experience and ability to protect the Great Barrier Reef.

Tropical North Queensland also has a range of Aboriginal and Torres Strait Islander tourism experiences that are steadily increasing their market profile. There is scope to expand Aboriginal and Torres Strait Islander tourism opportunities in other parts of North Queensland including along the coastal areas associated with the Great Barrier Reef, Cape York and the Torres Strait and the outback.

TEQ, in partnership with Tourism Tropical North Queensland, is working to enhance the profile of Aboriginal and Torres Strait Islander experiences and their integral relationship with the region's World Heritage Wet Tropics Rainforest and Great Barrier Reef.

North Queensland Regional Plan

The Queensland Department of Infrastructure, Local Government and Planning has recently commenced the preparation of the first North Queensland Regional Plan which will examine opportunities to develop and promote tourism across the region (including a regional brand, eco and cultural tourism opportunities in addition to adventure and agri-tourism).

International education

Local universities, TAFE colleges, English language providers and schools are already attracting international students to North Queensland.

The Queensland Government acknowledges the synergies between the tourism and education portfolios and, in particular, the opportunities to link international education to visitation growth. A cross-agency partnership involving TEQ, Trade and Investment Queensland (TIQ), the Department of Education and Training (DET) and DTESB, are working together to deliver a range of activities including organising trade and media famils, utilising alumni networks and marketing campaigns attracting international students across Australia and their families to holiday in Queensland.

Uniquely Queensland edu-tourism experiences offered by North Queensland organisations and tourism operators, such as Reef HQ in Townsville, encourage international students to discover Queensland's world-class offering. There is an opportunity to extend beyond the individual students and their visiting friends and relatives through promotion of the experiences in North Queensland.

The international alumni from Queensland's education and training providers are a valuable resource of potential ambassadors for the state's high quality education and training and tourism experiences. Additionally, the Queensland Government's international representatives in key source markets are working closely with in-market contacts to scope and harness further opportunities.

Success has been achieved through the *Outback Queensland Education Experience Program*. A cross-agency partnership involving TEQ, DTESB, DET and the RTO Outback Queensland Tourism Association, have supported the program since it launched in July 2011. The program drives visitation to Outback communities through providing a rich learning experience for Year 5 to Year 9 students and assists all Queensland schools through a subsidy. To date, a total of 84 school groups (almost 3,000 participating school students) located from the Gold Coast through to Innisfail have participated in the Program.

As part of the *International Education and Training Strategy to Advance Queensland 2016–2026*, TIQ will work with the regions and TEQ to grow the participation in edu-tourism to support state and regional economic development. This includes supporting the development of edu-tourism products, student ambassador travel campaigns and visiting friends and relative campaigns (including graduation travel). These objectives are closely aligned to the *Advancing Tourism 2016-20 Strategy*.

In Townsville, Economic Development Queensland (EDQ) is working collaboratively with the James Cook University (JCU) and Townsville City Council to develop Townsville's global reputation as a world-class destination for education, edu-tourism, training and research and resolve the future locational arrangement for JCU facilities in the city, specifically the most appropriate balance between university uses and facilities within the CBD facilities and the Douglas campus; and the most appropriate uses for the residual land at the JCU Douglas campus.

The Commonwealth Department of Education and Training is encouraged to work with Northern Australian states and territory governments to provide new international education opportunities in Northern Australia.

Events

Queensland's major event calendar has a value of more than \$600 million per annum. The event marketing platform 'It's Live! in Queensland' plays a central role in Queensland's strategy to deliver and promote the world's best destination-focused events calendar that acts as a high-value asset for the State.

TEQ works collaboratively with partners to identify, attract, develop and promote major events in Queensland that deliver significant tourism outcomes for the state. Major events play a vital role in attracting visitors to North Queensland and supporting the state's tourism industry. TEQ is actively working on expanding the North Queensland Events portfolio, including Aboriginal and Torres Strait Islander events. Some key major events held in North Queensland include: the Cairns Airport Adventure Festival; the Australian Festival of Chamber Music; Virgin Australia Supercars Castrol EDGE Townsville 400; and the Mount Isa Mines Rotary Rodeo.

TEQ administers the *Queensland Destination Events Program (QDEP)*, a funding program designed to create a growth pathway for events across Queensland that have a demonstrated role in attracting visitors to the region and promoting the destination in which they are held. Events play a key role in fostering regional tourism and economic development in North Queensland.

Tourism is an essential industry to many rural and regional centres, ensuring economic stability, and events can be a cost-effective way of promoting a region and its attractions – as an event grows, it attracts tourists in its own right. Through the QDEP, TEQ will continue to work with partners to ensure support for home grown events that deliver visitation outcomes and generate community pride.

TEQ also works in collaboration with Queensland's Convention Bureaux, (Cairns, Townsville and Whitsundays in Northern Queensland) to secure high-value international business events to Queensland. Funding is available to eligible organisations to assist with bidding for these events through the 'Acquisition and Leveraging Fund' administered through TEQ.

Quality, innovation and digital capabilities

Queensland operates in an intensely competitive national and international environment when it comes to securing greater market share. The marketing platforms available to the industry are providing new opportunities to promote to an ever increasing online audience. The rise of social media, development of smartphones and associated applications, increased computer ownership and internet use, better internet coverage and speeds, and the availability of free Wi-Fi hotspots are all contributing to changing the ways in which consumers access information before, during and after travel.

Crucial to the success of demand strategies is ensuring the product and promotion on offer remains appealing to consumers, and conversion strategies are competitive. Queensland has adopted a collaborative partnership approach with industry around a range of initiatives to drive visitation and expenditure growth.

To be successful, tourism businesses need to have a presence across a range of digital channels. This should include online travel agencies, booking management including an inventory management system (channel managers), as well as a social media presence and managing many different digital platforms such as website content, email lists, video content etc. The marketing strategy of tourism businesses should contain an online marketing campaign, including search engine optimisation and banner advertising.

In partnership with the Regional Tourism Organisations, TEQ is developing and delivering a range of Experience Development programs across the state. Included in this suite of activity is a focus through the '*Storytelling Experience Development Program*'. This program has been designed to inspire Queensland tourism operators to improve the visitor experience through engaging, entertaining and memorable storytelling. By sharing stories tourism operators can create memorable experiences for visitors to share with their friends and family and even better via their social media networks.

Advance Queensland

Innovation is central to ensuring the ongoing success of the tourism industry and a seamless experience for our visitors. By fostering innovation in the tourism industry, businesses across Northern Australia can better meet the future demands and expectations of visitors and respond to identified trends. The uptake of technologies by visitors also provides significant opportunities to capture travel data, enabling the industry to predict and respond to visitor trends and expectations, and providing evidence to support the Government's regional economic development strategies and planning activities.

The Queensland Government's *Advance Queensland* initiative supports innovation-led growth across Queensland's industries and regions. *Advance Queensland* is a comprehensive suite of programs, based on international evidence of 'what works', designed to create the knowledge-based jobs of the future. *Advance Queensland* programs support entrepreneurs, industry, universities and government to collaborate and turn great ideas into commercial products and businesses that create jobs. A number of programs relevant to tourism, through *Advance Queensland* include:

Business Development Fund

Queensland businesses have an opportunity to access \$40 million of investment funding to help them bring innovative ideas to market. The Queensland Government will co-invest between \$125,000 and \$2.5 million (up to the level of funding provided by a private sector co-investor) to help businesses successfully commercialise their ideas and innovations. The Business Development Fund (BDF) can be accessed for seed funding, early stage commercialisation funding or additional investment for commercialisation where ideas have a realistic prospect of commercial success. Tourism businesses in North Queensland, along with business from all other sectors across Queensland, have the opportunity use the BDF to help bring innovative products and services to the marketplace.

Knowledge Transfer Partnerships

Grants of up to \$50,000 are available for small and medium sized businesses (up to 200 employees) to bring on a recent graduate to assist with an innovative project that contributes to a significant outcome – such as a competitive advantage or improved productivity or profitability. This funding will subsidise up to two-thirds of the eligible costs of employing a graduate from partnering universities, while the business will contribute one-third.

Create Queensland Program

Create Queensland provides creative YouTubers with funding, production resources and expert support to develop high-quality digital content, and reach new global audiences. As part of Create Queensland, Creator Originals is a joint initiative of the Queensland Government and YouTube, to help develop Queensland-based emerging and established entrepreneurial creators build new content, support production costs, attract online audiences and develop a sustainable career as a content producer.

The program will also serve as a collaborative platform where Queensland YouTubers, digital producers, content creators and industry experts can connect, learn from and inspire each other, and have the opportunity to become better connected with a community of top creators from around the world.

Ignite Ideas Fund

The Ignite Ideas Program is designed to help early-stage, high growth potential businesses achieve scale, growth and profitability. Ignite Ideas was created to help businesses which are ready to take their innovative ideas to the next level, and potentially create products and services with huge global market potential. The program targets businesses with fewer than 200 staff with a working prototype ready to be tested in the market place. The Ignite Ideas fund aims to:

- increase commercialisation rates of Queensland ideas
- create high-value knowledge intensive jobs
- secure new investment
- form new collaborative partnerships
- increase exports
- increase business investment in Research and Development
- increase levels of business innovation.

Digital capabilities

Community Digital Champions

The Advance Queensland Community Digital Champions program is helping to enable Queensland to thrive in the global digital economy. The program showcases the digital activities of a selected group of champions who are positive role models and want to give back to their communities by encouraging Queenslanders to be digitally-savvy. Community Digital Champions help to teach communities about the benefits of going digital— in their businesses or in their day-to-day lives, increasing digital awareness, adoption and online participation.

Queensland Digital Economy Strategy and Action Plan (GoDigitalQld)

The GoDigitalQld Queensland Digital Economy Strategy and Action Plan is Queensland's roadmap to using digital technologies, content and innovative services to boost productivity and connectivity in Queensland. GoDigitalQLD seeks to ensure Queensland has the infrastructure that best connects people to jobs and changing lifestyles, businesses to markets and visitors to our exceptional destinations; provides the best business environment in the nation to start or grow a business; ensure Queensland uses and grows its digital industry effectively to the benefit of the government sector, the four pillars and across the economy.

Platform Technology Program

The Platform Technology Program aims to deliver a transformative 'step change', speeding the emergence of new or significantly improved products and services based on platform technologies, with global potential across industry sectors. *Advance Queensland* funding aims to put Queensland at the forefront of the development and deployment of platform technologies. Platform technology projects funded under this program are open to all sectors, but have the potential to benefit the tourism sector.

Hot DesQ

The Hot DesQ program is funding a number of international startups to relocate to Queensland to bring their innovative ideas, products and services. The presence of these startups has the ability to influence the tourism industry for both providers and tourists by encouraging the uptake of new technology and implementation of innovative products and services. New technology has the ability to improve the customer experience by streamlining booking processes, increasing add-on experiences and ultimately increasing overall tourist expenditure. Hot DesQ funding recipient DeepBlu, a dive-technology company based in Taiwan, will bring new technology to North Queensland that will have a flow on effect into the tourism industry.

Advancing Regional Innovation Program

Advance Queensland's Advancing Regional Innovation Program aims to turn our regions into hubs for innovation and enterprise. It will enable local entrepreneurs, business leaders and key industries, including the tourism industry, to collaborate closely with government to harness innovation and unlock business potential, strengthen existing industries and prepare regional Queenslanders for the jobs of the future. The program enables a tailored approach to connecting local efforts, harnessing existing strengths and building regional capability. The intention is to build networks of innovative communities across the state that reflect the diversity of Queensland's regions, draw people together and boost grassroots activities.

Innovate Queensland - Pathways Program

In addition to industry uptake of new technologies, development of the Information and Communication Technology (ICT) infrastructure in Queensland is essential. The rollout of the National Broadband Network (NBN) will allow for better and faster communication across the state and has the potential to increase access to digital media and improve business capabilities. This will assist the tourism industry to become more innovative in the services and products offered and delivered.

To maximise the business opportunities presenting themselves with the current changes in technologies, Queensland tourism businesses need to adopt technology into their operations to meet the needs of the drive tourist, to remain competitive and to achieve long term sustainability. Innovate Queensland offers a range of activities to help small to medium-sized enterprises implement practical innovation and technology commercialisation solutions, grow their business through innovation activities and create jobs for the future.

This program can assist tourism operators to enhance their on-line presence and digital capability, which will be important given only 30% of tourism businesses in Australia have online booking capability. In order for Queensland to meet its 2020 targets, it will be necessary to build the capability of tourism businesses to take advantage of these opportunities and promote their products and services to consumers in new ways.

The Australian Government is encouraged to consider ways to support tourism operators to become more agile and innovative in diversifying their product offerings.

The Australian Government is encouraged to consider support programs and funding to assist tourism businesses in Northern Australia to increase their digital capabilities and connectedness in order to meet future domestic and international demand.

The Australian Government is encouraged to re-instate Digital Enterprise and Digital Hubs programs and expand beyond the NBN areas.

The Australian Government is encouraged to establish an Industry Growth Centre for Tourism to recognise the innovative nature of tourism:

- o Identification of challenges and opportunities*
 - o Development of an industry competitiveness plan.*
-

Infrastructure

Telecommunications infrastructure – platforms and markets

Telecommunications services are an essential component of infrastructure for tourism operators. Online services are vital in marketing and selling services, and customers expect a minimum standard of service, which usually includes good mobile telephone coverage and free high speed Wi-Fi.

The structure of the tourism industry is also changing locally, nationally and globally, with technology disrupting the way visitors look for and research destinations. More than ever, visitors are researching holidays and activities online before making decisions. There is a high expectation by visitors and agents that they will be able to find information online and book experiences before they leave home. Visitors are also sharing their experiences online, which impacts the decisions of other potential visitors.

North Australian regional and remote communities tend to be disadvantaged by a lack of digital infrastructure, including high-speed Internet connections, which are essential to business. The Queensland Digital Infrastructure Plan (QDIP) is mapping all existing digital assets and identifying gaps in infrastructure services to assist with the prioritisation of future investments. The QDIP is due for completion in Quarter 2, 2017.

The Queensland Government recommends expansion of digital capability/Wi-Fi to support international, national and local visitors through provision of public Wi-Fi access at major tourism facilities and locations (particularly from Port Douglas to Mackay, although complete coverage is most desirable).

To complement telecommunications coverage, and specifically internet capability, digital skills support must be provided to assist business utilise online services to attract customers, this includes improving discoverability and enabling businesses to directly engage with potential customers.

Mobile blackspots also present impediments to drive-tourism opportunities as telecommunications services are generally limited in the Queensland part of Northern Australia due to the small overall population and the low population density. The combination of these two factors means that most services are not commercially viable without government assistance of some kind.

Some communities have broadband and mobile telephone services, however there are still locations with limited services. The lack of reliable cost-effective communications at a location could be the difference between someone travelling to a location or not travelling at all, as well as the length of their stay upon arrival. Councils are increasingly seeing free public Wi-Fi as a way to attract and retain tourists and a differentiator for their towns and tourist stops when compared against other possible destinations without similar capability.

The Australian Government is encouraged to expand the Mobile Black Spot Program to provide greater focus on Northern Australia.

The Queensland Government acknowledges the NBN 'SkyMuster' service is now available in many locations and supports further work continuing to build new optical fibre infrastructure.

The Queensland Government believes NBN infrastructure should focus on enabling high speed Internet access for tour operators, and the benefit this offers to their businesses and their customers. For example, a Skymuster service at a tourist location that has no fixed line infrastructure could be retransmitted by local Wi-Fi.

The Queensland Government acknowledges that issues related to poor telecommunications may in part be addressed through the development of Apps and websites that incorporate off line content which can be downloaded prior to departure and accessed in areas where coverage is unavailable.

Transport and Access

Transportation is an essential part of the tourism industry and visitor decisions are influenced by transport accessibility options and the quality of transport.

Given the vastness of North Queensland and the distances between regional destinations, the diversity of tourism experiences is critical to both the tourism industry and the economic and social development of the regions. The challenge is to make these destinations easily accessible. The ability of visitors to travel around destination regions is vital for the tourism industry and is often overlooked. Understanding the local public transport network is the most significant challenge for visitors.

The visitor market is not the primary target of public transport services which largely focus on the local commuter task. However, the relationship between the visitor economy and passenger transport cannot be underestimated as public transport, taxis and coach services remain the primary mode of transport for visitors.

When considering travel, tourists must consider every aspect before making a decision between the four modes of transport which is road, rail, water and air. Generally, tourists are looking for a cost effective, secure and safe way to travel, where there are advanced facilities available to make their experience easier.

Because the majority of regular public transport users know how to travel on the network, the needs of visitors are often not a focus for Governments and transport departments. In order to improve the visitor's stay and increase the customer's destination satisfaction, specific attention needs to be given to the needs of visitors.

The Australian Government is encouraged to examine ways to reduce the barriers associated with increased costs of transportation, freight, operational needs, affordability and sustainability in the discrete communities of Northern Australia promoting tourism opportunities.

Tourism and transport

DTESB, in partnership with the Department of Transport and Main Roads, has developed a draft Queensland Tourism and Transport Strategy to support the growth of the state's tourism industry. The draft strategy articulates a vision and priority actions to ensure the transport network and soft infrastructure supports tourism growth throughout Queensland. A number of proposed actions focus on developing access to regional Queensland, a large proportion of which lies in Northern Australia

The Australian Government is encouraged to fund future initiatives that enhance the transport connections within and between regions in Northern Queensland.

Road Transport

The drive tourism market is very important for Queensland's tourism industry, accounting for approximately 13.8 million domestic overnight drive visitors in the year ending December 2015. Improved access into places of high environmental value, for the betterment of the land and the enjoyment of the community and visitors, will enable our natural assets to become increasingly valuable tourist attractions in the future.

In November 2015 and May 2016, the Queensland Government submitted initiatives to the Australian Government for consideration under the Northern Australia Roads Programme (NARP) and Northern Australia Beef Roads Programme (NABRP) respectively. While a range of Queensland initiatives received funding state and federal funding in the order of \$350 million under the NARP and NABRP, a number of unsuccessful projects remain priorities that would provide significant benefit to tourism in Northern Australia if funded.

The Cape York Region Package (CYRP) is a \$260.5 million program of works to be delivered between 2014-15 and 2018-19, being funded by the Australian and Queensland Governments on an 80:20 basis. It consists of:

- o \$200 million to seal priority sections of the Peninsula Developmental Road (PDR)
- o \$50.5 million for community infrastructure projects identified by the Cape Indigenous Mayors Alliance (CIMA) for delivery in eight remote Aboriginal and Torres Strait Islander communities
- o \$10 million for sealing works on the Endeavour Valley Road through to Hope Vale.

The state-controlled section of the PDR is 527km long, stretching from Lakeland to the Rio Tinto mine lease boundary (east of Weipa) in Cape York. Prior to the start of the CYRP, 144km of the state-controlled section of the PDR was sealed, representing 27 % of the PDR.

The benefits of the PDR sealing works include improved access to Cape York for freight, tourists and other road users, improved access to remote Aboriginal and Torres Strait Islander communities, improved safety, reduced ongoing road maintenance costs, improved community infrastructure, and employment, training and business development opportunities for Aboriginal and Torres Strait Islander and non-Aboriginal and Torres Strait Islander people.

In 2016, sealing works took place on the access road to Aurukun, and significant drainage works were undertaken at Pormpuraaw and Kowanyama, as part of the CIMA community works, thereby improving access to these communities.

The primary focus of NARP and NABRP was to boost economic productivity and to improve safety and reliability on roads in Northern Australia. Projects nominated in Queensland focussed on improving safety and freight productivity in North Queensland while also delivering benefits for drive-tourism.

Unsuccessful priorities, submitted for NARP and NABRP, along key drive-tourism routes in North Queensland include:

- Overlanders Way
 - Flinders Highway (Townsville – Charters Towers): Overtaking lanes (also part of Great Tropical Drive)
 - Flinders Highway (Townsville – Charters Towers): Heavy vehicle safety and productivity package (also part of Great Tropical Drive)
 - Flinders Highway (Hughenden – Cloncurry): Pavement widening and strengthening (Package 2)
- Matilda Way
 - Landsborough Highway (Barcaldine – Cloncurry): Heavy vehicle rest areas and stopping places
 - Burke and Karumba Developmental Roads (Cloncurry – Karumba): Pavement widening (Package 1)
- Capricorn Way
 - Capricorn Highway (Rockhampton – Duaranga): Valentine Creek bridge upgrade
 - Capricorn Highway (Duaranga – Emerald): Gregory Highway intersection upgrade
- Great Inland Way/Great Tropical Drive
 - Cairns (Captain Cook Highway): Cairns Airport Access upgrade (Stage 1)
 - Gregory Developmental Road (Belyando Crossing – Charter Towers): Pavement widening
 - Gregory Developmental Road: Widening (north of Charters Towers)
- Savannah Way
 - Gulf Developmental Road (East of Mount Surprise – Normanton): Pavement widening (Package 1).

Key tourism routes in Northern Australia would also benefit from additional investment to improve safety and provide a more consistent driver experience including:

- o pavement and shoulder widening*
 - o provision of wide centre line treatments*
 - o sealing unsealed sections and access roads*
 - o upgrades to scenic lookouts and rest areas*
 - o improving tourism signage*
 - o improving marine infrastructure such as jetties*
 - o other areas requiring improvement identified in the Northern Australia Audit and White Paper.*
-

The Queensland Government has taken a program approach to funding network improvements for tourism through programs such as the *Transport Tourism Connections* (TTC) Program and the Scenic Lookout Upgrade Program (SLUP) (detailed below). A similar approach to support tourism in Northern Australia could be adopted that delivers a wide range of safety, capacity and amenity upgrades along key tourism routes.

A one-off \$10 million Transport and Tourism Connections (TTC) program was announced as part of the 2016 State Budget on 14 June 2016. The program was established to deliver localised transport and roads access upgrades around established tourist attractions on the state-controlled and local government-controlled road networks across Western Queensland, which includes large areas of North Queensland. Future Federal Government support of a continued TTC would drive amenity, accessibility and capacity upgrades at key tourism destinations across Queensland, including Northern Australia.

The SLUP was established to help local councils revitalise existing lookouts across Queensland, and boost drive tourism. The Queensland Government has provided \$3 million funding for SLUP, encouraging tourism in Queensland by improving safety, accessibility and amenity on our road network. In 2016, 28 projects in 25 council areas received \$3.2 million towards a total program of \$5.5 million. 12 of these projects were in Northern Australia.

Tourism signage

TMR is involved in the delivery of signage for Queensland's 10 State Strategic Touring Routes, which includes highlighting key natural attractions, towns, direction information for the route and attractions, and highlighting Visitor Information Centres. Additionally, TMR is responsible for tourism signage guidelines, and the application process through which tourist attractions signage can be requested.

TMR is supporting and facilitating a consistent suite of tourism signage while still providing a safe road space. Many Regional Tourist Organisations and local governments would prefer more signage, however TMR has a responsibility to ensure road safety standards are not compromised.

The Queensland Government recognises a role for TMR in supporting tourism through this provision of signage, and considers there are also opportunities for TMR to further support tourism through digital channels as opposed to physical signage. As an example, TMR's traffic and travel information services provide information about road closures due to seasonal weather which supports drive tourists. These services could be enhanced to provide additional tourism related information.

Queensland's northern, and particularly rural northern areas, are characterised by long distances and limited communications. These areas are also impacted by seasonal weather, resulting in road closures and restrictions. Improving the information about these seasonal impacts for particularly foreign visitors would be beneficial.

Northern Australia Infrastructure Fund

The Queensland Government is currently working with the Australian Government to advance the objectives of the Northern Australia Infrastructure Facility (NAIF), which will provide up to \$5 billion in concessional finance for private investment in economic infrastructure across regional areas in North Queensland, Western Australia, and Northern Territory. Eligible projects include, but are not limited to, roads, rail, ports, airports, and electricity networks, with a focus on common-use infrastructure.

Tourism in North Queensland may be enhanced both directly by NAIF, through the support of specific infrastructure projects (e.g. the expansion of an airport or port), or indirectly through the enabling effects that this infrastructure is likely to provide to the region. Furthermore, while tourism assets such as resorts and hotels would not qualify as 'economic infrastructure', the Australian Government is investigating whether elements of these projects may be eligible for NAIF assistance, e.g. where a development includes some new common-use infrastructure.

The Australian Government is encouraged to consider broadening the scope of the NAIF to include tourism-related infrastructure, or common use infrastructure associated with hotel and resort developments.

Aviation

In order to achieve an overnight visitor expenditure aspirational target of \$30 billion per annum by 2020, Queensland needs to continue to have a strong aviation sector. Frequency and capacity of competitively priced air access to destinations throughout the state is crucial and will be driven by on-going competition between airlines. Key growth markets and new routes with insufficient capacity relative to the demand will be targeted to help reach the target visitor expenditure.

Air access is the single most important contributor to the visitor economy and to jobs growth in our sector. TEQ and DTESB are currently developing the *Aviation Blueprint to 2025* to provide research based analysis and guidance for the industry on the current global market trends, forecasts and strategies needed to grow domestic and international aviation capacity to achieve the 2025 targets. The Queensland Government is working closely with airports, airline partners and industry to identify opportunities to grow direct aviation access through the Attracting Aviation Investment Fund and Connecting with Asia Fund.

The key hubs that will focus on ensuring that Queensland is connected to the world include Auckland, Singapore, Kuala Lumpur, Hong Kong, Tokyo, Los Angeles, Dubai and Abu Dhabi. It is also expected that over the life of this blueprint that major hubs in China will develop into key hubs for Queensland. This will include Guangzhou, Shanghai and Beijing. Growing services to key international hubs, with airlines that have shown a strong long term commitment to maintaining and growing services to Queensland, as well as promoting

Queensland and its regional destinations, will be crucial to providing the capacity that is required to reach nominated growth targets

There is a strong desire by the international traveller from Asia to travel point-to-point and the ability to access direct services has become a key factor when choosing a holiday destination. This trend has been demonstrated in the unprecedented growth by the Chinese Free Independent Traveller (FIT) to destinations such as Fiji, Bali and the Maldives.

TMR maintains regulated routes for air services to ensure regional and remote communities within Queensland are connected to critical services such as health, education and employment. Regulated air service routes provide better transport links in regional areas which provides an opportunity to promote tourism activities, cultural destination experiences and provide business development opportunities.

Regulated air routes in North Queensland include:

- o Gulf route: (Cairns – Normanton – Mornington Island – Burketown – Doomadgee – Mount Isa)
- o Northern 1 route: (Townsville – Winton – Longreach)
- o Northern 2 route: (Townsville – Hughenden – Richmond – Julia Creek – Mt Isa).

As part of expanding the tourism industry economy, governments at all levels should provide support for proposed airport expansions, which facilitate direct flights from overseas destinations.

Attracting Aviation Investment Fund

The Queensland Government's Attracting Aviation Investment Fund (AAIF) is used to secure new aviation business and routes into Queensland from identified priority markets and to enhance existing partnerships. The fund is a state-wide program where no set amount is reserved for any particular region or airport. A number of principles guide decisions on applications under the fund. Proposals must:

- o represent a strategic investment in Queensland's aviation development and be a high priority
- o represent value for money, achieving the best outcome at the least cost and risk to the state
- o provide for performance-based incentive packages
- o be supported by a robust business case that justifies the decision to invest and the amount of the offer
- o demonstrate how the government's potential commitment leverages contributions from other partners including: Regional Tourism Organisations; Tourism Australia; local government and airport corporations.

The air services agreements between Australia and other countries will need to be accommodating of the growth that is required from the key source markets and the airlines that facilitate travel from these key source markets.

Ferry (regulated ferry routes)

Ferry services provide a valuable link between mainland Queensland and various islands. However, in some cases such as the Daintree River Ferry, services also provide for inland crossings to connect various communities. While most ferry services are privately operated, TMR regulates three ferry routes operated by external parties in Northern Queensland:

- Magnetic Island Ferry route (Townsville – Magnetic Island)
- Palm Island Ferry route (Townsville – Palm Island)
- Thursday Island Ferry route (Seisia – Thursday Island).

While the primary purpose of the State's participation in these routes is to satisfy a community service obligation to provide affordable public transport in Queensland, the above mentioned destinations also attract tourism.

The frequency and cost of ferry trips can have a significant impact on tourism, as was found in 2011, when the Cairns Regional Council offered free crossing for the Daintree Ferry during the Easter holidays to allow Cairns residents to explore the region. In total there were 17 days of free travel which covered the school holidays, Easter weekend, ANZAC Day and May Day long weekend. This incentive was deemed to be a success and a report detailing the results for this period was provided to Council at the Ordinary Meeting in May 2011. Operators reported varying experiences from the trial with some seeing increased levels of business and a noticeable increase in the amount of traffic and people in the area throughout the trial period.

The Australian Government is encouraged to investigate opportunities to reduce travel costs and increase frequency as a means of supporting tourism, particularly in relation to providing local residents with an opportunity to discover their own backyard. Specifically, where the opportunities exist to expand free travel in locations like the Daintree, these may increase patronage and tourism expenditure.

Cruise tourism

The Queensland Government provides strategic leadership in the cruise market and works in partnership with RTOs to ensure shore excursion experiences are world class and the destination meets the needs of the cruise lines and their passengers. The Queensland Government also works with the cruise lines, ports, industry associations and key stakeholders to increase the number of cruise ship visits, increase length of stay in port, support the development of cruise infrastructure and optimise home-porting economic benefits.

The projected growth for Queensland's cruise shipping industry in 2016-17 is substantial. It is expected that some ports will more than double the number of calls they received in 2015-16. For example, Townsville will increase from four calls in 2015-16 to an expected 11 calls in 2016-17, Whitsundays from 44 to 73 and Trinity Wharf in Cairns from 25 to 53.

The Australian cruise industry recorded a 15.9% increase in the number of cruise ships visits in 2015-16, with growth spread across all states and territories (except Tasmania).

Significant 2015-16 results in the report include:

- Queensland saw 329 cruise ship visits to the state in 2015-16, an increase of 20% from 2014-15. In comparison, New South Wales received 325 cruise ship visits, an increase of 14% from 2014-15, and Victoria received 92 cruise ship visits, an increase of 10.8%

- Queensland welcomed 776,244 cruise ship passengers during 2015-16 – up from 645,942 in 2014-15
- The direct spend of passengers to Queensland ports in 2015-16 was \$265.6 million, increasing from \$218.8 million in 2014-15
- The total economic contribution in 2015-16 was \$645.6 million compared to \$749.7 million for 2014-15, representing an economic decline of 16%
- Queensland's cruising sector supported 2,703 jobs during 2015-16.

Queensland can position itself strongly by offering unique and compelling itineraries that differentiate Queensland from other cruise destinations, including opportunities for:

- nature-based ecotourism and Aboriginal and Torres Strait Islander tourism
- building more Queensland land-based products into shore excursion programs and pre-tour and post-tour itineraries.

There are many strategies businesses can use to take advantage of cruise passengers who stop over in their town, and where relevant, businesses should be encouraged to adopt strategies that support the cruise industry and support the growth of tourism in Northern Australia. By working together with other tourism operators, local government and their community in regional planning, development and marketing initiatives, businesses can take advantage of cruise tourism in their region.

Cruise lines are increasingly looking for new ports and North Queensland is a prime area for expansion. Having said this, the recently introduced *Sustainable Ports Development Act 2015* establishes a legislative framework to balance the protection of the Great Barrier Reef with port related activities. This legislation prohibits major capital dredging for the development of new or expansion of existing port facilities in the Great Barrier Reef World Heritage Area, which may impact future expansion of ports related to tourism.

Urban public transport and TravelTrain

There are opportunities in a number of our northern regional cities to better serve the tourism market through improved urban public transport services, and through TravelTrain opportunities. In particular, urban mass transit can be better suited to independent travellers rather than tour groups, and can offer opportunities to travel for Australian visitors. The main impediments are:

- The role of subsidised mass transit and competition with what the market provides
- Available funding to provide a frequent and attractive service which offers convenient use and access, in areas where public transport use is often marginal
- Infrastructure can be lacking in some of our regional cities, with varying degrees of provision and maintenance.

In Mackay, the introduction of trial airport bus service to and from Mackay CBD, six days a week has improved access and been welcomed for residents and visitors to the region.

TransLink brand rollout

The TransLink brand rollout, commenced in September 2014 in Cairns and November 2016 in Mackay, has allowed regional visitors and residents better and more convenient access to public transport information. This included new customer service channels including a 24 hour call centre, plus access to translation services which is helpful for international visitors/residents needing information in their language. Regional website/pages have also been introduced, for example, 'translink.com.au/cairns' for public transport location specific information.

Tourists and residents have valued the introduction of the TransLink online door-to-door journey planner which provides information from not only from transport hubs but also from landmarks/hotels and the like. A free downloadable MyTransLink app including the journey planner is also available.

Immigration modernisation

The Queensland Government acknowledges recent announcements to improve current immigration and customs processing through implementing improved contactless technologies such as biometrics by 2020. These technologies will improve the immigration process by negating the need for incoming passenger cards, removing the need for most passengers to show their passports and replacing manned desks with electronic stations.

The Queensland Government believes introducing these improved immigration technologies will provide an enhanced welcome experience for international visitors by streamlining the immigration process and transforming the border experience.

While modern immigration technologies, like biometrics, will primarily benefit major airports, the Australian Government is encouraged to also implement these technologies in regional areas to enhance the arrival experience for international visitors.

Employment opportunities

The tourism sector is a significant source of employment for Northern Queenslanders. Achieving the Queensland Government and industry's overall goal for the State of \$30 billion in tourism expenditure by 2020 requires between 14,000 and 38,000 additional jobs. With Northern Territory and Western Australia also able to expand their tourism markets, the estimated number of additional jobs will climb to a considerable figure.

Achieving the full tourism potential in Northern Australia requires the right skills to be deployed in the right places. The Queensland Government's *Advancing North Queensland and Advancing Tourism 2016-20* strategies acknowledge the importance of tourism to the growth of these regions and the North Queensland economy. Regional centres in Northern Queensland are likely to benefit from the stimulation of the tourism sector, with Cairns and Townsville having experienced increases in unemployment in the 12 months to November 2016.

Work currently in progress includes:

- o a \$130 million Jobs and Regional Growth fund to support business and projects that will generate economic development and employment across regional areas in Queensland, including Northern Queensland.
- o the Young Tourism Leaders program, funding young tourism role models to encourage others to choose a career in the tourism sector
- o Local Jobs First – roundtables with private sector stakeholders to identify barriers to employing local jobseekers.
- o stocktake of existing government and industry programs in Queensland, including identifying apprenticeship and traineeship development in the tourism industry
- o analysis to determine influence of competing industries for attraction and retention of a tourism workforce

- determine the reason for attraction and retention of skilled workers among the tourism industry and identify and disseminate good practice
- development of a *Queensland Tourism Workforce Plan* to be delivered by July 2017.

In 2016, the Queensland Government participated in the Tourism Labour and Skills Roundtable meetings organised by Austrade. This brought key government and industry representatives together to discuss labour market and skills issues affecting the tourism and hospitality sector. The working group aims to provide industry led policy and program recommendations to the Australian and State Tourism Ministers for their consideration by April 2017. Jobs Queensland will explore options to link to key issues as part of the *Queensland Tourism Workforce Plan*.

Stimulating the tourism industry in Northern Australia would include strategies for promoting employment and small business opportunities. QTIC has identified key priority areas to create a tourism workforce that will achieve Queensland's tourism growth targets to 2020, which includes:

- Workforce Planning: Improving the transferability, quality of skills and job readiness of the tourism workforce
 - Understand future tourism demand to drive training and education.
 - Re-skilling for cross sector mobility (e.g. resources sector to tourism).
 - Increase awareness of and engagement with people with a disability, mature age and Aboriginal and Torres Strait Islander persons within the industry.
 - Improve global workforce opportunities through migration and international students.
 - Develop skills to enhance Aboriginal and Torres Strait Islander opportunities.
- Quality of Education and Training: Delivery of up-skilling and job relevant training to meet key industry needs
 - Deliver industry current training that addresses skills shortages and gaps.
 - Contextualise curriculum to meet tourism business needs.
 - Guide RTOs to use flexible course structures to align with specific business needs.
 - Partner government, industry and training providers to deliver quality training that is linked to employment outcomes.
- Business Innovation: Using innovation to drive individual and collective business development
 - Incorporate technology skills into the tourism curriculum to address future business and workforce opportunities.
 - Enable job security for students, employers and employees.
 - Accredite businesses to improve competitiveness and deliver a quality service.
 - Support new and existing business development, including Aboriginal and Torres Strait Islander businesses and those within the creative industries.

The tourism sector plays an important role in increasing the economic participation of Aboriginal and Torres Strait Islander people. The sector is also uniquely placed to make a significant socio-economic contribution to Aboriginal and Torres Strait Islander people and communities, assisting them to gain relevant skills and meaningful employment. Tourism offers opportunities for Aboriginal and Torres Strait Islander involvement in mainstream businesses, in remote destinations and communities and on Aboriginal and Torres Strait Islander land. It offers access to skill development for first-time entrants into the workforce across a broad spectrum of employment.

Moving Ahead is the Queensland Government's whole-of-government strategy to ensure Aboriginal and Torres Strait Islander people participate fully in the State's economy through skilling, training and employment, and business growth and development. The strategy focuses on five priorities:

- building a more skilled and diverse workforce

- o focusing on youth, and planning for future success
- o building partnerships with industry
- o increasing entrepreneurship, business growth and innovation
- o overcoming barriers and realising opportunities to completion

The Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP) is also working with QTIC to identify and develop opportunities for Aboriginal and Torres Strait Islander people in tourism and hospitality. In May 2016, DATSIP entered into a Memorandum of Understanding (MOU) focusing on increasing jobs and training opportunities for Aboriginal and Torres Strait Islander Queenslanders in tourism which includes supporting Aboriginal and Torres Strait Islander businesses in the tourism industry.

The Australian Government is encouraged to support programs that will improve the availability of culturally capable staff who, for example, have awareness of specific cultural preferences, to create a more enjoyable and positive experience for international visitors.

Encouraging employment and small business opportunities for specific groups, including women, people with disability, young people and people from culturally and linguistically diverse backgrounds (particularly newly arrived refugees and migrants) is consistent with the following Queensland Government strategies and commitments:

- o the *Queensland Women's Strategy 2016-21*, which recognises the importance of improving employment opportunities and workforce participation for women. Tourism could offer flexible work arrangements that suit the needs of some women
- o the *Queensland: an age-friendly community Strategic Direction and Action Plan* includes actions to improve employment opportunities and workforce participation for older people (for example, include flexible working arrangements, such as part-time work and job sharing, and support for organisations which employ older people)
- o the *National Disability Strategy Second Implementation Plan Driving Change 2016-2020* identifies improving outcomes for people with disability and improving outcomes for Aboriginal and Torres Strait Islander people with disability, as two of the four areas of increased national effort
- o consultation for the *Queensland Youth Strategy* with young people identified key priority areas of employment and entrepreneurial opportunities
- o the *Multicultural Queensland Charter* includes 'the creation of opportunities that encourage the full participation of people from diverse backgrounds in the cultural, economic, political and social life of Queensland helps build a prosperous state'.

It is important to ensure people from culturally and linguistically diverse (CALD) backgrounds are not inadvertently excluded from taking advantage of employment and small business opportunities. For example, advertising of employment opportunities using standard means may not reach people from CALD backgrounds who are new to the region and not aware of how to access job opportunities.

The use of targeted strategies may help to ensure this cohort is aware of these opportunities and not inadvertently excluded. For example, working with settlement service providers, such as the Centrecare Cairns and the Townsville Multicultural Support Group, to match suitably skilled refugees and migrants to appropriate jobs.

Creating an inclusive environment enables people from all backgrounds to take full advantage of economic participation opportunities which may be available as a result of stimulating tourism in Northern Australia.

Skilled worker visas

Tourism plays a crucial role in contributing to the Northern Australian economy, with tourism workers often needed outside of standard business hours in the peak season. In terms of visas, the Queensland Government understands that in 2016 a tourism pilot was developed in close consultation with peak industry organisations and provides a range of opportunities in jobs not currently available to seasonal workers under the programme. The Queensland Government encourages the expansion of the Seasonal Workers Visa Program to accommodate participation of workers for island tourism activities, particularly in Northern Australia, while protecting and promoting local jobs where possible.

The Queensland Government also recognises that working holiday visas restrict visa holders from working for more than six months for the same employer, impacting employers in the hospitality industry as their employees are forced to move on often after the employer has invested in training or upskilling. Increasing the time period visa holders can stay with employers may give employers access to more skilled staff.

Arts and cultural opportunities

As part of the 'experience economy' and aided by the increased use of technologies, cultural tourism is growing, with long-standing evidence that cultural tourists stay longer and spend more. Northern Queensland already offers a variety of quality arts and cultural products, events and experiences which are popular with both domestic and international tourists.

Queensland's profile is improving as a state which offers diverse and distinct locations for the film industry, with the potential to grow film tourism in urban, rural and remote settings. Arts Queensland is working closely with industry partners to broker and develop connections between the arts, cultural and tourism industries at state and local levels.

Possible challenges which should be considered in expanding the cultural/arts tourism sector in Northern Queensland are:

- upskilling the workforce and business capabilities by establishing and promoting cultural tourism capacity building programs for industry and community groups is a potential mechanism to develop greater understanding and sensitivity to the needs of cultural tourists visiting North Queensland
- existing cultural infrastructure in major regional centres such as Townsville, Mackay and Rockhampton are ageing, constraining their use and potential. Investment in upgrades and improvements to infrastructure will be important to drive and grow tourism opportunities in regional areas

- the role of peak bodies, local communities and all levels of government in developing and promoting tourism opportunities nationally and internationally, including regulations and workforce issues that may inhibit tourism development. Screen Queensland provides incentives to attract productions to Queensland, creating opportunities for film-related tourism
- the disproportionately smaller share of Australian funding distributed through the Australia Council for the Arts and Ministry for the Arts. This impacts on the variety and number of arts and cultural products, events and experiences that are available
- limited incentives to attract film affects Queensland's ability to attract productions, which is strongly influenced by Australian incentives
- the most commonly cited challenges for cultural tourism enterprises in remote areas are seasonality, high costs of business, improving business revenue, geographical isolation and attracting the younger generation to carry on enterprises into the future. This is particularly true for Aboriginal and Torres Strait Islander cultural tourism enterprises. Integrated strategies are needed to address these issues.

The Australian Government is encouraged to consider the distribution model for the Australia Council for the Arts and Ministry for the Arts to provide more equitable funding for regional areas.

The Australian Government is encouraged to consider the permanent increase to film industry incentives, or to target these for regional areas in Northern Australia.

The *Multicultural Queensland Charter* (to promote Queensland as a unified, harmonious and inclusive community) could assist in the stimulation of tourism by promoting Queensland as an inclusive, harmonious place to visit. Enhancing cultural capability amongst the tourism industry and businesses may have a positive impact. For example, an understanding of, and catering to, the language needs of specific cohorts (e.g. using promotional material translated into their language), would enable a business to more effectively connect with potential tourists and attract them to Northern Australia.

Aboriginal and Torres Strait Islander tourism opportunities and land tenure

Queensland has two distinct Aboriginal and Torres Strait Islander cultures; the Aboriginal peoples and the Torres Strait Islander peoples, both of whom offer diverse and unique cultural experiences. The diversity of cultures span across Queensland with rich local natural environments, stories and cultures. Importantly, by making accessible ancient and unique culture experiences that can be shared with visitors, we can enrich our tourism offering.

Aboriginal and Torres Strait Islander Australians are responsible for managing over 40% of the tropical savanna land in Northern Australia, and a large proportion of the land mass of Northern Australia has Native Title interests, or is owned or otherwise controlled by Aboriginal people. This presents significant opportunity for Aboriginal and Torres Strait Islander landholders and land managers who may be interested in tourism development.

The Queensland Government through DATSIP is uniquely positioned to address the key challenges in growing Aboriginal and Torres Strait Islander tourism in Northern Queensland. The first step is through the resolution of Native Title issues and ensuring that significant investment into capital works is delivered through an

integrated program of works. The purpose of these actions is to ensure longer term land administration constraints and barriers to development across all discrete communities are addressed in a timely manner, and capital investment is rolled out in a manner which leverages greater efficiencies and continues engagement for both the workforce and procured services, such as commercial leasing on Deed of Grant in Trust communities.

Aboriginal and Torres Strait Islander Land Use Agreements (ILUA) allow for home ownership, housing infrastructure, local government infrastructure, reserve actions (e.g. divestments), and other leasing arrangements that may be required such as commercial leasing, tourism and business opportunities, and providing more capital to the discrete communities. Township ILUA negotiations have commenced in the Northern Peninsula Area and Lockhart River. DATSIP is assisting Registered Native Title Body Corporates in determining land use requirements for 'living on country' and incorporating master plans for these areas into the existing planning schemes, to accommodate cultural, economic and social aspirations of traditional owners.

Pajinka Resort Re-development is seen as an opportunity to raise the profile of Aboriginal and Torres Strait Islander tourism opportunities in Cape York, as there is scope to re-develop the old Pajinka resort site and carpark located adjacent to 'The Tip' of Cape York. The site is an iconic and well visited landmark being the northern most point of mainland Australia. Redevelopment of the site would include development of a new resort by the private sector to reflect the site's ecotourism/cultural/adventure attributes and upgrading of the adjacent public car park, amenities and board walk as the key access point to The Tip and the new resort.

To further build capacity and capability, the Australian Government is encouraged to consider:

- o recognising the importance of partnering with the Queensland Government and relevant peak bodies as a mechanism to identify impediments and challenges to stimulating the tourism industry in Northern Australia.*
 - o developing and implementing a collaborative framework working with relevant State and Territory agencies and local governments to strategically support investment in enhancements and development of existing and new Indigenous services and products with linkages to the broader industry and key stakeholders.*
 - o the need to develop subsidy schemes where tourism businesses are proposed within these discrete communities to sustain the long term operational benefit the business and economic participation and benefits within local communities.*
 - o developing and implementing a collaborative mechanism to integrate with key industry stakeholders in the tourism and hospitality industry to work with all tiers of government and local Indigenous tourism stakeholders to drive a regional and state and territory wide response to emergent opportunities in the industry.*
 - o recognising Indigenous Australian's management of a substantial amount of Northern Australia presents significant opportunity for Indigenous landholders and land managers to participate in tourism development. However, there are also significant constraints and the Inquiry may consider broadening its Terms of Reference to consider the specific opportunities and challenges to increasing Indigenous land managers participation in the tourism industry in Northern Australia.*
 - o enabling communities to map and develop unique opportunities offered via the share economy (such as Airbnb, tourist parks). At present, there is little research into the size of this market and the potential opportunities and the risks for Indigenous businesses and communities.*
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Agri-tourism

Agri-tourism is a small niche market built around farm stays and Bed and Breakfast type experiences. Opportunities for expansion of this tourism sector is considered a small market overall, although food experiences/tourism opportunities may be used to highlight and experience the extensive range of high quality produce produced in Queensland. It is important to note that backpackers continue to provide a significant amount of seasonal labour to Queensland's agricultural industries, especially for horticultural industries in terms of fruit picking and packaging. Apart from providing a supplement to the labour market, these people can also be ambassadors for Queensland's food tourism industry.

Recreation and charter fishing provides an opportunity for Queensland to showcase some of the best fishing opportunities in the world. A Green Paper on Fisheries Management Reform in Queensland was released in 2016 and submissions are currently being reviewed.

Accessible tourism

Demographic trends, both in Australia and overseas, indicate that older people will form a large and growing portion of the tourism market in Northern Australia in coming decades. The Queensland Government's *'Queensland: an age friendly community Strategic Direction Statement and Action Plan'* outlines the benefits of creating an age-friendly community, which includes older people and people with disability who form an important and growing proportion of tourism consumers.

Consideration should be given to creating age-friendly opportunities for employment, and in communication and information strategies. In creating an age-friendly environment, consideration should be given to outdoor spaces, accommodation and transport. There is also value in providing volunteering opportunities for seniors in administration, visitor engagement and tours, maintenance and public programs.

Older people and people with disability often have accessibility requirements, therefore consideration should be given to accessibility guidelines in the design of all tourism facilities, accommodation and infrastructure developed in Northern Australia. In particular, any planning of cruise shipping infrastructure in Northern Australia should comply with high accessibility standards to match the increasing accessibility of cruise ships. Cruise lines have long recognised the appeal cruises have for people with disability, the frail and the aged. Without accessible infrastructure these groups would be confined to the ship.

Accessible tourism is much broader than people with a disability. Older people, parents with prams, people with temporary mobility impairment (e.g. through injury) and international tourists can all benefit from information, buildings and facilities which are accessible and take an inclusive approach to customer service.

Snapshot of the disability sector

- 17.7% of the Queensland population, or approximately 820 000 people, identify as having disability and have difficulty accessing cafes, restaurants, activities, resorts and accommodation
- nearly 90% of people with disability take a holiday each year
- around 484 000 Queenslanders—roughly 10.5% of the state's population—undertake some form of care of a person with disability
- people with disability account for 8.2 million in overnight trips [stays] and \$8 billion or 11% of Australia's overall tourism expenditure
- Australia's population is ageing, creating a growing market of travellers with accessibility needs.

DTESB has released an Inclusive Tourism resource document to assist tourism operators to develop strategies to improve the accessibility of their operation to appeal to a wider range of visitors of all abilities and ages. This resource document has been developed primarily for tourism operators, to help them:

- increase their knowledge about the market for accessible tourism
- develop strategies to improve the accessibility of their operation to appeal to a wider range of visitors of all abilities and ages
- understand their legal obligations in relation to inclusive and accessible tourism.

The resource document also includes information to assist people with disability in planning a holiday.

The Australian Government is encouraged to support and fund initiatives that make it easier for tourism businesses and natural attractions to be more accessible to visitors of all ages and abilities.

Investment

The Queensland Government, through TIQ, DTEB and the Department of State Development, facilitates the attraction of foreign investment in Queensland. This includes promoting development of the tourism industry by promoting, through the TIQ network of overseas offices, investment opportunities and facilitating investor site visits to assess tourism investment opportunities throughout regional Queensland. The Queensland Government has a dedicated Tourism Investment Attraction Unit within DTEB.

The Queensland Government provides facilitation services to potential investors and tourism project proponents including:

- o a coordinated tourism investment approach - assisting developers of tourism products to navigate their way through government and streamline the development process
- o marketing and promotional tools - informing investors about Queensland as a tourism investment destination
- o tourism investment events - showcasing Queensland as a tourism investment destination to a global audience and attracting capital for tourism developments
- o investment facilitation - assisting investors to find suitable tourism products in Queensland.

The Australian Government is encouraged to continue supporting the attraction and facilitation of foreign investment in the tourism industry in Northern Australia. This includes supporting the appointment of dedicated tourism investment attraction specialists within Austrade.

Tourism Demand Driver Infrastructure Fund

The Australian Government is providing funding to the states and territories over a four year period as part of the TDDI Program which commenced in 2014-15. DTEB is responsible for administering the Queensland component. The objective of the TDDI fund is to practically assist the Queensland tourism industry to increase overnight visitor expenditure and achieve the Australian Government's Tourism 2020 outcomes. Numerous projects have been supported in Northern Queensland by the fund, which assists in the delivery of infrastructure projects which drive demand and increase tourism expenditure in a region.

The Australian Government is encouraged to continue funding of the TDDI beyond 2017-18 for hard and soft infrastructure projects.

City deals

City Deals formalise the partnership between the state, local and federal levels of government and define priorities, actions, timeframes and accountabilities for achieving joint goals, and provide support for key industry and employment centres and link infrastructure investment to broader reform and changes to planning and governance arrangements to deliver enduring benefits for the region. City Deals are the key mechanism identified in the Smart Cities Plan to develop collective plans for economic growth and commit to actions, investment, reforms and governance needed to implement them.

The Townsville City Deal's success will be monitored through seven indicators to measure employment, economic activity and amenity. One of those indicators is dedicated to measuring tourism industry investment and attraction.

The Queensland Government encourages the expansion of City Deals to include areas within Northern Australia to stimulate further tourism infrastructure development.

Connecting with Asia Fund

The *Advance Queensland: Connecting with Asia Strategy* is a key Queensland Government 2016-2017 budget initiative to deliver an extra \$33.5 million over four years to grow tourism and make Queensland the destination of choice for Asian travellers. The Connecting with Asia Fund is focused on key tourism offerings in Queensland regions and a targeted set of source markets (targeted Tier 1 and emerging Tier 2 Asian cities).

The fund will drive tourism growth from Asia through:

- securing more direct international aviation access
- creating innovative “best of” tourism products
- building relationships with targeted Asian countries
- improving digital connection
- increasing awareness of Queensland experiences
- regional dispersal.

Similar to the AAIF, this investment is targeted at innovative proposals that will bring more Asian tourists to our state. It is a competitive fund that will be delivered on a first in, first served basis to kick-start initiatives. Eligibility for applications to the fund extends to airports and regions who have successfully applied for an AAIF - supported international service. Applications are a collaboration between the respective airport, the RTO and TEQ, but are not limited to one RTO.

Climate change

Northern Queensland is exposed and is particularly sensitive to the impacts of climate change, affecting the natural landscapes including the Great Barrier Reef and Wet Tropics World Heritage Areas, and the people that reside in or visit these areas. The extent of the impacts on the region and on the tourism sector will depend on how well communities and the tourism sector can adapt, and by how much emissions can be reduced.

The Queensland Government is committed to playing its part in addressing both the causes and consequences of climate change and is in the process of developing a *Queensland Climate Transition Strategy* and a *Queensland Climate Adaptation Strategy* to be finalised by mid-2017.

Both of these strategies will incorporate actions and policy areas that will help the tourism sector respond to climate hazards, become more climate resilient, and to support the transition to zero net emissions (Australia ratified the Paris Climate Agreement on 10 November 2016 - achieving the goals of the Paris Agreement will require Australia to decarbonise by 2050). In achieving this, climate projections for the Cape York, North and Far North Queensland regions are available and should be used to inform tourism investment, infrastructure and product development.

In summary, the climate projections suggest that Northern Queensland should expect:

- o higher temperatures, with a projected annual average warming between 0.5 and 1.5°C by 2030, and by 1.0 to 3.6°C by 2070 (depending on the emissions scenario)
- o hotter and more frequent hot days
- o uncertain changes to fire frequency, depending on the spatial variability of future rainfall
- o rainfall is projected to remain highly variable, but with more intense heavy rainfall events and possible declines in spring rainfall in some areas
- o less frequent but more intense tropical cyclones
- o sea level rise of approx. 0.8m by 2100
- o more frequent sea level extremes with increased risks from coastal hazards such as storm tide inundation
- o a warmer and more acidic ocean.

Investigations of climate change have found considerable changes in spatial and temporal patterns of climatic suitability for tourism (using the Tourism Climatic Index), with a southward shift in desirable climate conditions and a decline in the attractiveness of northern locations.

For Northern Queensland, increased investment in indoor amenities may become necessary and the adoption of a pro-active rather than reactive stance to climate change will maximise the ability of tourism stakeholders to successfully adapt.

Economic and tourism opportunities will arise from the new low carbon industries and innovations required in a zero net emissions economy. In particular, electric and alternative fuel vehicles, carbon farming, high yield/low emissions agriculture and significant opportunities in renewable energy and energy efficiency could lower costs and create new tourism product and business opportunities. These opportunities include:

- o the tourism sector could demonstrate leadership and create a unique selling point, positioning and marketing the region as 'clean, green and climate friendly' - targeting international markets sensitive to the carbon costs of travel such as Europe

- increasing the domestic market (closer destinations and markets), and increasing length of stay
- developing low-carbon transport infrastructure (including aviation) and promoting clean high performance public transport, 'car free' experiences and electric vehicle use and routes
- developing 'visitor payback' and offset schemes for visitors, linking to local projects (e.g. tree planting, Great Barrier Reef protection, carbon-farming and community restoration programs)
- incentivising and encouraging investment and support for low carbon infrastructure and tourism industry development
- working with marketers, agencies and tourism operators to coordinate the tourism sectors' response to climate change and agree on a voluntary emissions reduction goal
- identifying high priority climate transition strategies for the tourism sector and providing information and strategic direction about transitioning to enable tourism operators to respond
- providing incentives for best practice management to assist operators to reduce their environmental impact and carbon footprint, to support innovation and promote 'model' tourism businesses and organisations e.g. actively promote and recognise environmental accreditation
- identifying high priority climate adaptation strategies for the tourism sector in Northern Australia. The Queensland Government plans to develop and support a state-wide Tourism Sector Group to develop a climate adaptation plan for tourism to help the sector respond
- undertaking climate change risk assessments of critical natural assets and tourism attractions and develop strategies to minimise risk.

Challenges include, but are not limited to:

- Tropical North Queensland has been identified as one of the Australian tourism regions most threatened by climate change. The threats to the region were seen to be exacerbated by the high reliance on international holiday tourism which could easily be diverted elsewhere
- impacts include damage to the Great Barrier Reef, severely threatened rainforest areas, beaches in danger of inundation and increasing storm surges, increased bushfires and increased UV radiation. Available scientific evidence suggests that the GBR will be placed at great risk in a world of 2°C of warming, and will suffer extensive damage even under a 1.5°C scenario
- the North Queensland tourism industry relies on healthy reef and rainforest environments. These environments are particularly vulnerable to the impacts of climate change. Any further degradation of the GBR that may result from the expected increase in sea surface temperatures, rising sea levels, storm damage and increasing ocean acidity will not only be a loss of great intrinsic value, but will also come at a great cost to the tourism industry
- drier conditions resulting in a loss of rainforest habitat in the region, which may reduce visitor appeal. Associated with the drying and a loss of habitat there will be a reduction in biodiversity, with many of the mammals and amphibians in the region at greater risk of extinction
- sea level rise is likely to have a major impact on tourism infrastructure in low-lying areas of the coast
- changes in climate will lead to increased costs for adaptation, repair and maintenance to tourism infrastructure. There will be increased risks to coastal communities and buildings from storm damage and sea level rise, while the capacity of small to medium tourism enterprises to adapt, relative to larger operators is likely to be limited

- increased risks to tourists unfamiliar with these conditions will need to be managed, for example heat-related deaths are projected to increase
- thermal comfort will be a major issue for tourism in Northern Queensland, and will need to form part of a future planning and design response (e.g. increased planting for shade and cooling and innovative design to keep buildings cool without the need for costly air conditioning)
- societal culture of 'business-as-usual' can be a barrier to change and affect adoption of innovative ideas and clean technologies. This can be linked to lack of information and understanding as well as apathy, but also the way society is influenced by media and misinformation around climate change
- lack of understanding and knowledge in the tourism sector on the topic of climate change and how the sector can respond and be resilient.

The Australian Government is encouraged to use available climate projections and low-carbon planning to inform and stimulate tourism investment in Northern Australia. This will facilitate greater climate resilience and enable the tourism sector to take full advantage of the emerging carbon economy.

Environment and heritage opportunities

The unique and vast landscapes of Northern Australia offers great opportunities for nature based tourism. This provides unique marketing prospects to further develop ecotourism and Aboriginal and Torres Strait Islander cultural tourism enterprises to present the best place in the world to experience nature. Northern Australia is home to World Heritage properties, world class National Parks, and nature experiences that cannot be had anywhere else. This is a key drawcard for visitors and should be considered central to any strategic approach to stimulating growth in the tourism industry in Northern Australia. The following provide three examples of potential opportunities.

World Heritage Gateway

The Northern Queensland region is home to a number of world heritage areas, being the Wet Tropics, Riversleigh Fossil Site, Great Barrier Reef World Heritage Areas (GBRWHA), and support for a possible fourth site, the Cape York Peninsula.

The *Tropical North Queensland Tourism Opportunity Plan* and the Department of National Parks, Sport and Racing's nature-based tourism strategy have previously identified Cairns as the ideal location for a Gateway Centre to celebrate World Heritage, and operate as a tourism hub to excite and motivate visitors to seek out world heritage experiences, not only in Northern Queensland but across Northern Australia. A collaborative pre-feasibility study into a World Heritage Gateway Centre was undertaken by the Wet Tropics Management Authority, the Department of National Parks, Sport and Racing, TEQ and DTESB.

A centre of this calibre provides the opportunity to present the World Heritage values of not only the adjoining Wet Tropics and GBRWHA but also other World Heritage sites including Riversleigh, Kakadu, Uluru and the possible future listing of Cape York and the Kimberly area. The Gateway can educate and inform visitors so they have a greater appreciation and understanding of values and attributes that make our world heritage areas special.

This Gateway as a hub provides a means to build the Australian World Heritage brand, including helping people to appreciate how special our natural and cultural landscapes are, promote tourism by encouraging longer stays and encourage visitors to venture to new frontiers, particularly in Northern Australia.

The hub will work with the tourism industry to generate new business opportunities by showcasing regional events, sites and attractions and outstanding experiences. It positions Cairns and Queensland as centres of excellence in world heritage presentation and management as well as provide a 'must see' visitor attraction for visitors. The initiative offers a forum for significant numbers of people to learn about and access Northern Australia as a critical area for nature based tourism visitation in Australia, and to appreciate the risks to these landscapes and actions being taken to address them.

The centre would be designed as a spectacular celebration of all things 'World Heritage' and positioned to become a 'must-see' education and tourist attraction positioning Cairns as a world class tropical city and tourism destination.

The Australian Government is encouraged to support future initiatives that highlight and attract visitors to explore the unique World Heritage Areas across the top of Australia

Ecotourism

Ecotourism is a key sector of the broader tourism experience in Queensland, contributing to domestic and international visitor arrivals and expenditure. Ecotourism plays a vital role in rural and remote communities, generating economic and social benefits and creating resilience through sustainable employment options and local pride.

Queensland has 9 million hectares of terrestrial protected areas and over 8 million hectares of marine park and fish habitat areas encompassing world-class national and conservation parks, marine reserves and five World Heritage areas, and is one of the most naturally diverse places on earth. Its landscapes include extensive reefs, Gondwana rainforests and remote deserts, which can showcase iconic wildlife and unique cultural heritage. These unique characteristics form a valuable competitive advantage for the tourism industry — experiencing nature is a primary motivator for domestic and international visitors' travel to Queensland. Today's visitors want to explore and interact with wilderness places, find hidden gems, connect with people and nature, and create lasting memories.

The *Queensland Ecotourism Plan 2016–2020* responds to the changes and challenges impacting the tourism industry and presents a fresh approach to ecotourism. The plan's vision, guiding principle and promise set our path for the sustainable development of Queensland's ecotourism industry. The plan will foster best practice, innovative development that provides a positive contribution back to Queensland's natural areas and cultural heritage assets, community and economy.

The Australian Government is encouraged to support future initiatives that encourage the development of ecotourism experiences in Northern Queensland.

Benefits of recreation trails for community participation and tourism

Recreation trails provide significant benefits to individuals, communities and local and regional economies. Trails that run through national parks, forests, and along rivers and other waterways and natural settings, provide psychological benefits through opportunities to reconnect with nature. As places where you can walk, cycle, ride or canoe, trails provide a fantastic environment in which to be more physically active. Trails can also be the site where communities gather to host events that build social cohesion and inclusion.

Importantly, multiple-day trails, particularly those showcasing or adjacent to existing tourism attractions, such as World Heritage listed natural areas in Tropical North Queensland, also have the capacity to draw national and international visitors as well as local populations. In this way trails bring economic benefits to local and regional communities through visitor expenditure on things like trail permits, accommodation, food and beverage sales at cafes and restaurants and other associated services, such as bicycle repair and parts sales, and camping supplies.

Access to places and spaces such as recreation trails that provide opportunities to undertake these outdoor activities is as critical for local and regional populations in northern Queensland as it is for the national and international visitors drawn to Queensland's north.

Tourism Australia's Consumer Demand Project indicates that the consumer appetite for nature-based tourism experiences is high. Tourism Australia research shows that 37% of visitors in all major source markets identify nature as a top five consideration when it comes to selecting a holiday destination, with world class nature found to be Australia's greatest international tourism strength. In the year ending June 2015, 69% (or 4.5 million) of international visitors engaged in some form of nature-based activity. The top international nature-based markets were China (15%), the UK (11%), New Zealand (11%) and the USA (9%).

Nature-based tourists spend more on average and stay longer than other types of tourists, indicating that this market sector has robust potential economic benefits into the future. Analysis of the International and National Visitor Surveys in 2014 also provides evidence for the steady growth of this market sector, indicating that nature-based overnight domestic visitation had increased at an average annual rate of 5% for the past 5 years alongside a 4% annual increase in international nature-based visitors since 2010.

Establishing, managing and maintaining trails, particularly long-distance, multi-day trails, poses significant challenges which justify some form of government involvement and support. Long-distance trails cross multiple tenures and require agreement amongst a diverse range of land managers, such as state government agencies and departments (e.g. Queensland Parks and Wildlife Service, TMR), Traditional Owners, local governments, bulk water authorities and private landholders, on a range of matters.

These would include issues relating to consistency of permit requirements, rules, policies, signage, fees, management and maintenance costs and ensuring information provided to trail users is not fragmented or variable. Examples of successful long-distance trails from other jurisdictions also show the importance of ensuring local communities, volunteer and user groups and non-government organisations are involved and engaged in trail development, enhancement and maintenance.

The Queensland Government, in collaboration with the Australian Government, can play a significant role in identifying key partners and in bringing these different parties together to resolve the myriad issues and achieve a common goal of supporting the success of long-distance recreation trails that have the capacity to draw regional communities as well as national and international visitors. This includes sourcing commercial investment and revenue to ensure that only the highest quality experiences are on offer.

Inter-government collaboration can play a critical role in garnering the support of local and regional communities to deliver trails that increase both recreation and tourism opportunities that can deliver real economic and employment benefits for communities in Northern Australia.
