Australian Government
Department of Transport and Regional Services

5 OCT 2005

Senator Michael Forshaw
Chair
Finance and Public Administration References Committee
Parliament House
CANBERRA ACT 2600

Dear Senator Forshaw

At the hearings of the Finance and Public Administration References Committee on 12 and 17 August 2005 in Canberra, Departmental witnesses took a number of matters on notice and undertook to respond to the Committee.

Many of these matters have been considered in detail and I am able to provide the Committee with the following information.

Primary Energy

The Department was asked if the Committee could be provided with a copy of the letter from the former Minister for Local Government, Territories and Roads, Senator the Hon Ian Campbell, to the Department on 5 July 2004. The Minister for Transport and Regional Services, the Hon Warren Truss MP has determined that this letter cannot be provided to the Committee as its disclosure would be contrary to the public interest on the basis that this would compromise the flow of frank and thorough advice to Ministers.

With regard to the Committee's request to receive a copy of the Department's withdrawn advice of 23 July 2004 on this project, the Minister has also determined that this information cannot be provided. As the Department's advice was prepared for the purpose of being used in the deliberative processes of Government and contains a large proportion of identical material that was considered by the Minister for Local Government, Territories and Roads in making his decision, the Minister has determined that disclosure of this advice would be contrary to the public interest on the basis that its disclosure would compromise the flow of frank and thorough advice to Ministers.

As the Department outlined in its evidence to the Committee on 17 August 2005, the Primary Energy application was assessed by the Namoi Valley Structural Adjustment Package (NVSAP) Advisory Committee. The Department did not receive a business plan from Primary Energy.

The Department was also asked on 17 August 2005 if it could supply the Committee with copies of the milestone reports Primary Energy has provided to the Department under its current funding agreement. Milestone reports for this project will be provided to the Committee in response to its previous request for project information.

GPO Box 594 Canberra ACT 2601 Australia • Telephone: 02 6274 7111 • Facsimile: 02 6257 2505
Website: www.dotars.gov.au • ABN 86 267 354 017

Tumbi Creek

The Department has been advised that the Wyong Shire Council received a licence from the New South Wales Government on 19 September 2005 to dredge Tumbi Creek. This allows the Council to proceed to tender. When a tender is selected, the Council will be required to have the tender management plan, including the dredging methodology, approved by the New South Wales Government. A funding agreement will be finalised once this tender process is completed and final costs are agreed with the Department.

AquaCarotene Ltd - AQL Stage 1 Project

The Committee sought details of the contracted milestones and payments for this project.

The first payment was made to the proponents on the signing of the funding agreement.

The milestones for the second payment were successfully completed by AquaCarotene Ltd and involved:

(1) the completion of electrical wiring installations, the order and installation of electrical and seawater pumps, and
(2) the provision of equipment to enable staff to perform their work including a 4x4 vehicle, hand hoist, spectrophotometer and computer.

The third funding instalment was paid upon the successful provision of freezer storage for the proponent's product prior to its transhipment to Perth.

As a result of the funding under the *Regional Partnerships* program, the capacity at the AquaCarotene plant in Karratha has been expanded from a research and development phase to commercial production.

As the Department explained in evidence to the Committee, the decision to fund this project was made by the former Parliamentary Secretary, the Hon John Cobb MP, on 20 December 2004 prior to the company releasing its results for the half year ended 31 December 2004. The Department and Parliamentary Secretary were therefore unaware of this financial information at the time of the decision.

The Department did not seek an update on the financial status of AquaCarotene Ltd after the funding had been approved. However, the Department has received progress reports from the proponent identifying that funding from the *Regional Partnerships* program has been expended in accordance with the terms of the funding agreement. A final milestone report from the proponents for this project is expected shortly.

Newman Town Centre

I am able to confirm that the Department sought further information from the Shire of East Pilbara in relation to the first application under the *Regional Partnerships* program application for this project on 2 February 2004. This additional information was provided to the Department in a letter dated 10 February 2004.

The Member for Kalgoorlie, Mr Barry Haase MP wrote to former Parliamentary Secretary, the Hon De-Anne Kelly MP in support of this project following her decision not to approve the first application for funding under the *Regional Partnerships* program.

The Department is also not aware of any requests from the Shire of East Pilbara, the Pilbara ACC or the former Minister's office for a review of this decision on the original project application. Only unsuccessful applicants are able to request a review of a decision not to approve a project application under the *Regional Partnerships* program.

Following receipt of a second application, the Department wrote to the Shire of East Pilbara on 16 September 2004 seeking additional information for this application. The Department subsequently received the additional requested information on 17 November 2004.

However, no assessment of this second application was conducted after 16 September 2004 as the project was announced as an election commitment on 17 September 2004 as part of the Government's *Supporting Kalgoorlie* policy. Following the 2004 election the Department commenced a new process to progress this election commitment while managing any possible risks.

There were a number of differences between the first application that was not approved and the second application that became an election commitment. The resubmitted application had changes to its budget to ensure that the funding would not be used for segments of the project such as the realignment of roads which could represent cost shifting by other levels of government. The new project included site works, relocation of a taxi rank and landscaping such as the supply and installation of lighting, directional signage, seating and shade structures.

Food and Fibre Hub Feasibility Study

The Department can confirm the funding for the Food and Fibre Hub Feasibility Study project was paid to the Tableland Economic Development Corporation who administered the funding. A select tender process was undertaken to select a consultant to undertake the study. Eleven companies were invited to submit a tender and eight submissions were received. The tenders were evaluated against the tender specifications. As a result, Pinnacle Management was selected as the successful tenderer.

***Regional Partnerships* Program Guidelines**

The former Minister for Local Government, Territories and Roads, Senator the Hon Ian Campbell approved a revision of the *Regional Partnerships* program guidelines on 15 March 2004 in his capacity of Acting Minister for Transport and Regional Services. This revision included the addition of the word "generally" to the criteria regarding the provision of development approvals or licences to progress prior to approval. This revision was made to the program's guidelines on the Department's website. An administrative error caused the old criteria to remain in addition to the new criteria being added to the website. A copy of the guidelines approved by Minister Campbell is included at **Attachment A**.

Client Satisfaction Survey

Senator Stephens asked the Department to provide details of the methodology and the consolidated results of the client satisfaction survey. As discussed, the Department has provided information to the Committee in its submission on its overarching evaluation strategy in the past. The questions on client satisfaction were a component of the recently conducted Post Implementation Review of the *Regional Partnerships* program. Details of the responses to the client satisfaction survey questions asked in this review are included at **Attachment B**.

A copy of the survey questionnaire is at **Attachment C**.

Departmental Staffing

The level of staff allocated to respond to matters relating to the current Senate Inquiry has varied over the duration of the inquiry.

A core of four staff located in the National Office has worked to ensure the Department continues to meet the Committee's requirements for the Inquiry. However, these staff also retain responsibility for other functions within the Regional Services Business Division.

In addition, a large number of staff across in the Regional Services Business Division in both the National and Regional Offices has been required to devote considerable time and resources to assist in meeting the needs of the Committee with respect to producing specific information and answering questions on notice.

TRAX

The Committee asked the Department about the ability of users to revisit the 'smart' Word application forms for *Regional Partnerships* to update and complete data entered into the form.

The 'smart' Word format of the *Regional Partnerships* program application forms are replicas of the TRAX on-line applications. The 'smart' Word forms were never intended to be worked on directly on the Web as they are not on-line applications. The "smart" Word format allows applicants to download an application to their computers, complete the application and then email it to the Department which will then load the application into TRAX for the applicant. If an applicant does work on the 'smart' Word application form on-line and does not complete the application, then there is no functionality that saves these changes on-line to enable the applicant to return to their application and complete it at some future time.

An overview of the functionality of TRAX is provided at **Attachment D**.

Area Consultative Committee (ACC) Budgets and Reporting

The Committee asked the Department about the average increase of ACC funding over the last three to five years. The ACCs negotiate an annual budget with the Department based on their annual business plans and the specific circumstances in their region. The Department makes decisions regarding the operational funding bids for each ACC based on the merits of each case.

In the 2003-2004 and 2005-2006 financial years the ACCs did not receive an across the board percentage increase in allocated funding. However, in 2004-2005 the Department provided ACCs with a 22% increase in funding to meet costs incurred over the previous three years where Consumer Price Index (CPI) increases were not paid, and expected CPI increases through until 2005-06.

The Department also has flexibility in providing funding through its ability to approve one-off requests for additional funding made by ACCs where they are required to meet unavoidable costs that were not anticipated in budget negotiations.

As requested by the Committee, a list of the current key performance indicators (KPIs) included in the ACC Operational Funding Contract is at **Attachment E.**

As discussed at the recent hearings, the Department is about to conduct an analysis of the results of the reports of ACCs against the KPIs.

New Sustainable Regions

The Department has not been asked by the Minister to develop guidelines against which future Sustainable Regions might be chosen.

Atherton Tablelands Sustainable Region

The Nature Trust Australia Kenaf project did not proceed as the proponent did not satisfactorily complete the contract negotiations for this offer of funding in a reasonable timeframe. Therefore, the offer of funding was rescinded in a decision by the former Minister on 27 May 2004.

With regard to the Regional Tourism Strategy project, the Atherton Tablelands Sustainable Regions Advisory Committee (SRAC) recommended this project to the Minister following its meeting on 22 August 2002. The applicant in this case was the Atherton Tableland Promotions Bureau. A copy of the report produced from this project is included at **Attachment F**.

The Department advises that due diligence was undertaken for the Atherton Hotel, Kalamunda Ecostay and JAM Custom Kitchens projects, in accordance with the *Sustainable Regions* program Internal Procedures Manual. The findings contained in these due diligence reports are a component of the Department's advice to the Minister and therefore will not be provided to the Committee.

The Department was also asked about its consideration of competitive neutrality for these projects. Competitive neutrality is an issue considered both by the Sustainable Region Advisory Committee and the Department in providing advice to the Minister.

Competitive neutrality is assessed having regard to:

- the degree of competition in the industry as a whole and the existence of monopoly providers; overall market demand for a product or service;
- any product differentiation and the targeting of niche markets; and
- the overall economic needs of communities and regional strategies that are in place in order to create economic growth in the area.

The Department was also asked about an email discussing the costs of due diligence with the Atherton Tablelands SRAC. The Department has checked the relevant files and is unable to identify an email that fits the description.

We can confirm, however, that general advice on the high cost of due diligence was provided to all Sustainable Regions Advisory Committee Chairs at a meeting on 16 September 2003. However, it was indicated to the Chairs that while conducting due diligence for all applications was not financially viable, a risk based approach to due diligence checks would be followed taking into account advice from the SRACs as to the level of risk associated with each project.

Kimberley Sustainable Region

The Committee requested a schedule of attendance of Canberra based officers at meetings of the Kimberley Sustainable Region Advisory Committee and Kimberly Area Consultative Committee meetings for last two years. In accordance with existing practice, the Department does not propose to specifically identify officers below Senior Executive level. A schedule of this attendance is provided at **Attachment G**.

Recovery of Funds under the *Sustainable Regions* program

Under the *Sustainable Regions* program, the Department has sought to recover funding from a proponent on one occasion. The Department sought external legal advice on options for recovering the first milestone payment of $185,000 to the Cherbourg Food Processing Company following the company going into receivership. As a result, the Department has been listed as an unsecured creditor by the liquidator, and to date no funds have been recovered.

General

The Department has been asked at a number of hearings about the requirements for due diligence to be completed, and for development approvals to be in place prior to projects being considered by Ministers.

Due diligence is undertaken for project applications in the *Regional Partnerships* and *Sustainable Regions* programs in accordance with the procedures outlined in the relevant Internal Procedures Manuals. In the majority of cases, due diligence checks are completed prior to an application being considered by the Minister, however, the Minister has the discretion to approve projects conditional upon the satisfactory completion of due diligence at a later time.

Similarly, while project proposals that can not obtain or have not yet obtained the relevant approvals or licences to progress will not generally be considered, Ministers also have the discretion to approve projects conditional on the obtaining of necessary development approvals.

Yours sincerely

Gary Dolman

Gary Dolman
Acting Executive Director
Regional Services
5 October 2005

ATTACHMENT A

Regional PARTNERSHIPS

GUIDELINES

An Australian Government Initiative

As at 24 Aug 05

The Australian Government's approach to regional development is to work in partnership with communities, government and the private sector to foster the development of self-reliant communities and regions. This approach is consistent with the Commonwealth's framework for developing Australia's regions: *Stronger Regions, A Stronger Australia.* Regional Partnerships is a programme that delivers on the Australian Government's approach to regional development.

What is Regional Partnerships?

WHAT WILL REGIONAL PARTNERSHIPS DO?

What does Regional Partnerships do?

Through Regional Partnerships the Australian Government will partner projects that focus on:

- ***strengthening growth and opportunities*** by investing in projects that strengthen and provide greater opportunities for economic and social participation in the community;

- ***improving access to services*** by investing in projects that, in a cost effective and sustainable way, support communities to access services. In particular those communities in regional Australia with a population of less than 5,000;

- ***supporting planning*** by investing in projects that assist communities to identify and explore opportunities and to develop strategies for action;

- ***assisting structural adjustment for communities*** by investing in projects that assist specifically identified communities and regions to adjust to major economic, social or environmental change.

Regional Partnerships also provides assistance under other Government initiatives, including the:

- Community Adjustment Assistance element of the Great Barrier Reef Marine Park Structural Adjustment Package;
- Rural Medical Infrastructure Fund (RMIF); and
- Textiles, Clothing and Footwear Structural Adjustment Program.

HOW WILL SUCCESSFUL PROJECTS BE DETERMINED?

AREA CONSULTATIVE COMMITTEES

Area Consultative Committee involvement

Your local Area Consultative Committee (ACC) is a primary source of information and assistance in the development of your application. Your ACC is also the Department's primary provider of independent advice on all applications from their region.

Your ACC can:

- provide you with advice on obtaining and providing evidence of broad

As at 24 Aug 05

community and business support for your project;

- assist you with identifying other project partners;
- ensure that all the relevant areas of your application form are completed in sufficient detail.

Your ACC plays a major role in providing the Department with advice, in the form of comments and a recommendation, on your project.

Involving your ACC in the project and application development phase will reduce the assessment time with the Department, so it is in your best interest to consult with your ACC early.

A map showing the location of ACCs and their contact details can be found at www.acc.gov.au or by phoning 1800 026 222 and asking for your nearest ACC location.

LOCAL GOVERNMENT

Local Government

Local government plays a key role in the Australian community as democratically elected community representatives.

You should consult with your local government early in the project and application development phase where your project will require:

- formal statutory approval from the relevant local government to meet planning and other regulatory requirements; and/or
- ongoing maintenance at the end of the funding period.

Project support from the local government is a good demonstration of broad community support. Evidence of the local government's support should be included in your application.

Details about local government can be found at www.alga.asn.au/links/associations.php or by phoning 1800 026 222.

ASSESSMENT CRITERIA

Assessment Criteria

To ensure the most effective use of Regional Partnerships funds, priority will be given to those projects that demonstrate value for money by achieving their outcomes through the most efficient and effective means, securing appropriate funding from other sources and/or have exhausted other funding options.

Value for money will be determined taking into account the total request for Regional Partnerships funding and meeting the following assessment criteria:

a) Outcomes

Outcomes are your project's achievements or the benefits to your community as a

result of your project. Performance information is how you plan to measure the success of your project's outcomes.
Demonstrating your project's outcomes and how you will measure these outcomes assists the Department in identifying if your project is consistent with the priorities of the Australian Government, Regional Partnerships and your community. Performance information will also be included in the Funding Agreement and used for project evaluation if your application is successful.

A successful project would demonstrate that it:

- provides benefits for the community by:
    - meeting a demonstrated need or community demand for the project's outcomes;
    - filling a market gap; or
    - adding value to existing resources, products or business.

- creates or enhances opportunities in the community by:
    - establishing new, diversified or expanded business in response to demonstrated markets;
    - creating new economic/employment opportunities, including job creation;
    - providing infrastructure that enhances economic/social opportunities;
    - enhancing interaction in the community that will lead to an improvement to the community as a whole;
    - delivering diversification of skills and/or demographics in a location; or
    - increasing the uptake of innovation, best practice or new technologies.

b) Partnerships and Support

Establishing community support is critical to the long term success and ownership of your project.

Partnerships are a strong demonstration of support. Partnerships are established where individuals, private sector businesses, community/not-for-profit organisations, other organisations and any local, state and/or Australian Government agencies make a financial and/or in-kind contribution to your project.

- The project would demonstrate that it is a partnership if:
    - the applicant is working, where appropriate, with the community, the private sector and other departments across all levels of government; and

funding options from these sources have been identified.

- The project would be considered to have demonstrated community support where it has:

  contributions from a broad cross-section of the community. These contributions may take the form of cash, inkind* such as volunteer support for the project, letters of support and evidence of endorsement through consultation;

  cash contributions from relevant industry and stakeholders. In the case of business investment projects, the financial contribution should be new investment;

  evidence of support from local government(s).

  *ACCs can assist with determining the value of this.

c) *Project and Applicant Viability*

The viability of the project and applicant can be established by demonstrating:

- **that where funding will produce a plan or study, it will:**

  demonstrate clear paths to the next stage of development and to sustainable outcomes in the local community, and

  ideally include a commitment, such as funding, for implementation.

- the ability, or access to expertise, to manage the project both during and after funding; and
- it is sustainable by:

  the project's outcomes being sustainable beyond the funding period;

  remaining sustainable and viable beyond the funding period, where the project is ongoing;

  providing an ongoing measurable benefit to the community or region;

  contributing to the sustainability of the community; and

  delivering through smarter use of existing natural resources.

All applications will need to comply with DOTARS' probity and viability requirements. The Department may arrange for an independent financial viability assessment of both the applicant and project.

Additional information will need to be provided to support the application if it is:

- from a private sector and/or for-profit entity;
- seeking more than $250,000 from Regional Partnerships; and/or
- for a project that will operate in a commercial environment.

The additional information may include (where appropriate):

- financial statements;
- details of ownership and management structure;
- business plan for the project; and
- other information relevant to the application, as requested by the Department.

WHO CAN APPLY FOR FUNDING FROM REGIONAL PARTNERSHIPS?

Eligibility

With the exception of the entities listed in *Entities not eligible to apply for Regional Partnerships funding* below, entities registered under State or Commonwealth legislation eg *Corporations Act 2001,* can apply for Regional Partnerships funding. This includes:

- Non-profit organisations;
- Local Government;
- Community Councils (Indigenous Councils);
- Co-operatives;
- Associations;
- Registered Charities;
- Private sector organisations (ie. for-profit entities).

If your organisation is not registered under State or Commonwealth legislation you will need a sponsor. A sponsor is a registered organisation that will administer the funding agreement on your behalf, if your application is successful.

All entities must have an Australian Business Number (ABN) or an Australian Company Number (ACN) to apply for Regional Partnerships funding.

WHO IS NOT ELIGIBLE TO APPLY FOR REGIONAL PARTNERSHIPS FUNDING:

Who is not eligible for Regional Partnerships funding?

- Area Consultative Committees;
- Australian and state government departments;
- individuals;
- private enterprise and co-operatives, that are considered commercial enterprises, requesting funding for planning, studies or research; or
- third parties seeking funds on behalf of others.

The Commonwealth cannot enter into a Funding Agreement with entities that do not comply with state or federal law, such as *Equal Opportunity for Women in the Workplace Act 1999*, regardless of the relevance of the non-compliance to the project.

Regional Partnerships is a discretionary programme. The funding of projects, through Regional Partnerships, is at the discretion of the Federal Minister for Transport and Regional Services or the Federal Minister for Regional Services, Territories and Local Government, therefore meeting the assessment criteria does not guarantee funding.

FUNDING LIMITS

Funding Limits

Applications will be subject to substantially higher levels of scrutiny where it is:

- from a private sector and/or for-profit entity;
- seeking more than $250,000 from Regional Partnerships; and/or
- for projects that will operate in a commercial environment.

WHAT PROJECTS ARE NOT ELIGIBLE FOR FUNDING?

What projects are not eligible for Regional Partnerships funding?

- Where the project competes directly with existing businesses, unless it can be demonstrated that there is an unsatisfied demand for the product or service, or the product or service is to be provided in a new way.

- Applications seeking funds that are, or could be perceived as cost shifting, that is substituting or duplicating funding from other sources including government and the private sector.

- Project proposals that can not obtain or have not yet obtained the relevant approvals or licences to progress will not generally be considered.

- Project proposals that are requesting funding for:

    costs that are not directly and specifically related to the project eg: ongoing staff wages, rent, overheads and administrative costs of the existing operations;

    overseas travel;

    relocation costs;

    retrospective costs;

    one off conferences, seminars, competitions, expos or festivals that do not have a clear path to sustainable economic or social benefits for the community;

    access to services where the project duplicates a service or activity already available or accessible within the community or region;

    seed funding for the development of prospectuses;

    generic economic and community development workers; or

    the development of further funding submissions or funding agreement applications.

Retrospective Costs

The Australian Government cannot fund retrospective costs in relation to a project.

The Department of Transport and Regional Services defines retrospective funding as **funding to meet any expenditure, or commitment to expenditure, incurred prior to the Funding Agreement being signed by both parties**.

Please note that no commitment to funding your application can be assumed. Regional Partnerships is a discretionary programme and meeting the assessment criteria does not guarantee funding.

The Department's advice is that you should not commit to any expenditure on a project prior to the Funding Agreement being signed by both parties. Where there are time-critical issues relating to a project (particularly in a commercial sense), you should advise your ACC or Regional Office as soon as possible.

ADMINISTRATION

GST AND ABN/ACN

GST and ABN/ACN

You are required to provide a your Australian Business Number (ABN)/Australian Company Number (ACN) in the application. For further information about obtaining an ABN/ACN please contact the Australian Taxation Office (ATO) on 132 478.

If you do not provide an ABN/ACN, a portion of any payments may be withheld at the top marginal tax rate and remitted to the Australian Taxation Office (ATO) on your behalf.

GST registration is also preferable. Successful applicants may need to consider registering for GST depending on the amount of funding received. All applicants are advised to seek their own advice from a qualified professional on the taxation implications of funding from Regional Partnerships.

Funding to non-GST registered organisations will be provided on a GST-inclusive basis. The ATO can also assist you with queries about GST registration.

ACCOUNTABILITY REQUIREMENTS FOR SUCCESSFUL APPLICATIONS

Accountability requirements

Successful applicants (or sponsoring organisations, where applicable) will be required to enter into a Funding Agreement with the Commonwealth. This will include:

- a negotiated schedule of payments linked to agreed milestones, outcomes and timeframes;
- professional indemnity and public liability insurance requirements; and
- other reporting requirements as determined by DOTARS.

WHAT ARE THE BUDGETING AND REPORTING REQUIREMENTS?

Reporting on a successful application

You will need to provide a detailed budget in accordance with the application form. Your ACC can assist you with the development of the budget.

This budget, once finalised, will form part of the Funding Agreement. The approved budget may be different from the proposed budget in the application form. It is important that you provide a well-detailed budget in the application form, as this will be the basis for determining the final approved budget.

Successful applicants will receive funding for the agreed period of the project, subject to satisfactory compliance with the terms of the Funding Agreement. This will include achieving any agreed milestones and outcomes detailed in the application form, and providing reports as specified in the Funding Agreement. Key reports are:

- a satisfactory independent audit of accounts in accordance with the Australian Government's requirements;
- an acquittal of expenditure against the approved budget for the project; and
- evidence of satisfactory performance and achievement of milestones.

The Department may arrange for an evaluation of your project. The milestones, outcomes and performance information detailed in the funding agreement will form a basis for the evaluation.

HOW DO I MAKE AN APPLICATION?

How to make an application

All applications are to be lodged with the Department. Electronic lodgement is preferred and can speed up the application process.

Make your application online at www.regionalpartnerships.gov.au or by obtaining an application form from:

- your local ACC at www.acc.gov.au; or
- the Australian Government Regional Information Service (AGRIS) on freecall 1800 026 222.

To assist organisations seeking funding of $25,000 or less (GST exclusive), there is now a simplified application form.

E-mail your application to regionalpartnerships@dotars.gov.au Or post the application to your local DOTARS Regional Office. You can get the address from www.regionalpartnerships.gov.au or freecall 1800 026 222.

Applications to Regional Partnerships can be submitted at any time. There are no closing dates or rounds for the lodgement of applications.

If your application for funding is not approved or the Minister approves a lower amount than requested, you may be able to request to have the decision reviewed.

Obtaining further information

If you have any questions about the Guidelines or the application form, please visit:

- the Regional Partnerships website at www.regionalpartnerships.gov.au;
- your local ACC; or
- call the Australian Government Regional Information Service (AGRIS) on freecall 1800 026 222.

Giving false or misleading information is a serious offence. It may also result in the termination of the funding agreement if your application is successful.

ATTACHMENT B

The Post Implementation Review of the *Regional Partnerships* program survey asked 41 questions. Of these, 2 were directly related to the level of client satisfaction.

1. We asked the successful Regional Partnerships funding recipients, *How do you rate the overall level of service provided to you by National Office (NO), Regional Offices (ROs) and the Area Consultative Committees (ACCs)?*

<u>For the National Office</u>

- 7.9 per cent rated as exceptional
- 21.3 per cent rated as very good
- 22.8 per cent rated as good
- 7.9 per cent rated as fair
- 2.4 per cent rated as unsatisfactory,
- 9.4 per cent were unsure and 28.3 per cent not applicable.

<u>For Regional Offices</u>

- 20.6 per cent rated as exceptional
- 42.1 per cent rated as very good
- 19.8 per cent rated as good
- 4 per cent rated as fair
- 2.4 per cent rated as unsatisfactory,
- 4 per cent were unsure and 7.1 per cent not applicable.

<u>For the Area Consultative Committees</u>

- 46.5 per cent rated as exceptional
- 26.8 per cent rated as very good
- 11.8 per cent rated as good
- 6.3 per cent rated as fair
- 0.8 per cent rated as unsatisfactory,
- 4.7 per cent were unsure and 3.1 per cent not applicable

2. We asked the respondents, *How do you rate the overall performance of the Regional Partnerships program?*
   - 13 per cent rated as exceptional
   - 41 per cent rated very good
   - 29 per cent rated good
   - 12 per cent rated fair
   - 3 per cent rated as unsatisfactory
   - 2 per cent were unsure

ATTACHMENT C

Australian Government

Department of Transport and Regional Services

Regional

Regional Partnerships Programme Evaluation: Stage 1.

This form has been designed to be returned by fax or mail by

Tuesday 21 December 2004.

Confidentiality:

The DOTARS Analysis and Evaluation Team will ensure your responses are kept confidential. Your personal details will only be used to identify which region you are from so that we can report on the validity of responses we receive from each region. Once received, identifying information will be removed from your response before being evaluated.

Instructions:

When filling in the comments sections of the form – use letters and numbers only. Where the questionnaire has square boxes, please select the appropriate box.

The instructions for returning the completed version of the questionnaire are located at the end of this document.

Any queries you may have in relation to completing the questionnaire should be directed to:
Grant Jay, Analysis and Evaluation, Phone: 02-6274 8129, Email: eval@dotars.gov.au

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Your Organisation

Name of your Organisation:...

Your Name:.................................... **Your Role:**...

Phone:............................... **Email: :**...

Type of Organisation: *Please select a box below.*

☐ Regional Organisation or Development Committee*

☐ Business Group (Chamber of Commerce etc)

☐ Private Sector (Business/industry)

☐ Community Group (Not for Profit)

☐ Local Government

☐ State Government

☐ Australian Government (Commonwealth/Federal)

☐ Sporting/other Club

Other:...

** includes Area Consultative Committees (ACCs)*

The section above the dotted line will be collected separately to ensure your confidentiality.

Launch and Communication

*If a particular question does not apply to you, please select "**not applicable**".*	*Not at all Effective*	*Not too Effective*	*Somewhat Effective*	*Very Effective*	*Highly Effective*	*Not Applicable or unsure*
1) **How do you rate the following?**						
a) June 2003 launch and the local announcements of the Regional Partnerships (RP) Programme.	❒	❒	❒	❒	❒	❒
b) Communication strategy for RP.	❒	❒	❒	❒	❒	❒
c) Local launches of RP Projects.	❒	❒	❒	❒	❒	❒
d) The Regional Partnerships website: is it easy to find the information you need?	❒	❒	❒	❒	❒	❒
	Not at all Effective	*Not too Effective*	*Somewhat Effective*	*Very Effective*	*Highly Effective*	*Not Applicable or unsure*

Guidelines and Application form

*If a particular question does not apply to you, please select "**not applicable**".*	*Strongly Disagree*	*Disagree*	*Neutral*	*Agree*	*Strongly Agree*	*Not Applicable or unsure*
2) **To what extent do you agree/disagree with the following statements?**						
a) The Regional Partnerships guidelines help me understand what I need to know about submitting a funding application for RP.	❒	❒	❒	❒	❒	❒
b) Obtaining the information required to complete an RP application is not too difficult.	❒	❒	❒	❒	❒	❒
c) The application form is easy to fill in.	❒	❒	❒	❒	❒	❒
	Strongly Disagree	*Disagree*	*Neutral*	*Agree*	*Strongly Agree*	*Not Applicable or unsure*

Programme Performance *(IMPORTANCE)*

If a particular question does not apply to you, please select "not applicable".

By asking your opinion in the following questions we would like to determine what is important to you regarding some key activities of the Regional Partnerships (RP) Programme:

3) **How important do you consider.**	*Not at all Important*	*Not Important*	*In between*	*Important*	*Extremely Important*	*Not Applicable or unsure*
a) The time taken to assess Regional Partnerships (RP) applications.	❒	❒	❒	❒	❒	❒
b) Submitting a high quality RP application.	❒	❒	❒	❒	❒	❒
c) The level of support that is provided to you/the applicant, by the Area Consultative Committee (ACC).	❒	❒	❒	❒	❒	❒
d) The level of support that is provided to you/the applicant, by DOTARS.	❒	❒	❒	❒	❒	❒
e) Having the different roles and responsibilities of ACC and DOTARS staff, clearly understood.	❒	❒	❒	❒	❒	❒
f) Public recognition of Australian Government funding and support for projects.	❒	❒	❒	❒	❒	❒
g) Ensuring the different management and IT systems of RP are understood.	❒	❒	❒	❒	❒	❒
h) What RP systems are you referring to above (in question g)						
i) The time taken from when you submit an application, to when you sign the funding agreement.	❒	❒	❒	❒	❒	❒
j) A high quality RP funding agreement.	❒	❒	❒	❒	❒	❒
k) The RP programme procedures manual being easy to use. *(This does not apply to funding applicants)*	❒	❒	❒	❒	❒	❒
l) ACCs being well prepared and trained in RP operations.	❒	❒	❒	❒	❒	❒
m) Training DOTARS staff to support the ACC.	❒	❒	❒	❒	❒	❒
n) DOTARS handling responses to general enquires.	❒	❒	❒	❒	❒	❒
o) DOTARS handling complaints.	❒	❒	❒	❒	❒	❒
p) An appeal process, if the RP application is rejected.	❒	❒	❒	❒	❒	❒
If a particular question does not apply to you, please select "**not applicable or unsure**".	*Not at all Important*	*Not Important*	*In between*	*Important*	*Extremely Important*	*Not Applicable or unsure*

Programme Performance ***(EFFECTIVENESS)*** If a particular question does not apply to you, please select "not applicable".

In the following series of questions we ask your opinion on how well we do our business:

4) **How do you rate DOTARS ensuring the…**	*Not at all Effective*	*Not Effective*	*In between*	*Effective*	*Extremely Effective*	***Not Applicable or unsure***
a) Regional Partnerships (RP) applications are assessed quickly.	❒	❒	❒	❒	❒	❒
b) Submission of high quality RP applications.	❒	❒	❒	❒	❒	❒
c) Level of support that is provided to you/the applicant, by the ACC.	❒	❒	❒	❒	❒	❒
d) The level of support that is provided to you/the applicant, by DOTARS.	❒	❒	❒	❒	❒	❒
e) Having the different roles and responsibilities of ACC and DOTARS staff, clearly understood.	❒	❒	❒	❒	❒	❒
f) Public recognition of Australian Government funding and support for projects.	❒	❒	❒	❒	❒	❒
g) Different management and IT systems of RP are understood.	❒	❒	❒	❒	❒	❒
h) What RP systems are you referring to in question (g) ……………………………………………………………………………						
i) The time taken from when you submit an application, to when you sign the funding agreement, is not too long.	❒	❒	❒	❒	❒	❒
j) High quality of RP funding agreements.	❒	❒	❒	❒	❒	❒
k) RP procedures manual is easy to follow. *(This question does not apply to RP funding applicants)*	❒	❒	❒	❒	❒	❒
l) ACCs are well prepared and trained in RP operations.	❒	❒	❒	❒	❒	❒
m) ACCs role is well supported by DOTARS staff in the **National Office**	❒	❒	❒	❒	❒	❒
n) ACCs role is well supported by DOTARS staff in the **Regional Office**	❒	❒	❒	❒	❒	❒
o) General enquires are handled effectively by the DOTARS staff in the **National Office.**	❒	❒	❒	❒	❒	❒
p) General enquires are handled effectively by the DOTARS staff in the **Regional Office**	❒	❒	❒	❒	❒	❒
q) Complaints are dealt with properly by the DOTARS staff in the **National Office**.	❒	❒	❒	❒	❒	❒
r) Complaints are dealt with properly by the DOTARS staff in the **Regional Office** .	❒	❒	❒	❒	❒	❒
s) Appeal process, if the RP application is rejected.	❒	❒	❒	❒	❒	❒
If a particular question does not apply to you, please select **"not applicable or unsure.**"	*Not at all Effective*	*Not Effective*	*In between*	*Effective*	*Extremely Effective*	***Not Applicable Or unsure***

General Levels of Satisfaction

5) How do you rate the overall level of service provided to you by….

We would like to know if you are satisfied with the level of service that has been provided to you by people associated with the Regional Partnerships Programme other than yourself. Please don't provide comment on your own performance.

	Unsure	*Unsatisfactory*	*Fair*	*Good*	*Very Good*	*Exceptional*	*Not Applicable*
a) DOTARS National Office	☐	☐	☐	☐	☐	☐	☐
b) DOTARS Regional Office	☐	☐	☐	☐	☐	☐	☐
c) Area Consultative Committees	☐	☐	☐	☐	☐	☐	☐

Are there any examples you would like to provide: …………………………………………………………………

6) How do you rate the overall performance of the Regional Partnerships programme?

Unsure	*Unsatisfactory*	*Fair*	*Good*	*Very Good*	*Exceptional*
☐	☐	☐	☐	☐	☐

Are there any examples you would like to provide: ………………………………………………………………..................

Are there any additional comments that you would like to make?

....

....

....

....

....

Thank you for your time and valuable assistance.

RETURN INSTRUCTIONS:

Please send a hard copy of this questionnaire by post or fax:

Post	Grant Jay Analysis and Performance Branch Transport and Regional Services Reply Paid GPO Box 594 Canberra ACT 2601
Fax:	Grant Jay Analysis and Performance Branch Analysis and Evaluation 02 6274 7516

ATTACHMENT D

Overview of the Functionality of TRAX

TRAX not only allows applicants to apply on-line, but supports all aspects of the Department of Transport and Regional Service's (DOTARS) assessment and contract management process. In other words, it is an integrated end-to-end program management system.

Once an application is lodged via TRAX, it is allocated via TRAX to the relevant DOTARS Regional Office for it to undertake and record the assessment. The project is also assigned to the relevant Area Consultative Committee for it to record its comments and recommendations.

At every step in the administrative process, TRAX generates an email advising the person undertaking a step that a project has been assigned to them, or once completed, advising DOTARS that the step is complete and that the application is ready for the next step in the process.

When the project application is fully assessed at the Regional Office level, it is reallocated to DOTARS' National Office for quality assurance and finalisation of recommendations to the Minister.

Once the recommendations are completed, the system is able to generate a summary of the project and assessment supporting the Department's recommendation. If the project is being recommended for funding, draft letters to successful applicants and various stakeholders (relevant Area Consultative Committee, local Member of Parliament, etc.) are generated for the Minister to sign.

Following the Minister's decision, any conditions that the Minister may have attached to the funding approval are recorded in TRAX.

Once the Minister's decision is recorded, the system advises the DOTARS via email that the decision has been recorded and the application is returned for further administrative processing at both the National Office and Regional Office levels.

If the application was approved, then the system is able to generate a Funding Agreement between the successful applicant and the Australian Government.

If the application was not approved, then the system is able to generate letters to unsuccessful applicants and the various stakeholders (relevant Area Consultative Committee, local Member of Parliament, etc.).

Once the Funding Agreement is signed and approved in TRAX, the system can:

- monitor the expected reports and payments due;
- generate reminder letters and overdue notices;
- create funding agreement variations to record adjustments to timing or progress payments;
- accept claims for payments on-line from proponents; and
- capture electronically submitted reports and invoices, etc.

The current development of TRAX will interface TRAX with the Department's financial payment system (SAP) so that:

- approval of the funding agreement will create a financial commitment (purchase order) in SAP;
- approval of a claim in TRAX will generate a payment from SAP to the proponent's bank account; and
- approval of a Funding Agreement variation in TRAX will adjust the payment schedule in SAP.

Suitable safeguards are being incorporated to ensure that payments are only made in accordance with financial delegations.

The TRAX system (including the forth coming TRAX SAP interface) supports approximately 95 per cent of our end-to-end administrative processes for the *Regional Partnerships* program. Planned modifications to the system in the coming months will mirror this functionality for the *Sustainable Regions* program.

ATTACHMENT E

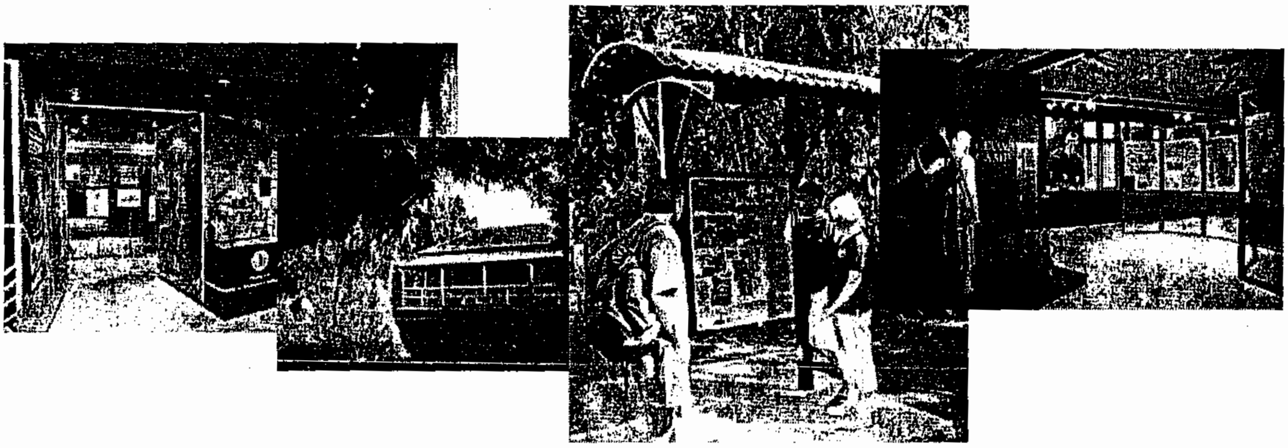
KEY PERFORMACE INDICATORS 2005-06

Indicators		Facilitate growth & development	Link between Govt. business & community	Facilitate whole of government	Measures	Targets
1.1	Facilitate consultation and feedback to Government on policies / initiatives		✓	✓	1.1.A Number of requests & % of total requests ACC provided / facilitated formal input to / through DOTARS on policy issues 1.1.B Number requests & % of total requests for formal comments on applications for other agencies / programmes	100% of mandatory requests 100% of contracted requests
1.2	Facilitate awareness of *Regional Partnerships* across ACC region	✓	✓		1.2.A Number of applications submitted by sub-region (see notes) 1.2.B Mix of both private and not-for-profit applications submitted	100% of sub-regions covered (ie, one or more application from each sub-region) Not less than 10% of applications of each type
2.1	Applications received under *Regional Partnerships* are of a high quality	✓			2.1.A Number of projects instigated / facilitated by the ACC that address identified priorities from SRP 2.1.B % of applications, which the ACC rated 4, that are approved	≥ 3 100%
2.2	Applications received under Regional Partnerships have a broad commitment to partnership arrangements	✓		✓	2.2.A Partnership contribution (including cash and in-kind) for: **Rural and Remote Areas**: 50% of the total value of all approved projects **Metropolitan Areas**: 60% of the total value of all approved projects **Private Sector**: 70% of total value of all approved projects	Remote: 100% Rural: 100% Metro: 100% Private :100%
2.3	Maximum access to Regional Partnerships funding.	✓			2.3.A Value of projects approved	At least four (4) times the value of operational funding.

Indicators		Facilitate growth & development	Link between Govt, business & community	Facilitate whole of government	Measures	Targets
3.1	Facilitate awareness across ACC region of Australian Government policies / initiatives / programmes pertinent to regional development		✓	✓	3.1.A Number of contracts / initiatives with other agencies obtained / facilitated 3.1.B % of all grant applications, in which the ACC has facilitated the development, with other Government funding (local, State, Federal)	Results to be reported 80% of non-private sector
4.1	Delivering outcomes for communities	✓			4.1.A Increase in employment through approved Regional Partnerships projects to the private sector 4.1.B Number of additional services provided to communities * 4.1.C Number of Regional Partnerships projects that facilitate improved planning * 4.1.D Funds invested in community infrastructure * 4.1.E Funds invested in private sector enterprises *	≥ 3 direct jobs / $50K RP $s for private sector projects * Results to be reported – no set targets as these will be ACC specific.
5.1	Managing ACC corporate affairs to a high standard				5.1.A % reporting requirements met on time and to acceptable standard 5.1.B Contract variations requested within limits and in advance 5.1.B Quality Assurance Assessment (QAA) outcome acceptable	100% 100% of variations requested in accordance with contract QAA rating indicates high consistency for all categories

ATTACHMENT F

Tableland's Tourism Strategic Development Strategy



Compiled in collaboration with TTNQ by
Global Tourism and Leisure Pty. Ltd.
Strategic Tourism Marketing & Development Consultants
P.O. Box 7021
McMahons Point, Sydney NSW 2060
AUSTRALIA
Telephone: +61 2 9908 5611
Facsimile: +61 2 9908 5644
globaltl@ozemail.com.au

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Contents

Tablelands Tourism Investment Report and Recommendations

1. EXECUTIVE SUMMARY

An expert panel was selected to consider the best options for development of tourism on the Tropical Tablelands and to develop a Tourism Strategic Development Plan. The focus of this review and subsequent investment decisions it may lead to is designed to:

- **Attract new tourism segments to the region.**
- **Increase penetration to the region from existing TNQ tourism arrivals.**
- **Increase length and value of stay to the Tablelands.**

1.1 Key Issues

In reviewing the potential and performance of the region, the panel identified the following key issues:

- The Tablelands area has the potential to perform better, particularly in the non-local intrastate, interstate and international markets.
- The Tablelands is missing the opportunity to draw visitors in sufficient numbers beyond Kuranda
- There is limited positioning and little current appeal for the international and interstate markets.
- There is little perception or definition of what the Tropical Tablelands constitutes, represents or offers in terms of a visitor experience.
- There is insufficient suitable and flexible accommodation of particular types
- There is an enormous range and high quality of 'natural attractions'
- By promoting the area as a 'something for everyone' destination it has not connected with specific markets or segments.

1.2 Objectives

It established the following objectives for the Strategic Development Plan

- Increase the number of visitors, length of stay and visitor revenue to the area.
- As a consequence provide increased revenue, business activity and employment.
- Generate incremental tourism business to the region by growth in non-local intrastate, interstate and international travel to the area
- Concentrate on the most productive markets and segments to achieve growth objectives.
- Build on the region's most appealing natural attractions, competitive competencies and which accord with the values of the Tableland's residents.
- To create a more focused, compelling and appealing attraction to the area which complements and enriches the overall appeal of TNQ.
- Create 'iconic' experiences in the area which bring together and add to the tangible and intangible assets of the area.

1.2 Objectives – cont.

- Identify and promote catalysts that will encourage other enterprises to build upon and which will benefit the entire area.
- Create a framework that will promote the development of complementary attractions, facilities and infrastructure.

It considered a wide array of research data and information relating to current and future travel patterns and trends, to ensure that its recommendations were in line with emerging visitor trends and motivations.

Accordingly it has produced the following outcomes to fulfil the objectives and to provide the basis for a strong development of tourism on the Tablelands

1.3 Strategic Outcomes

1. **Recommended markets and segments to be targeted for maximum growth.**
2. **Experiences to be developed to attract and satisfy key markets/segments**
3. **A framework for the planning and development of experience based tourism**
4. **Identified the infrastructure gaps which may act as a barrier to attracting and maximising return from identified segments.**
5. **Defined the primary criteria to assess infrastructure proposals.**
6. **Provided a multi criteria assessment model for use by the ATSRP committee. A roadmap which they and potential investors can utilise.**
7. **Introduced a mechanism for developing short, medium and long term development priorities**
8. **Identified critical success factors for successful implementation of the development opportunities.**

1.4 Recommendations

Following its review it has also made various other recommendations and observations which it believes should be considered by the TTPB and local municipalities.

- Apply the discipline of the Multi criteria assessment model to assess the alternative options for investment. Utilise this MCA model to identify amendments which can improve the success of a proposed project, and ensure it is compatible with the region. This model will utilise the following key findings from the matrices devised to identify the core potential markets, segments, experiences and infrastructure gaps.

- Within this prime source the key individual markets domestically are Brisbane, Sydney and Melbourne, and for the international market, UK, Europe (German Speaking and Netherlands), the US, and some particular market niches from Japan. Asian markets will remain relatively limited in their potential for the Tablelands, but the opportunity from high repeat markets such as Singapore should not be overlooked.

1.4 Recommendations – cont.

- In each case particular market segments or travel types were identified to further target the appeal for the Tablelands and to connect the experiences offered with those who are either most seeking them or have the best opportunity to avail themselves of them.

- While it was not directly included in the brief, the panel felt strongly that the issue of brand and positioning of the area was an essential building block for a successful development framework, and has made recommendations to the effect that the core appeals to the area should relate to nature and food/indulgence, therefore the brand should evoke perceptions relating to 'natural' and that to provide an effective development framework, the key appeals should provide the focus and basis for the development of 'experiences'.

- It has proposed the development of a product development framework which comprises a number of clusters, themed touring routes and themed trails, with the routes linking the clusters and the trails providing interesting side tours from the clusters or routes. Such a framework will enhance and better facilitate the visitor experience, provide a more viable business environment for a wide range of business enterprises, and provide governments (local, state and federal) and the Tablelands Promotion Bureau with a more effective means of supporting, developing and promoting tourism in the Tablelands.

- Such a framework will also allow the development of a number of 'icon' experiences, which will provide an appeal leader and an increased awareness of and motivation to the area. In many respects iconic experiences are becoming more effective motivators than the traditional iconic natural and manmade features such as Uluru or the Sydney Opera House.

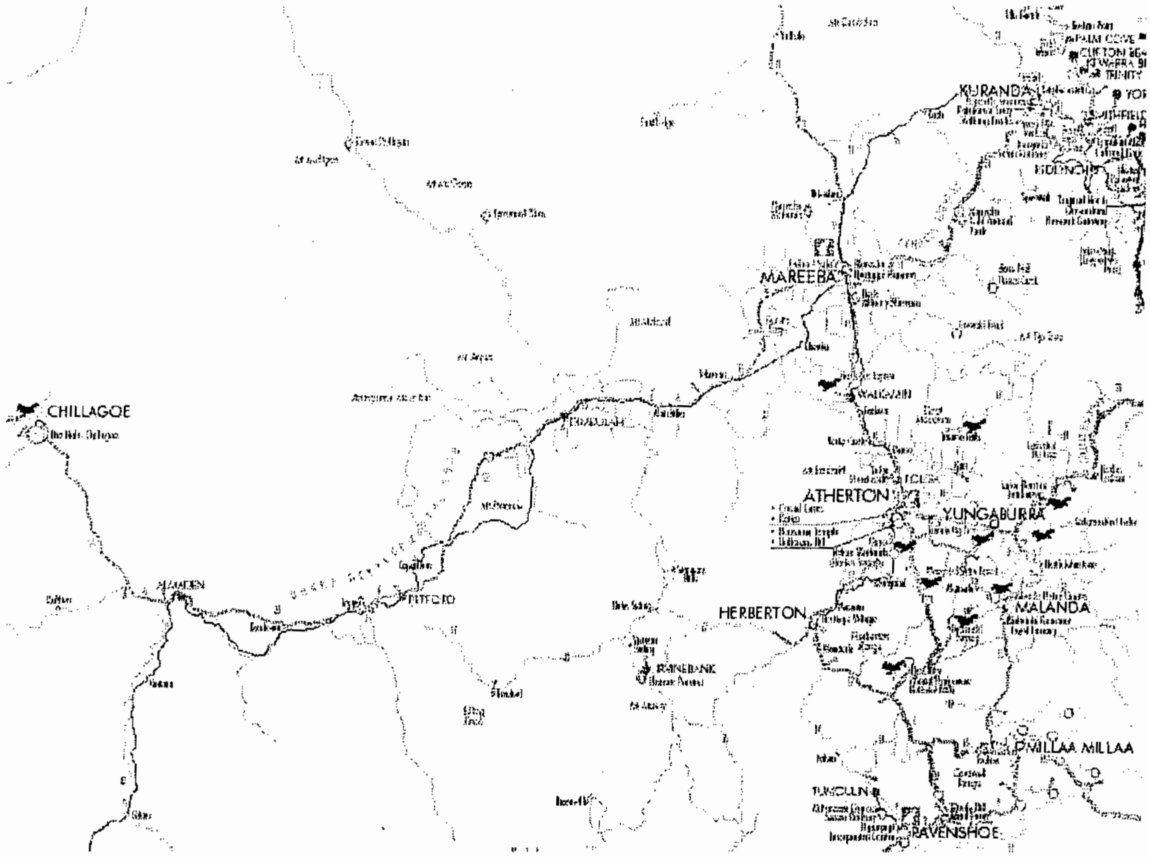
- The major gaps in tourism positioning and infrastructure on the Tablelands, which are recommended for attention in the short term to medium term were identified as:-
    - A properly focused and consistent positioning that connects with and appeals to identified core markets
    - The mechanism to bring together and build upon a range of individual activities, attractions and facilities as consistent and comprehensive experiences.
    - Appropriate interpretive and guiding services to develop and create visitor experiences
    - A transport experience that will have the effect of drawing visitors beyond Kuranda and encourage wider dispersal
    - A major lodge, with flexible accommodation suitable for a wide range of different customer bases.
    - The development and facilitation of an Iconic walking experience (vis. Milford Track, Cradle Mountain or Bay of Fires)
    - Suitable accommodation and visitor facilities for wetland bird watching

1.4 Recommendations – cont.

- To overcome these gaps and provide the most effective catalyst to the strong and sustainable development of tourism on the Tablelands, the panel identified a number of development opportunities for the short, medium and long term. It is believed that these recommendations would overcome much of the current issues and barriers and at the same time provide the basis for encouraging and supporting a wide range of supporting and associated enterprises and services. These include
    - The provision of professional support services to co-ordinate and drive the design and development of initiatives that support tourism growth in the Tablelands region. It is the panel's recommendation that these services are managed by the Region Tourism Organisation (TTNQ) in close co-operation with Tourism Tropical Tableland and the Shires of Atherton, Mareeba, Eacham and Herberton.
    - Develop a focused and consistent positioning for the Tablelands area, to be related to experiences based on nature and food/indulgence, and a brand that is centred on the essence of 'Natural and Indulgence'.
    - Develop a new transport experience linking Kuranda with Atherton using existing infrastructure i.e. the rail network.
    - Further development of the Canopy Walk to become a key core to what will become an important cluster in association with the Misty Mountain Walk.
    - The development of a 60-80 room, 4-5star hotel, with flexible accommodation (incorporating conference facilities) and to represent and relate to the core experiences and values (nature, good food and indulgence).
    - Expansion of existing nature-based experiences (such as the Mareeba Wetlands) to incorporate safari/lodge style accommodation.
    - Enhancing the existing Food Trail and to extend the experience through the provision of facilities that allow visitors follow product from the farm to the table.

- There are in addition a range of 'soft' infrastructure developments that can be undertaken in the short term and will complement and advance the development of a range of experiences. These include:
    - The training of guides and interpreters and the development of commercial guiding services;
    - The organization of events (e.g. Eco Challenge, Triathlon) which both highlight the natural positioning of the area and generate wide publicity of it.

2. THE PROJECT



2.1 Background

The Sustainable Regions Programme is a Federal Government initiative to help regions undergoing major economic, social or environmental change – but which have also shown a determination and commitment to creating a stronger future. With total funding of $100.5 million over 4 years, Sustainable Regions offers a planned, integrated approach to structural adjustment which is a significant development issue facing many regional communities. Sustainable Regions funding is being provided to projects in identified regions which meet regional priorities, are sustainable and will be of significant benefit to those regions.

The Commonwealth Government (though the Stronger Regions initiative) has allocated $18 million (2002-2005) to the Atherton Tablelands region. These funds are administered by the Atherton Tablelands Sustainable Regions Advisory Committee (Mayors from Tableland Shires, two Government appointed representatives and serviced by an executive officer).

2.2 Tourism in the Tablelands

Tourism has been an important part of the Tablelands economy for many years, however its growth has not kept pace with the development of tourism, particularly along the coastal strip of the Tropical North Queensland region. The Tablelands receives approximately 1.2 million visitor days with annual expenditure of $50 million (based on an average spend of $42 per visitor per day), with more than half its visitor arrivals undertaking day tours only to the area. With the restructuring or rapid decline in many other traditional (particularly primary) industries, Tourism has been identified as having the potential to significantly increase its revenue and employment generating role to allow the Tablelands communities to continue to prosper. It will be achieved through

- Increasing visitor numbers
- Increasing length of stays
- Value-adding to increase yields

2.3 Developing Tourism in the Tablelands – Taking the Next Step

The Tablelands Promotion Bureau applied to the ATSRAC for funds to develop a strategic direction plan to guide the further development of tourism in the region.

The Bureau recognises that the region now has the base (non-commercial infrastructure) to support significant expansion of the industry in the region. The Bureau also recognises that while the amount, and type of commercial infrastructure is now sufficient to sustain existing tourism visitation levels, new market sources and segments need to be attracted to the area if tourism is to play an increased role for the area.

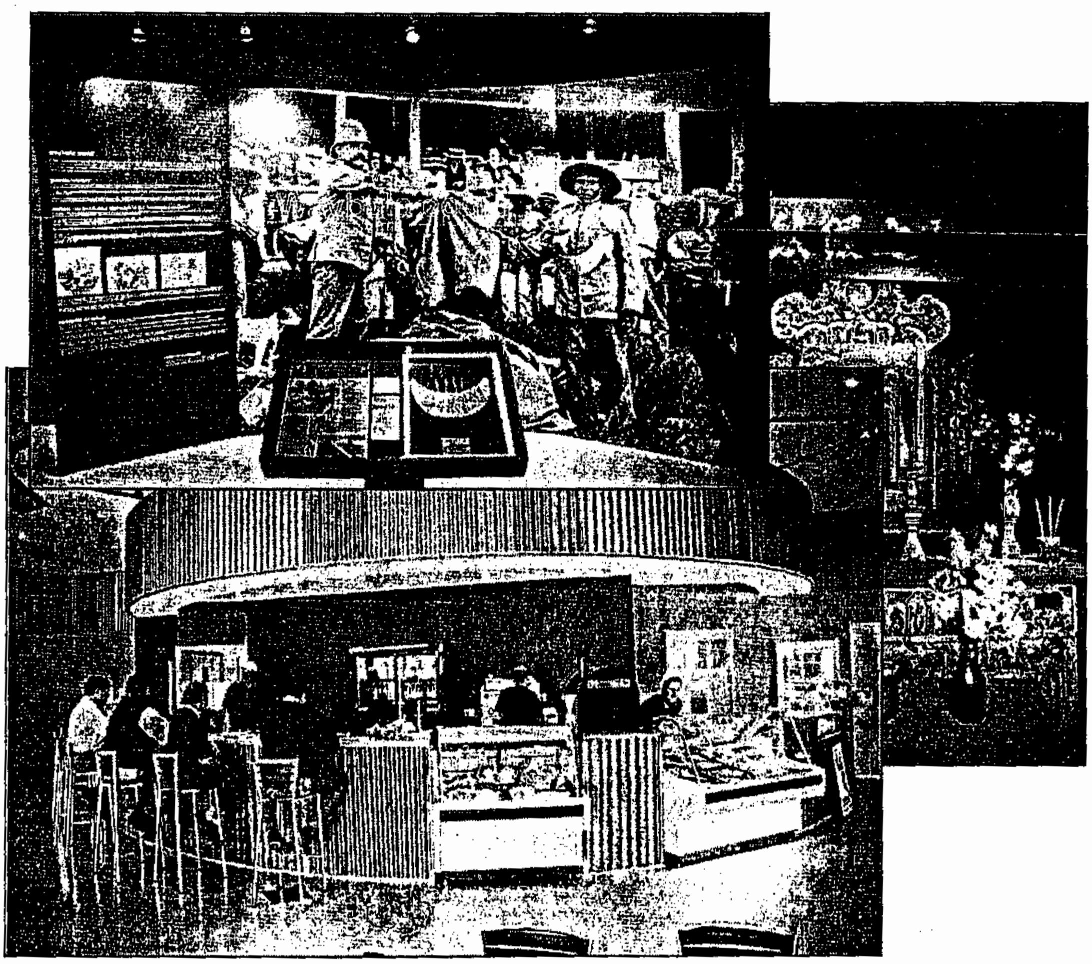
2.3 Developing Tourism in the Tablelands – Taking the Next Step – cont.

The Bureau needs to identify, and prioritise, key criteria for the allocation of further Stronger Regions funds to projects related to tourism that will:

- Attract new tourism sectors to the region
- Increase access to existing TNQ tourism sectors
- Increase lengths (and value of stays)

Contributing toward the significant potential of the Tablelands to achieve these outcomes are the following factors:

- Close to a major international and domestic tourism centre and gateway (over 2 million visitors annually)
- Easy access linking the Tablelands with the coast
- Significant natural tourism assets and attractions
- Equable and comfortable year round climate



3. THE PROCESS

In late 2002 ATSRAC provided funding to Tourism Tropical Tablelands (TTT) to develop a Tourism Strategic Development Plan.

TTT entered into an agreement with Tourism Tropical North Queensland (TTNQ) to coordinate the development of the Plan. TTNQ contracted a consultant Global Tourism & Leisure, and appointed a panel of independent experts from an appropriate cross section of the tourism sectors, chaired by the CEO of TTNQ.

Assisted by the consultant, this panel examined existing and potential markets in TNQ and reviewed these in context with the attractions, assets and tourism infrastructure on the Tablelands. It also considered changes to visitor motivations and trends and the opportunities these changes provide the Tablelands. This process assisted in identifying key markets and segments, gaps in tourism services (accommodation, access, visitor facilities, activities etc.) and provided recommendations for priorities for investment from SRP which would have the best potential for laying the foundation for increases in tourism numbers, length of stays and yield.

The panel met on two occasions – in Sydney and on the Tablelands and in Cairns, and whilst on the Tablelands undertook various site inspections and meetings with industry and community representatives.

It has not been the purpose of the panel and consultant to specify projects for consideration by the ATSRAC or other funding bodies, but rather to identify opportunities for commercial initiatives and suggest strategies that would encourage commercial tourism initiatives to the region.

The following assessments, opinions and recommendations are those of the panel, formed after thorough consideration of the current opportunities, barriers to travel, travel trends and the need to increase visitor numbers, length of stay and revenue related to tourism to the Tablelands.

4. SITUATION ANALYSIS

In analysing the current situation, the panel reviewed a wide range of data and concluded the current key issues were:

4.1 International Visitor Dispersal to the Region was Unsatisfactory

Dispersal beyond the major gateway of Cairns to other regional LGA'S is very low. No individual LGA in the Tablelands attracted more than 3%. This is not however the total dispersal score for the region which approximates to 13% for international visitors.

Fig 1 International visitor penetration to TNQ Local Government Area (LGA)

Local Govt Area	Percentage of International Visitors to TNQ visiting LGA
Cairns	88%
Douglas	20%
Johnstone	9%
Aurukun	4%
Mareeba*	3%
Torres	3%
Etheridge	3%
Cook	2%
Croydon	2%
Herberton*	<1%
Carpentaria	<1%
Mornington	<1%
Un-Incorp. Islands	<1%

Fig 1 Source Bureau of Tourism Research (BTR) – International Visitors Survey (IVS) 1999.

NOTE: No data was available for Atherton and Eacham Shires

4.2 Dispersal of Domestic Visitors to Region was Similarly Low

Overall total dispersal to the region from domestic visitors excluding locals approximates 30%.

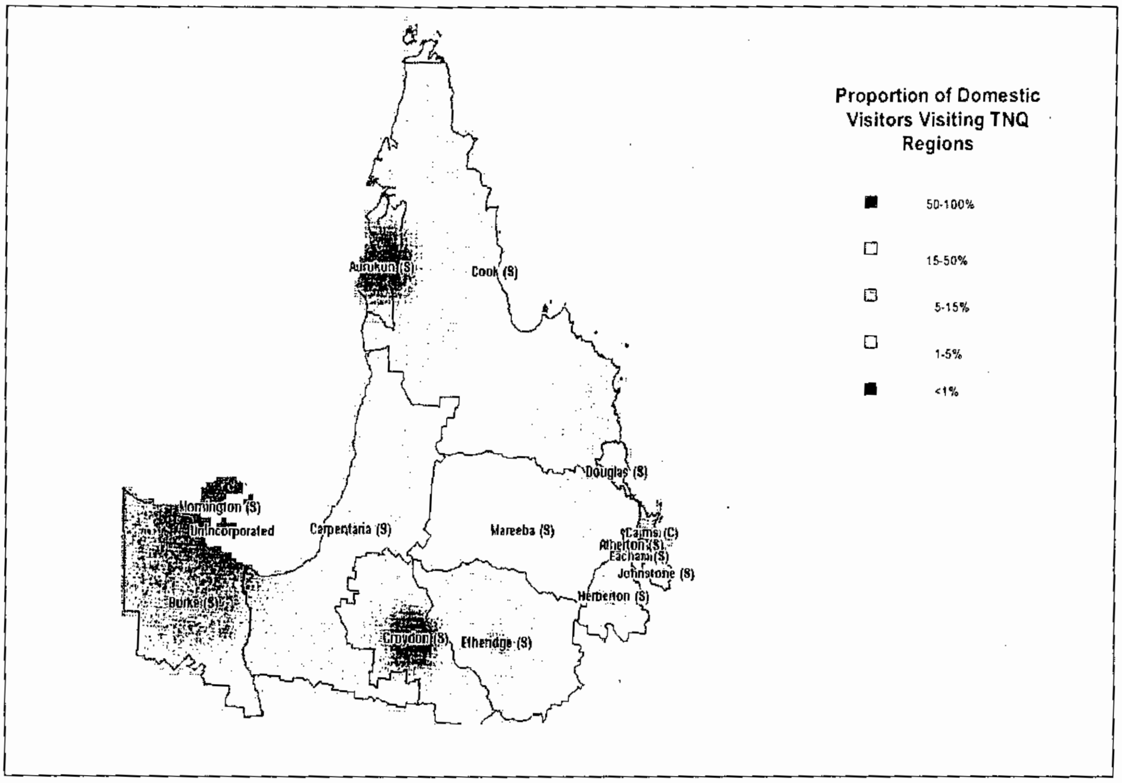
Local Govt Area	% of Domestic Visitors to TNQ visiting the LGA
Cairns	61%
Douglas	15%
Johnstone	10%
Cook	6%
Atherton*	5%
Mareeba*	5%
Carpentaria	4%
Torres	3%
Eacham*	2%
Etheridge	2%
Herberton*	2%
Aurukun	<1%
Croydon	<1%
Mornington	<1%
Un-Incorp Islands	<1%

Fig: 2 Source BTR National Visitors Survey (NVS) 1999.
Note: LGA estimates from the IVS and NVS are rarely statistically significant.

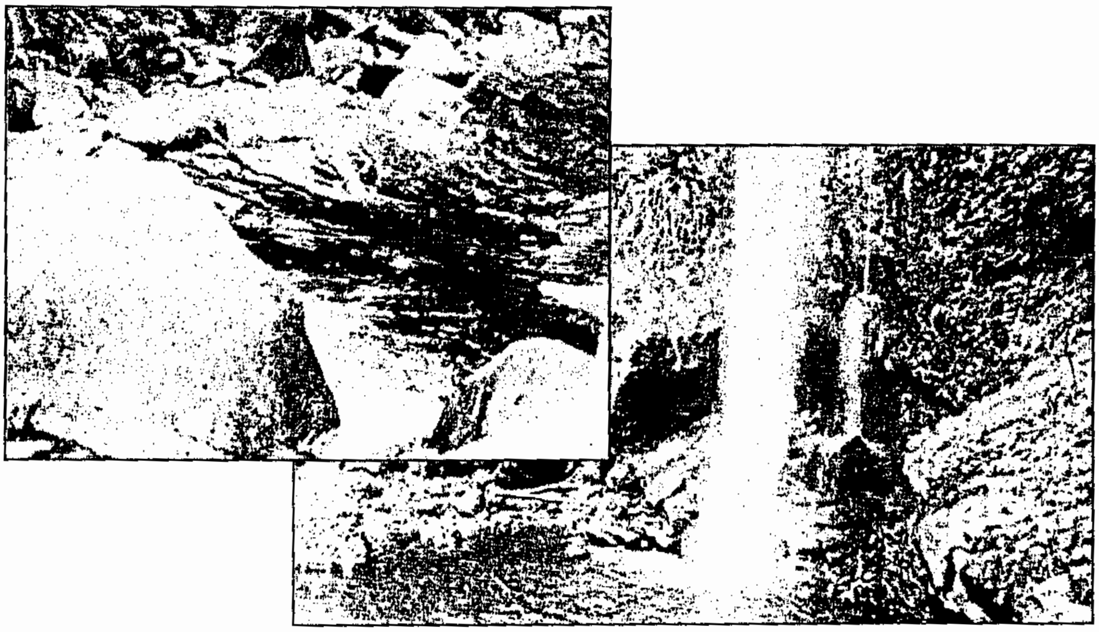
4.2 Dispersal of Domestic Visitors to Region was Similarly Low – cont.

The following chart highlights graphically the variations in regional dispersal
(Source BTR NVS 1999. Extracted from Tourism Queensland Regional Summary Report Jan 2002)

Regional Dispersal

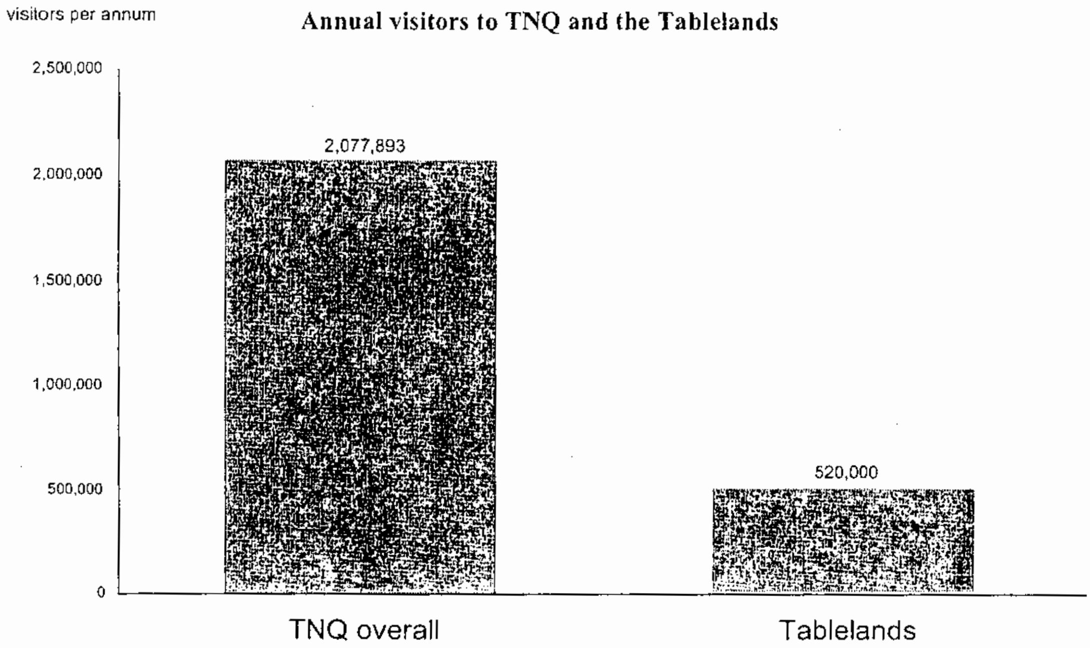


Significantly it highlights that the Tablelands region achieves dispersal in the 15-50% band. This is considerably higher than recognised in previous studies.



4.3 Visitors to Atherton Tablelands, Compared to TNQ Total

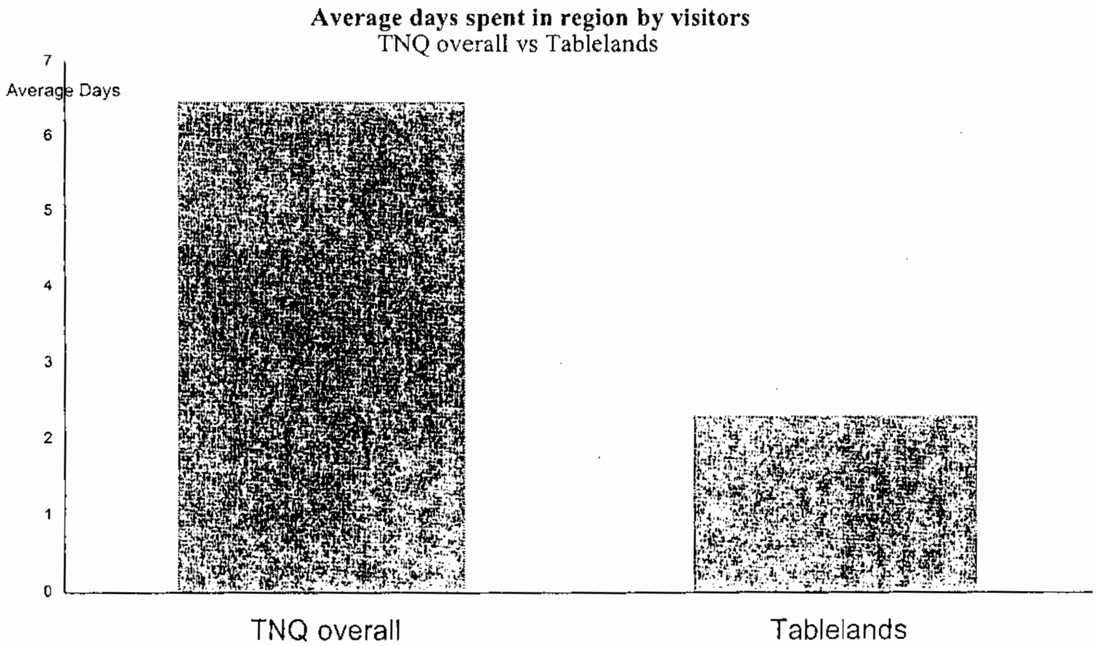
Fig 3: (Source: TNQ Regional Summary, TQ)



Atherton Tablelands currently receives a total of 520,000 visitors per year, of which 2 255,000 (49%) are day visitors only, most of whom are already staying in Cairns, Port Douglas or other coastal areas. There are currently 265,000 visitors (51% of all visitors to the Tablelands) who spend at least one night on the Tablelands.

4.4 Average Length of Stay Only 33% of Regional Average

Fig: 4 (Source: TNQ Regional Summary, TQ)

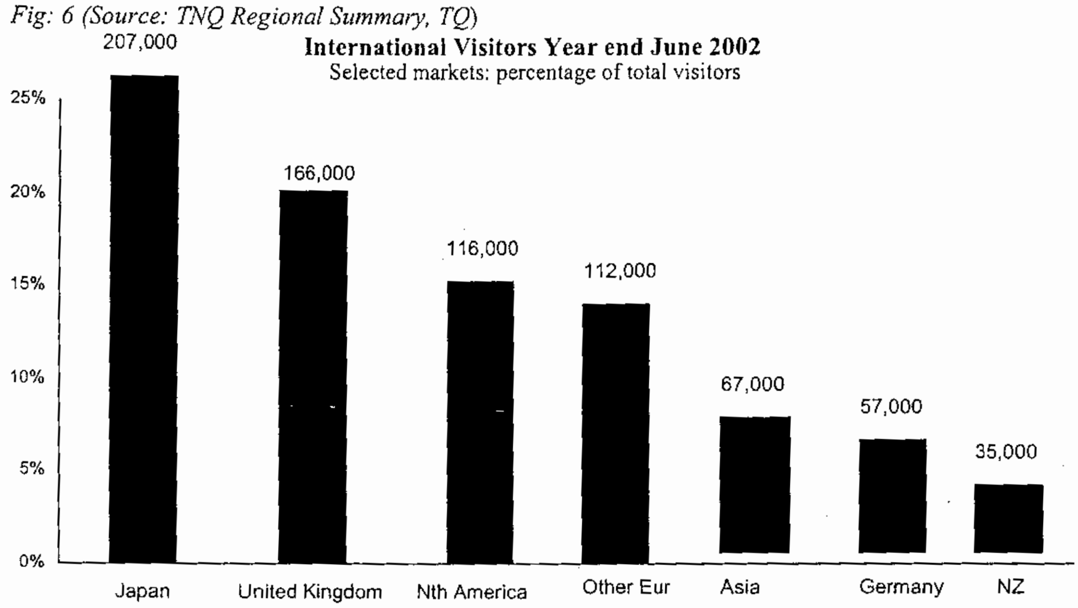


4.4 Average Length of Stay Only 33% of Regional Average – cont.

The average stay of overnight visitors to the Tablelands is 2.3 days compared to an average stay in the TNQ region of 6.45 days. This is driven by the significant day visitor numbers.

4.5 Core International Market Arrivals Mix to the TNQ Region

Fig: 6 (Source: TNQ Regional Summary, TQ)



4.6 Consumer Requirements, Motivations and Travel Requirements are Changing

Research undertaken by the ATC in key markets of Asia and Japan show significant changes taking place in both the activities sought by visitors to Australia as well as the motivation to visit. These changes reflect similar changes also taking place in the more mature markets including UK, Western Europe and US and include:

- Big swing to participatory experiences, both for activity and motivation.
- Big increase in demand for the broad sectors of ***local flavour, soft adventure and active outdoors,*** particularly among the younger segments.
- In all cases there is a significant preference and trend towards active involvement pursuits and interpretive experiences.
- On the other side of the coin there is an equally significant decline in the more passive activities such as *looking at nature, seeing flora and fauna, cuddling a koala and botanic tours.*
- The key to developing sought after activities is the development of more interactivity and interpretation with nature experiences.
- Another requirement, especially for Japan, is that the interpretive guide needed to be 'local' but could speak in the language of the visitor.

4.6 Consumer Requirements, Motivations and Travel Requirements are Changing - cont

- Another significant factor emerging is the desire for nocturnal experiences, such as; *the night sky, nature interaction tours at night, etc.* Whilst most of the Asia markets had a requirement of the experiences being a maximum of *2 hours away* the majority wanted to undertake the experience as part of a day only experience, however with the Japanese there was a significantly increasing willingness for at least overnight, up to several nights, if it was part of the experience.

Other general trends occurring in key markets include:-

- A shortening in the length of holidays, but more concentrated experiences (BTR).
- A drop in the number of domestic day trips – a decline of 17.64% in the past three years (BTR).
- On the other hand domestically the short break/indulgence holiday is increasing.
- Nature, authenticity and sustainable tourism practices are becoming important ingredients in successful tourism strategies.
- More emphasis on personal development and enhancement than on 'things to do and see'.
- Accordingly 'brand', or the perceptions of brand values ('how will it affect/benefit me/how will I feel?') as they relate to the individual, has an increasing motivational influence at the expense of 'things to see and do'.
- Experiences are of increasing importance and must relate directly to the brand or positioning of a destination or activity. (i.e. the brand makes the promise – the experience fulfils it).
- With current concerns about security there has been an increase in domestic travel and touring by car, however this may not be a longer term trend.

"Instead of being asked 'where did you go or what did you do on your holiday?' the traveller is increasingly likely to be asked ' what did you learn on your holiday or what did your travels do for you?'
The New Travellers Inner Quest – Australian Financial Review 23 August 2002

"After consumers have acquired most of their possessions they want, their attention is turning to buying unique experiences"................
"The Travel Agents likely to prosper during this decade ... are now in the business of providing a growing number of older affluent travellers with what they really want: unique and memorable experiences".
The Exotic Travel Boom – Trend Ticker – Investing in Demographics – American Demographics June 2002.

4.7 Strategic Conclusions

The Tablelands area is underperforming. Value share is 3%.

In all the key measurables of arrivals, penetration and yield the Tablelands is underperforming. Of the 2,077,893 visitors to the TNQ region in the 12 months to the end of June 2000 (most recent figures available), Mareeba Shire attracted 3% of the international market, Herberton less than 1% and Atherton and Eacham had visitation levels too small to factor. Dispersion of domestic visitors (interstate and intrastate) was higher than international visitation but still at relatively low levels; Atherton 5%, Mareeba 5%, Eacham 2% and Herberton 2% of the total numbers to TNQ.

> **While the dispersal measured in visitor numbers can be demonstrated to approximate 13% for international and higher for domestic, this is not the best measure to gauge relative performance. A measure of value share one could argue is of more relevance, and the Tablelands only achieve a 3% share of total value to the region from tourism. This is the factor which should cause most concern and which requires most correction.**

Numerous reports have drawn attention to the relatively poor performance of the Tablelands compared to other regions and the rest of the TNQ region.

> **Why should a sub region accounting for 20% of the regional population and 24% of the regional area – with most of that area being climatically ideal and scenically exceptional – have only 2% share of the economic benefits of the Far North Queensland tourist Industry?"** ***Questions asked in the Atherton Tablelands Tourism Study, Part 'B' 1995 ATPB Ltd.***

This low visitor number is exacerbated by a very low length of stay and low average expenditure.

> **Calculating an average length of stay average of 2.6 days, average daily expenditure is estimated at about $42.00 per person per day.** *Queensland Heritage Trails Network (FNQ) Tablelands Tourism Survey – Sept/Oct 2001 – Cummings Research*

Kuranda currently acts as a barrier.

Kuranda attracts an estimated 650,000 visitors p.a. but only a small proportion of these would appear to travel beyond to the rest of the Atherton Tablelands.
Prior to the opening of the Skyrail a greater number of day and extended tours operated from the terminus of the Kuranda Railway to other parts of the Tablelands.
Dispersal beyond Kuranda and around the area therefore in a major issue.

> **"Anecdotal evidence available in late 1995 since the opening of Skyrail tends to support the view that Kuranda is becoming a 'trap' rather than a 'gateway' for visitors to the Tablelands".** *Atherton Tablelands Tourism Study, Part B 1995 ATPB Ltd.*

4.7 Strategic Conclusions – cont.

Positioning for the international and interstate markets is unclear and awareness limited.

For the local Port Douglas to Townsville coastal markets there is a well defined positioning, appeal and understanding of the benefits of visiting the Tablelands. For the international, interstate and wider intrastate markets however there is little understanding of the appeal or brand values of the area.

The Report to the Taskforce Literature Review of Reports of Economic Development of the Atherton Tablelands – 1996 – 2001 cites carious reports into Tourism on the Tablelands which have identified the lack of appropriate or strong brand recognition as a major inhibitor to tourism development.

The name Tropical Tablelands does not effectively represent the experience which the destination delivers.

There is a danger that the name may mislead on the nature of the experience and climate. There is little perception or definition among the international, interstate or wider intrastate markets as to what the Tropical Tablelands constitutes, represents or offers in terms of a visitor experience. Even the term *Tablelands* is one which is generally not familiar and provides little to define the location or connect with the majority of visitors domiciled only two hours away.

The accommodation range does not provide enough flexible options to cater for all potential segments.

Except for the small number of high standard B&B accommodation established principally to cater for local market, there is insufficient suitable and flexible accommodation on the Tablelands to attract or cater for international or interstate visitors. The majority of the estimated 4,900 beds are below 3 star rating and/or are considered too small for coach or other affinity groups. Hence while FIT travellers are catered for, the limited nature of the accommodation options limits the potential of the destination to cater for other groups and market segments, which require more flexible options capable of handling larger groups with a range of services.

The destination is strong on natural attractions.

There is no lack of 'natural attractions'; of the attractions listed in the TNQ guide to the region, approximately half are either located in or through the Tablelands. While there is no 'icon' attraction' such as the Great Barrier Reef, the Sydney Opera House or Uluru, neither is there anything to draw the individual attractions together to represent an 'icon experience'. There is a need however to maximise the opportunity which the iconic experiences can deliver.

4.7 Strategic Conclusions – cont.

The 'something for everyone' promotional strategy has inherent dangers.

Without a focused appeal established for particular markets and segments, a "something for everyone" approach tends to be counterproductive as it most often ends up appealing to nobody in particular.

4.8 Information Data Reviewed and Recommendations Made

A summary of the wide range of data reviewed by the panel is attached in the Appendix of this report.

Following a review of all available information, the panel reached the following agreed recommendations:

1. **The Tablelands should add to and complement the appeal and activities of other areas of TNQ, rather than compete against them.** The area has pronounced and unique core competencies to achieve this.

2. **The prime market thrust should be to those visitors already coming to TNQ** – there are 2 million people a year arriving 2 hours away.

3. **Principal specific market sources for the Atherton Tablelands will be non-local Queensland, Sydney, Melbourne, UK/Europe (particularly German speaking and Dutch), US, and some niches from Japan, such as the education market. Asian markets will remain relatively limited in their potential for the Tablelands, but the opportunity from high repeat markets such as Singapore should not be overlooked.** In each case visitors from these source markets have either shown a reasonably concentrated propensity to visit the Tablelands, have a higher than average length of stay and show growing trends in travel behaviour and motivation relevant to the Tablelands. In the case of Singapore, it has a high percentage of repeat visitors to Australia, a rapidly increasing propensity of its visitors to venture beyond the major centres and to involve themselves actively in nature related activities and with improving air services from Singapore, tour operators will be seeking new product/experiences.

4. **The principal market will be from the repeat visitor market to TNQ.** While there is little relevant data available, widespread anecdotal indicators point to a much higher propensity to travel to the Tablelands by previous visitors to TNQ.

5. **There is a need to develop iconic experiences** that appeal to these markets and to the emerging segments from these markets who are actively seeking such experiences.

6. **The first task is to get people travelling beyond Kuranda and having them stay longer on the Tablelands**, rather than having, in the first instance, dispersed equally around the region.

4.8 Information Data Reviewed and Recommendations Made – cont.

7. **The key core competency of the Tablelands is natural in both a tangible and intangible sense. The secondary core competency is food related.** The other category of attraction considered was heritage which was seen as complimentary to both natural and food related attractions.

8. **The need for increased yield should dictate that this is the primary focus of future tourism development.** The pursuit of numbers must be secondary to the pursuit of increased yield. The numbers which deliver a satisfactory yield will follow.

9. **These two core competencies and the yield imperative, form a strong focus and the basis for developing a wide range of experiences, appealing to different market segments and levels of involvement.**

10. **For 'Natural' related activities, particular attention needs to be placed upon the 'intangible' assets, the need to create participatory experiences, the need for appropriate interpretation and other services to enrich the experiences** and the need for appropriate facilities (e.g. accommodation) that will be in keeping with the quality and style of the experience.

11. **Intangible natural** to include as core assets such features as the clear and brilliant night sky (unavailable to increasing numbers of travellers), wide biodiversity, the incredible variety of birdlife (more than 150 varieties at the Mareeba Wetlands and reportedly 500 varieties in 50km of Lake Tinaroo) and other mega-fauna as well as the more comfortable climate for certain activities.

12. **For the food related experience,** the emphasis needs to be placed at the **higher end of the spectrum and to include 'indulgence'.**

13. **There needs to be much stronger positioning of the Tablelands** and that such positioning should directly relate to the focused experiences. **In developing the brand it is strongly recommended that the positioning should relate to "Natural".**

14. **There is a need to create a critical mass of tourism activity,** to ensure better chance of business viability, greater opportunity of new enterprises to spring from and complement core activities, to facilitate and enrich the visitor experience, and to provide local government with a more appropriate planning framework and infrastructure provision.

15. **The Tourism development framework approach used in Tasmania, incorporating tourism clusters, major touring routes and themed tourism trails may provide a basis for such a framework on the Tablelands.**

5. OUTCOMES

5.1 The Objectives

1. Increase the number of visitors, length of stay and visitor revenue to the area.

2. As a consequence provide increased revenue, business activity and employment from tourism.

3. Generate incremental tourism business to the region by growth in non- local intrastate, interstate and international travel to the area

4. Concentrate on the most productive markets and segments to achieve growth objectives.

5. Build on the region's most appealing natural attractions and competitive competencies which are consistent with the values of the Tableland's residents.

6. To create a more focused, compelling and appealing attraction to the area which complements and enriches the overall appeal of TNQ

7. Create 'iconic' experiences in the area which bring together and add to the tangible and intangible assets of the area

8. Identify and promote catalysts that will encourage other enterprises to build upon and which will benefit the entire area.

9. Create a framework which will promote the development of complementary attractions, facilities and infrastructure, assist local government facilitate such development and which will afford visitors to the area a more enriching, appealing and comprehensive visitor experience.

5.2 Outcomes Delivered

In seeking to meet these objectives, the panel has provided the following outcomes:

Recommended Markets and Segments to be targeted for maximum growth.

Experiences to be developed to attract and satisfy key markets / segments.

A framework for the planning and development of experience based tourism.

Recommended short, medium and long term developments.

5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth

Who Do We Need To Target?

Visitors already travelling to TNQ.

Second time visitors.

The prime source domestic markets of Other Qld, Sydney, Melbourne, and the locals.

The prime domestic segments of:
- Mature active couples (45+)
- Empty nesters/retired
- Young Couples - no children

The prime source international markets of:
- UK,
- Europe including Germany.
- US
- Particular market niches from Japan.

These markets to be segmented by travel interest / pattern, rather than psychographic / demographic descriptors:
- Free and Independent Travellers
- Self Drive
- Backpackers
- Soft adventure
- Local flavour
- Active outdoors
- Self Discovery
- Focused on nature
- Particular interest in walks/indulgence
- For the Japanese market schools education market should be the primary focus.

5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth

Who are we currently attracting and what are they doing?

Matrix A: Current Markets, Segments, Activities and Travel Types

Segments	Markets							
	Domestic (local)	Domestic Qld	Domestic interstate	Japan	UK	North America	Europe	Singapore
Young Singles	1	1	1	3*	3	1	3	1
Family with children	3	1	1	1	1	1	1	1
Younger Couples (no children)	5	2	2	1	1	1	1	1
Mature Active Couples (45+)	5	3	3	1	3	2	3	1
Empty nesters/retired Grey nomads	3	3	3	1	3	2	3	1
Mature singles	2	1	1	1	1	2	1	1

Current Demographic Market Segments and Relative Levels of Performance

Note: Ratings from 1- 5; with 5 indicating relatively strong representation and 1 insignificant representation

Characteristics of the current (Demographic) market segments to the Atherton Tablelands:

- Strong representation of local couples
- Some local family travel
- Relatively low level of local mature singles.
- Moderate Queensland and Interstate representation of couples (three categories
- *Japanese school/education groups – a relatively strong niche segment
- Good potential from British and European younger singles
- Relatively stronger interest from Mature and empty nester couples from UK and Europe.
- All other markets/segments very low/non existent

5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth – cont.

Matrix B: Current Travel Type Segments and Relative Level of Performance

Segments	Markets							
	Domestic (local)	Domestic Qld	Domestic interstate	Japan	UK	North America	Europe	Singapore
Backpackers	1	1	1	1	3	2	3	1
Short Break	5	1	1	1	1	1	1	1
Self drive short tour	5	1	1	1	2	2	2	1
Self Drive Long tour	1	4	4	1	2	1	2	1
Day tour/car	5	4	4	1	2	2	2	1
Tour coach	1	2	3	2	3	3	3	1
Education	2	1	1	3	1	1	1	1
Conference	2	1	1	1	1	1	1	1

Note: Ratings from 1- 5; with 5 indicating relatively strong representation and 1 insignificant representation

Characteristics of the current travel type, market segments to the Atherton Tablelands:

- A major market for the Tablelands is the self drive short tour/day tour from the local domestic market for the purpose of a short break.
- There is a small amount of education travel by local TNQ schools.
- There are some localised conferences and corporate meetings related to specific Tablelands industries/interests.
- A major portion of the other Queensland and interstate market to the AT are those travelling to the area as a part of a long self drive tour, or those taking day self drive or coach tours from Cairns.
- The Japanese market is principally a day coach tour market from Cairns with a relative strong representation in the young student/education niche segment.
- UK and Europe visitors to the area range across the Backpacker, self-drive short or day tour from Cairns/Port Douglas, self drive long tour (a part of a longer itinerary by hire car or campervan) and day coach tour.
- The relatively limited North American market to the Tablelands is generally a short or day self drive tour from Cairns/Port Douglas and day coach tour.

5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth – cont.

Matrix C: Current Activities and Relative Level of Participation by Segment

Segments	Activities							
	Walking	Ballooning	Rafting	Heritage	Rain-forests	Wildlife/ Birdwatching	Touring/ Scenery	Food trail
Young Singles	2	5	5	2	2	2	2	1
Family with children	2	3	3	2	2	2	3	3
Younger Couples (no children)	4	5	4	1	3	2	2	3
Mature Active Couples (45+)	2	2	1	4	4	3	5	4
Empty nesters/retired Grey nomads	1	1	1	5	3	2	5	4
Mature singles	1	1	1	3	2	1	5	3

Note: Ratings from 1- 5; with 5 indicating relatively strong participation and 1 insignificant participation

Characteristics of activities undertaken by the current market segments to the AT.:

- Young singles are heavily involved in active/soft adventure, but are undertaken on day/half day visits from Cairns
- Families with Children are less involved in active soft adventure (depending on the age of the children) and tend to take part in other activities as a part of a broader tourism experience
- Younger Couples are actively involved in a range of activities, but are below average participation in heritage and touring activities
- Mature Active Couples are less likely to participate in active/soft adventure activities and to undertake other activities as a part of a tourism itinerary
- Empty nesters/retired/Grey nomads are unlikely to be involved in active/soft adventure, and with generally more time on their hands participate in nostalgia related heritage activities and touring/scenery
- Mature singles participate in activities related to a touring itinerary

5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth – cont.

Matrix D: Characteristics of activities undertaken by current markets to the Tablelands

Market	Walking	Ballooning	Rafting	Heritage	Rain-forests	Wildlife Birdwatching	Touring Scenery	Food trail
Domestic (local)	2	1	1	2	3	2	2	3
Domestic Qld	3	2	2	3	3	2	4	4
Domestic Interstate	3	2	3	2	4	3	4	4
Japan	1	3	2	1	2	2	2	1
UK	2	3	3	1	3	3	3	2
North America	2	2	2	1	3	3	3	2
Europe	3	3	3	1	3	3	3	2
Singapore	1	1	1	1	1	1	1	1

Note: Ratings from 1- 5; with 5 indicating relatively strong participation and 1 insignificant participation

Characteristics of activities undertaken by the current markets to the Atherton Tablelands:

- A major part of the activity of the local market is to enjoy the ambience and climate of the Tablelands as a part of a short break/indulgence experience where participation in some of the more passive activities is a part of the experience.
- Domestic Queensland and interstate visitors fall into two main categories – those domiciled principally in Cairns undertaking day visits for active pursuits such as Ballooning, Rafting or walking or undertaking a day tour of the area, or those who are part of a wider touring itinerary where overnight stays are more likely to result. The latter group have their activities more concentrated in those related to a touring itinerary.
- Japanese visitors, due to the relatively short stay by the majority, are currently largely limited to day visiting and participation in activities as part of an organised itinerary. The exception being the education/schools market currently attracted to the area.

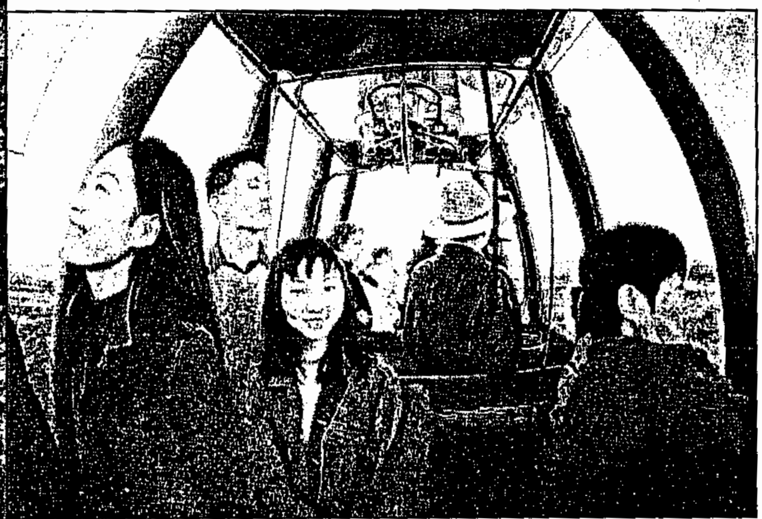
5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth – cont.

Targeted Markets for Future Growth

Matrix E: Recommended target markets/segments to achieve incremental growth in visitation and yield.

Segments	Markets							
	Domestic (local)	**Domestic Qld**	**Domestic interstate**	**Japan**	**UK**	**US**	**Europe**	**Singapore**
Young Singles		4	4	4	4	3	4	2
Family with children	3	3	2	2				2
Younger Couples (no children)	2	4	4	2	3	3	2	3
Mature Active Couples (45+)	3		3	3	4	4	4	
Empty nesters/retired Grey Nomads	3			1	2	2	2	
Mature singles				1				

Note: Priority Ratings from 1-4. The highest priority scoring 4.



5.2.1 OUTCOME 1 - Markets / Segments to be Targeted for Maximum Growth – cont.

Recommended Priority Market Segments for Incremental Growth:

Domestic Queensland	First Priority	- Young Singles - Younger Couples (n/c)
	Second Priority	- Family with Children
Domestic Interstate	First Priority	- Young Singles - Younger Couples (n/c)
	Second Priority	- Mature Active Couples
Japan	First Priority	- Young Singles
	Second Priority	- Mature Active Couples
United Kingdom	First Priority	- Young Singles - Mature Active Couples
United States	First Priority	- Mature Active Couples
	Second Priority	- Younger Couples (n/c) - Young Singles
Europe	First Priority	- Young Singles - Mature Active Couples
Singapore	Second Priority	- Younger Couples (n/c)

5.2.2 OUTCOME 2 -Experiences to be Developed to Attract and Satisfy Key Markets / Segments

Glossary of Experience Descriptors

Active Nature: Examples include guided and independent bush walking, cycling through natural surrounding, canoeing on pristine rivers (not white water), active wildlife excursions with guide. Activities associated generally require some exertion or direct physical input to achieve the experience.

Passive Nature: Taking in nature without exertion; includes strolling in rainforests, visiting other natural attractions, attending a 'dinner in a 5 million star' restaurant (dinner under the night sky), touring wetland by boat with guide, taking in natural beauty.

Soft Adventure: Includes active physical and mental involvement and a degree of excitement as perceived by the participant; includes activities such as white-water rafting/canoeing, ballooning, mountain biking, (introductory) rock-climbing/mountain climbing.

Heritage: Includes activities generally involving local history and heritage; most often a passive or mildly active involvement; including local folk museums, museums on specific events in history, old buildings etc; Can also include local or ethnic culture.

Indulgent Breaks : Generally short breaks including high quality accommodation and dining; often associated with other high quality or exclusive activities and experiences or sporting activity; self gratification or reward.

Rejuvenation: Somewhat associated with *Indulgent Breaks*, but more related to spiritual, mental or physical rejuvenation or enrichment, self development or enhancement.

Local Flavour: Allows the participant to feel a greater involvement in a local area and what makes it special or unique; includes local or unique festivals, arts and crafts (more as participants than just purchasers), markets; greater perceived authentic interaction with the local people or activity.

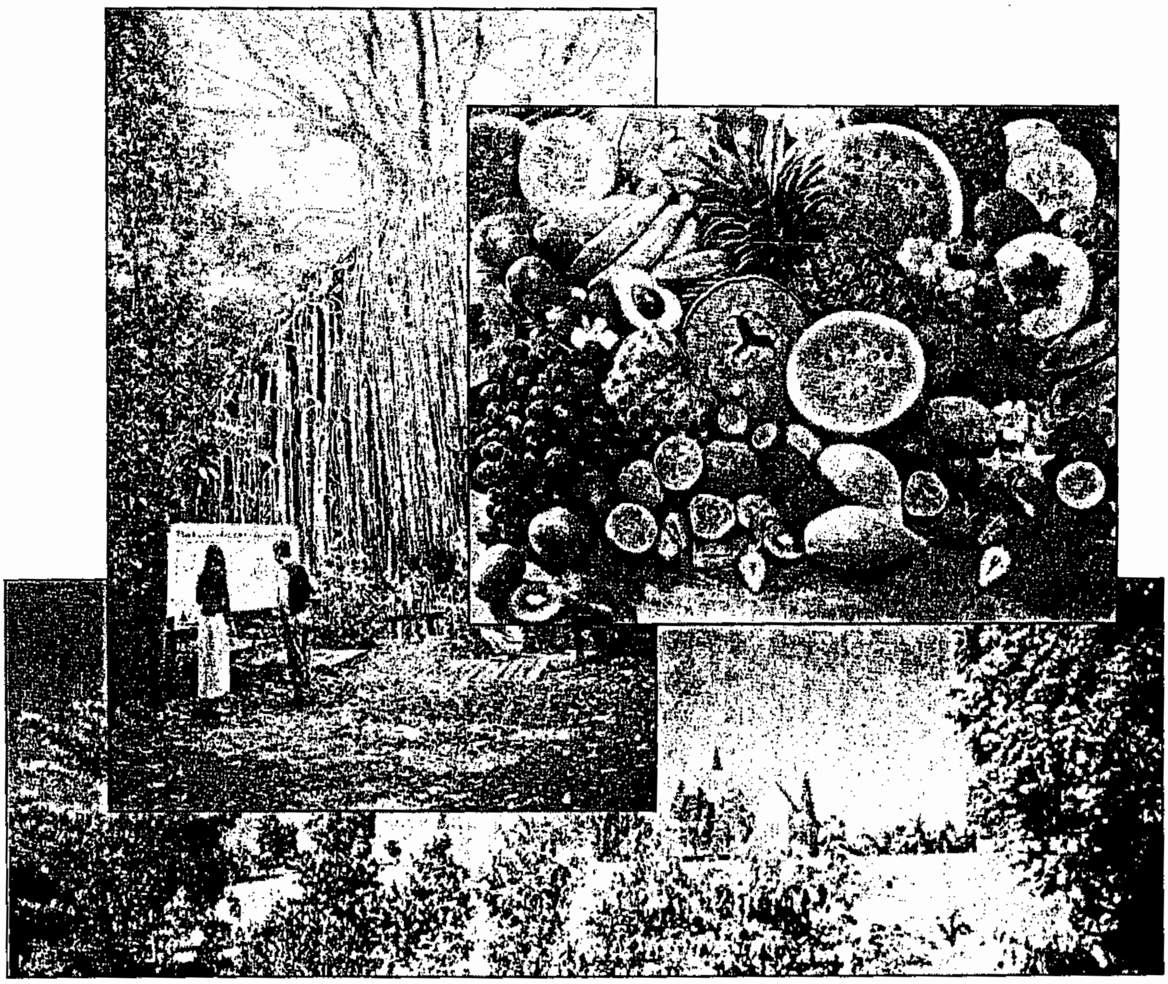
Food/Farm: Providing opportunities for people to gain a greater involvement and understanding of various foods, including preparation, advanced cooking classes featuring local produce; participating in picking and sampling; includes farm hosting; also includes specialised professional and technical visits

5.2.2 OUTCOME 2 - Experiences to be Developed to Attract and Satisfy Key Markets / Segments – cont.

Matrix F: Recommended priority experiences for key markets to achieve maximum growth

Market	Experiences							
	Active nature	Passive nature	Soft Advent	Heritage	Indulgent Breaks	Rejuv-enation	Local Flavour	Farm/ Food
Domestic (local)				3	3	3		
Domestic (Qld)	4	3	3	3	4	4		
Domestic (interstate)	4	3	2	3	4	4	1	
Japan	4	4					2	2
UK	4	4	4				2	3
US	4	4	3				2	2
Europe	4	4	4				2	2
Singapore		3			2		1	2

Level 1 is low interest and 4 the highest interest level



5.2.2 OUTCOME 2 - Experiences to be Developed to Attract and Satisfy Key Markets / Segments – cont.

Recommended Priority Experiences for Key Markets to Achieve Maximum Growth:

Domestic Local	Second Priority	- Rejuvenation - Indulgent breaks - Heritage
Domestic Queensland	First Priority	- Indulgent Breaks - Rejuvenation - Active Nature
	Second Priority	- Passive Nature - Soft Adventure - Heritage
Domestic Interstate	First Priority	- Active Nature - Indulgent Breaks - Rejuvenation
	Second Priority	- Passive Nature - Heritage
Japan	First Priority	- Active Nature - Passive Nature
United Kingdom	First Priority	- Active Nature - Soft Adventure - Passive Nature
	Second Priority	- Farm/Food
United States	First Priority	- Active Nature - Passive Nature
	Second Priority	- Soft Adventure
Europe	First Priority	- Active Nature - Soft Adventure - Passive Nature
Singapore	Second Priority	- Passive Nature

5.2.2 OUTCOME 2 - Experiences to be Developed to Attract and Satisfy Key Markets / Segments – cont.

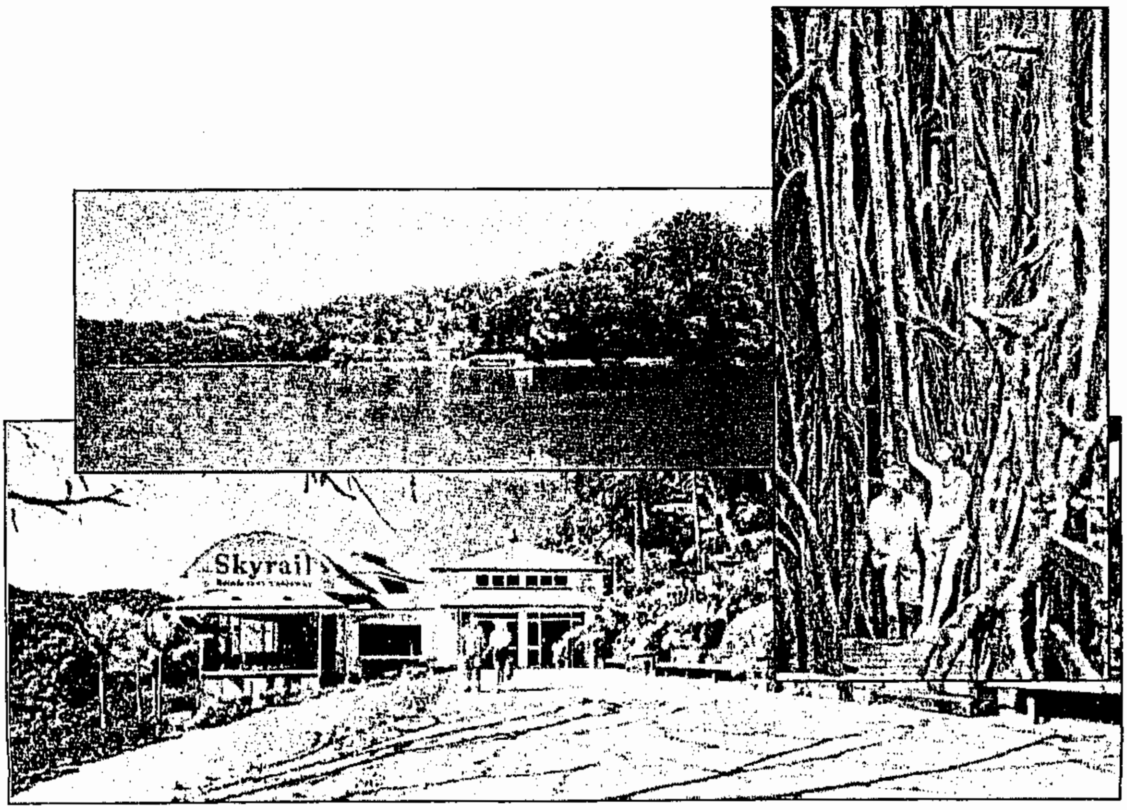
It is recommended that:

- **Active Nature, Passive Nature and Soft Adventure be developed under a broader 'Nature' experience.**
- **Local Flavour, Rejuvenation, Indulgence and Farm/Food be developed under a broader Indulgence/Food experience.**
- **The brand and positioning be related to the term 'natural.**

Development of Iconic Experiences

In the past it was considered important for successful destinations to have a major natural or manmade icon (e.g. The Great Barrier Reef, Ullaru, Sydney Opera House, Eiffel Tower etc.). However with the change in motivation for travel passing from the 'seeing and doing things' toward more experiential benefits, there has been a significant increase in icon experiences as being of increasing importance as an attractor and motivator. The success of Quicksilver Connections or Skyrail both as successful enterprises and significant contributors to the appeal and experience of TNQ are examples. Similarly the role of the Milford Track Walk in New Zealand or the Cradle Mountain Walk in Tasmania now does more to position and represent the experience and values of the area than either of the two spectacular landforms near where they are based. Recent initiatives such as the Misty Mountains Trails and other regional walking tracks have begun to address this issue but there is still considerable room for expansion of existing, and the creation of new, facilities, ie. the canopy walk.

It is further recommended that a number of iconic experiences be developed that encapsulate the Tablelands experience.



5.2.3 OUTCOME 3 - Developing a Regional Framework for the Planning and Development of Experience Based Tourism

Background and Concept

- The Product Development Framework proposed for the Atherton Tablelands is based on a similar successful strategy developed in Tasmania
- Most overnight visitors use the Atherton Tablelands as a touring area (as against a single location enjoyed without touring), with attractions and visitor hubs linked by key routes.
- This characteristic presents the opportunity to grow tourism expenditure, length of stay and dispersal by developing the 'experience of the tour'.
- A Tourism Product Development Framework identifies the major tourism clusters and linkages and provides the basis for their further focused development
- It provides the means to identify opportunities and gaps in developing core the experiences, involving product development and consolidation (or bundling), supporting infrastructure, business development programs, planning policies, resource allocation and marketing strategies.

The Nature of the Framework

It comprises a number of clusters, themed touring routes and themed trails, with the routes linking the clusters and the trails providing interesting side tours from clusters or routes. Such a framework is particularly relevant and applicable to a touring or self drive destination, such as the Atherton Tablelands.

<u>The Clusters:</u> Comprise locations where either a critical mass of competitive/complementary tourism product, including one or more major attractions, exists or is developed in a concentrated geographical area. Such clusters are generally linked to other areas by major tourism routes and often provide a base for utilisation of touring routes or themed trails.

<u>Touring Routes:</u> A primary themed route between clusters. These generally have a range of commercial/non-commercial attractions and services along them that can combine to provide a complementarity and consistency of experience. (For example, the existing Food Trail and the QHTN Trail, provides an already strong foundation for one such route).

<u>Themed Trails:</u> A localised special interest or themed route, either within or from a cluster or from a touring route (e.g. The current Waterfall route is a good example).

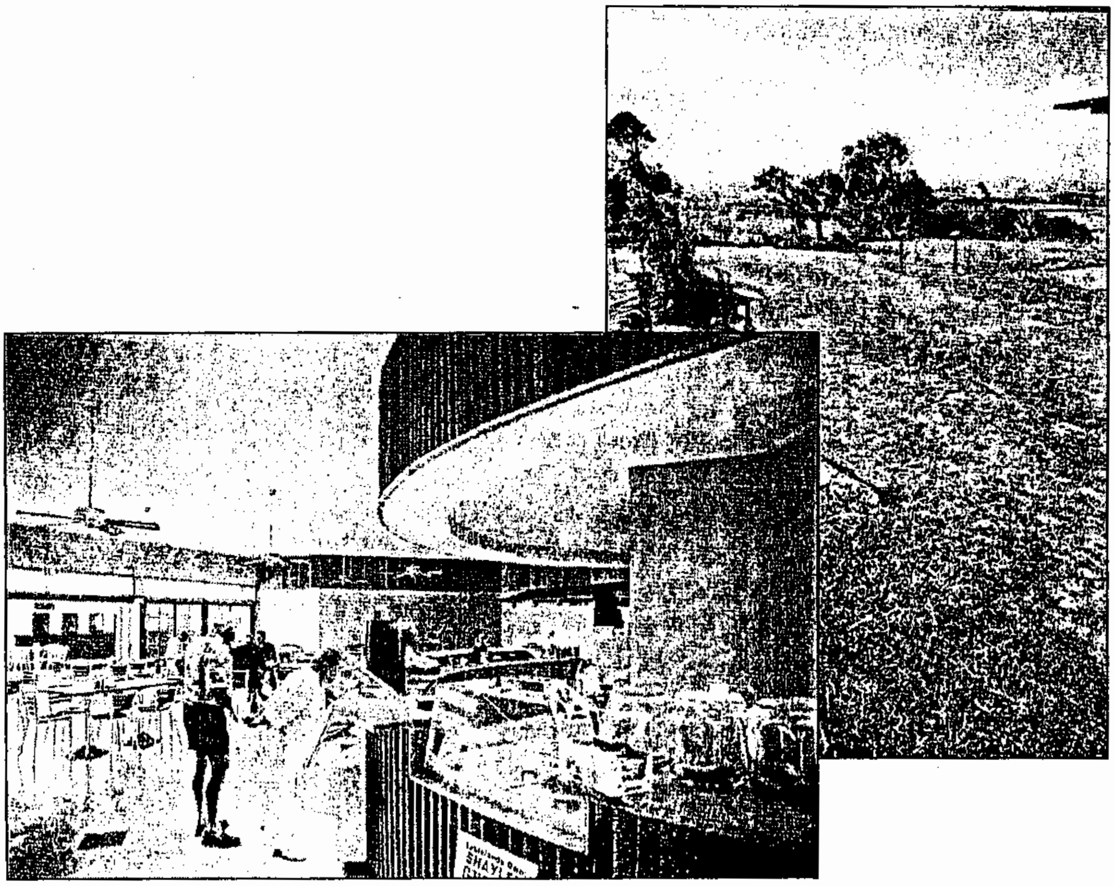
Having established the core competencies of the area as nature based and food related/indulgence experiences, these should form the basis of the development of the clusters, routes and trails. Other activities and enterprises falling outside these broad experiences tend to take a secondary role in both the positioning and the composition of the key experiences, but nevertheless still benefit from the increased business and visitation. An example of this is the Tamar Wine Trail near Launceston where both the country's largest lavender farm and the only sea horse farm are major and successful tourist attractions, but the appeal and focus of the experience is firmly based on wine and associated food.

5.2.3 OUTCOME 3 - Developing a Regional Framework for the Planning and Development of Experience Based Tourism – cont.

Essentials

The essentials in building a tourism development framework are:-

- It must link to the core competencies and positioning
- It must connect with core and identified markets
- It must establish a focus on and a cohesiveness of experiences
- It must be more predicated by what the visitor wants to experience and enjoy, rather than what the destination "has to offer".
- It must provide the basis for further complementary development of attractions, facilities and services
- Interpretive services are critical in the delivery of the visitor experience
- There must be community 'ownership' of the concept and form



5.2.3 OUTCOME 3 - Developing a Regional Framework for the Planning and Development of Experience Based Tourism – cont.

Advantages of a Regional product Development Framework

For the visitor, it provides:

- **A greater consolidation, concentration and consistency of experiences**
- **A more fulfilling and enriched holiday experience.**
- **Rather than being seen as a road from 'A to B', routes and trails become a key part of the holiday experience.**
- **Improved accessibility and identification of attractions, features and services.**
- **A much stronger perception and awareness of the types of benefits and experiences available.**

For business it provides:

- **Greater critical mass of visitor numbers, with more pulling power.**
- **Increased tourism expenditure by focusing on the 'experience of the tour'**
- **A more viable business environment**
- **"The sum is much greater than the individual parts".**
- **The opportunity to benefit from/contribute towards more comprehensive tourism experiences**
- **The opportunity to be directly related to the area's brand/positioning and its core appeals**
- **Greater opportunity to interact with other industries.**
- **Greater business and development planning certainty**

For Local Government/ Tablelands Promotion Bureau it provides:

- **A whole of area and 'whole of governments' approach to policy and planning**
- **Focus to the role of local government and the links between them.**
- **Consistency and streamlining of planning schemes and tourism**
- **Promotion of interaction with other industries**
- **Clear identification of opportunities for growth**
- **Identification of infrastructure needs and priorities**
- **Focus for infrastructure development and grant programs**
- **The means to identify opportunities for the development of the Tablelands experience and positioning, embracing product, supporting infrastructure, marketing strategies, business development programs etc.**
- **Greater focus on and integration of the overall visitor information role and services (incorporating Visitor Information Centres, themed signposting, brochure development, website development etc.)**

5.2.3 OUTCOME 3 - Developing a Regional Framework for the Planning and Development of Experience Based Tourism – cont.

Recommendation for Development of Product Development Framework

The provision of professional support services to co-ordinate and drive the design and development of initiatives that support tourism growth in the Tablelands region. Services to include:

- Providing connections between existing and new activities/enterprises/attractions (both tangible and intangible) to form defined experiences.
- Identify product and infrastructure gaps and commercial opportunities within the experiences developed, including soft infrastructure such as interpretation and guiding.
- Determine the format of the development framework as outlined above, including the recommended clusters, routes and trails.
- Develop recommended planning, infrastructure development, business development and promotion strategies, and identify grant procurement options to support the development of the experience development framework.
- Actively seek out potential investors by developing a portfolio of potential tourism opportunities in the region.

5.2.4 OUTCOME 4 - Recommended Short, Medium and Long Term Developments

In determining the priorities for the market and product needs for the area, the panel sought to identify those items and factors that would at the same time:

- Act as a catalyst to broad based development of tourism in the area.
- Increase appeal, access to and dispersal within the Tablelands.
- Tangibly assist in consolidating and enhancing the core competencies
- Provide the most effective use of the available funding to seed the growth and development of tourism to and within the Tablelands.
- Meet the project objectives

As such there are some development opportunities which warrant further assessment to see if they can address the above issues and break down the barriers to growth.

The major gaps in tourism positioning and infrastructure on the Tablelands which create some opportunities are:-

1. A properly focused and consistent positioning that connects with and appeals to identified core markets
2. The mechanism to bring together and build upon a range of individual activities, attractions and facilities as consistent and comprehensive experiences.
3. Appropriate interpretive and guiding services to develop and create visitor experiences
4. A transport experience that will have the effect of drawing visitors beyond Kuranda and encourage wider dispersal
5. A major lodge, with flexible accommodation suitable for a wide range of different customer bases.
6. The development and facilitation of an Iconic walking experience (vis. Milford Track, Cradle Mountain or Bay of Fires)
7. Suitable accommodation and visitor facilities for wetland bird watching, and natural retreat.
8. Ongoing upgrading of key regional heritage sites.

Product Development Opportunities

Short Term 1-3 Years

Develop a focused and consistent positioning for the Tablelands area
To be related to experiences based on nature and food/indulgence, and a brand that is centred on the essence of 'Natural'.

Appoint a development consultant
The provision of professional support services to co-ordinate and drive the design and development of initiatives that support tourism growth in the Tablelands region. It is the panel's recommendation that these services are managed by the Region Tourism Organisation (TTNQ) in close co-operation with Tourism Tropical Tableland and the Shires of Atherton, Mareeba, Eacham and Herberton.

5.2.4 OUTCOME 4 - Recommended Short, Medium and Long Term Developments – cont.

Develop a new transport experience linking Kuranda with Atherton

Using existing infrastructure. The experience would involve the scenic river gorges, rain forests and different types of farming. The experience would have high level of interaction, activity and interpretation. The experience would:-

- Turn the Skyrail and Kuranda Rail into important links with the Tablelands – can be marketed and packaged in association.
- Attract new markets to the Tablelands – including the important backpacker market
- Provide opportunities to tour operators to disperse customers to other locations and experiences in the area
- Encourage overnight and extended stays on the Tablelands through better access to and utilisation of existing and new accommodation (including the new Barron River Backpackers Lodge).
- Create other business opportunities and enhancements in the area.

The development of flexible accommodation complex incorporating conference facilities

Opportunities for larger accommodation facilities providing a more diverse range of services (conference facilities, spas etc) should be investigated as a matter of priority. This would allow the region to attract additional markets. Markets that could be attracted include:

- Local short break
- Domestic and international leisure
- Education and training
- Conferences and business meetings (including Incentives)
- Self development/improvement (including cooking classes featuring local produce)
- Indulgence

Such a facility could support the following activities-

- Nature and nocturnal activities and tours (with expert guides)
- An upmarket 'night-sky experience' possibly including dining.
- Bird watching
- Walks (short and long)
- Cycling and cycle tours
- Other sporting activities such as swimming and tennis
- Golf

In making this recommendation, it was observed that the development of such properties had had a major catalytic effect in the development of areas such as Uluru, Port Douglas and Blue Mountains. In the case of Uluru and Port Douglas, where it was difficult to make a business case on existing fundamentals, the proposition was enhanced through the provision of suitable land and other business incentives, in recognition of the developmental role of such a property.

5.2.4 OUTCOME 4 - Recommended Short, Medium and Long Term Developments – cont.

Expansion of existing nature-based experiences (such as the Mareeba Wetlands) to incorporate safari/lodge style accommodation.

The panel was impressed with the potential of the Mareeba Wetlands to be developed as an internationally recognised Wetlands Bird Observatory experience. However the existing facilities limit the commercial viability of tourism operations. It is recommended that a business case be made to attract a commercial operator to operate an appropriate safari/lodge style accommodation and visitor facilities (including catering) at the Wetlands or other suitable locations.

Enhance the existing Food Trail and extend the experiences available through the support of additional product that allows visitors to follow produce from the "paddock to the plate"

This allows tourism to be more directly associated the Atherton Tableland's other major industry and provides a promotional tool for a regional produce. Opportunities for primary producers to supplement income by participating in tourism would be generated and as would opportunities to value-add to produce by selling finished product at the farm gate or other local outlets.

Development of accommodation for the expanding school excursion market.

There is an already existing and important market segment from Japan spending time on the Tablelands. However, further growth in this market is limited by the lack of additional suitable accommodation and access to educational facilities. It is recommended that opportunities to develop the essential facilities to suit the growing market be examined. It is further recommended that there be increased emphasis on experiences and interaction be increasingly based upon 'nature'

Consider the "soft infrastructure" needs.

While much of the recommendations involve the development of 'hard' infrastructure, there are a range of 'soft' infrastructure developments that can be undertaken in the short term and will complement and advance the development of a range of experiences. These include:-

- The training of guides and interpreters and the development of commercial guiding services;
- The organization of events (e.g. Eco Challenge, Triathlon) which both highlight the natural positioning of the area and generate wide publicity of it;
- Develop a fully integrated Visitor Information strategy as a part of the Product Development Framework including the integration and improvement of visitor information services, information technology services collateral (brochures, maps point of sale material etc);
- Develop road signage to emphasis the different experiences relating to clusters, tourism routes and themed trails.

The further development of Farm Stay tourism particularly for the international leisure, technical and industry tour markets.

5.2.4 OUTCOME 4 - Recommended Short, Medium and Long Term Developments – cont.

Further development of the Canopy Walk

The panel believed this development to be of great importance to become a key core to what will become an important cluster in association with the Misty Mountain Walk. In addition to the current facilitation of the Walk, further commercial development opportunities include:

- The creation of an iconic 3 – 4 day Misty Mountain walk with experienced walking guides and the provision of rustic but comfortable overnight accommodation. Unlike the famous walks in New Zealand, Tasmania, Europe and America, this walk could operate almost 12 months of the year. It is noted, for example, that the 4 day Bay of Fires Walk in Tasmania costs $1350 per person and is heavily booked throughout its 6 month annual season.
- The development of a lodge to be used as a base for the Misty Mountain Walk and the Canopy Walk, as well as other nature based and nocturnal night sky and night time rainforest experiences.
- The development of a range of tours and interpretive services.

It also provides an increased reason for self drive tourists travelling to or from Cairns to divert via the Palmerston Highway through the Tablelands.

The outback experience

There is increasing interest in experiencing the "Real Australia" and the outback can fulfil this need. The potential is currently limited by lack of facilities, accommodation and marketing. The experience at Chillagoe is an example where it fails to deliver on the need for involvement and interaction.

Using Chillagoe as an example we can see identify what areas would require attention:

- The area be developed as a soft adventure cluster, including speleology tours /cave exploring expeditions with expert guides
- Development of a quality backpacker facility
- Development of a night sky viewing experience
- Add additional tours from Chillagoe, possibly including Fossils, with quality guiding and interpretive services.
- That marketing of the area be substantially increased, based on the adventure experience, rather than the caves, and be targeted at the young singles market segment.

Development of Aboriginal walks with authentic interpretation.

Include aspects of local indigenous culture, bush tucker/medicine, stories of the dreamtime and Aboriginal lore.

Health Lodge and Spa:

While there are opportunities to incorporate such facilities into large accommodation centres, the panel believes that small, boutique operations in secluded locations would both appeal the key markets and be in tune with the marketed image of the region.

The opportunity exists to include promotion of health giving properties and derivatives of local produce (e.g. Mangoes, avocado etc).

5.2.4 OUTCOME 4 - Recommended Short, Medium and Long Term Developments – cont.

Medium Term 3-5 years

Development of Aboriginal walks with authentic interpretation
Include aspects of local indigenous culture, bush tucker/medicine, stories of the dreamtime and Aboriginal lore.

The development of flexible accommodation complex incorporating conference facilities
It may be a 40-60 room 4 star complex which would focus and deliver on the core experiences and values of nature, good food and indulgence. Ideally the property would be owned or managed by an internationally recognised hotel chain which would provide wide market distribution, marketing muscle and brand recognition. The property would be associated with either an existing or new cluster. Markets to be attracted to include:

- Local short break
- Domestic and international leisure
- Education and training
- Conferences and business meetings (including Incentives)
- Self development/improvement (including cooking classes featuring local produce)
- Indulgence

Activities to include:

- Nature and nocturnal activities and tours (with expert guides)
- An upmarket 'night-sky experience' possibly including dining
- Bird watching
- Walks (short and long)
- Cycling and cycle tours
- Other sporting activities such as swimming and tennis
- Golf

The correct location would need meet the following criteria:

- A breathtaking aspect and spectacular views
- Serene location
- Not in an existing town

It is recommended that funding be provided to seek out suitable location(s), establish a business case, including an arrangement to provide suitable land for development. It is also recommended that as a part of the business case the option of strata titling the development be fully explored. Such a business case would then be promoted to potential developers

In making this recommendation, it was observed that the development of such a property had had a major catalytic effect in the development of areas such as Ullaru, Port Douglas and Blue Mountains. In the case of Ullaru and Port Douglas, where it was difficult to make a business case on existing fundamentals, the proposition was enhanced through the provision of suitable land and other business incentives, in recognition of the developmental role of such a property.

5.2.4 OUTCOME 4 - Recommended Short, Medium and Long Term Developments – cont.

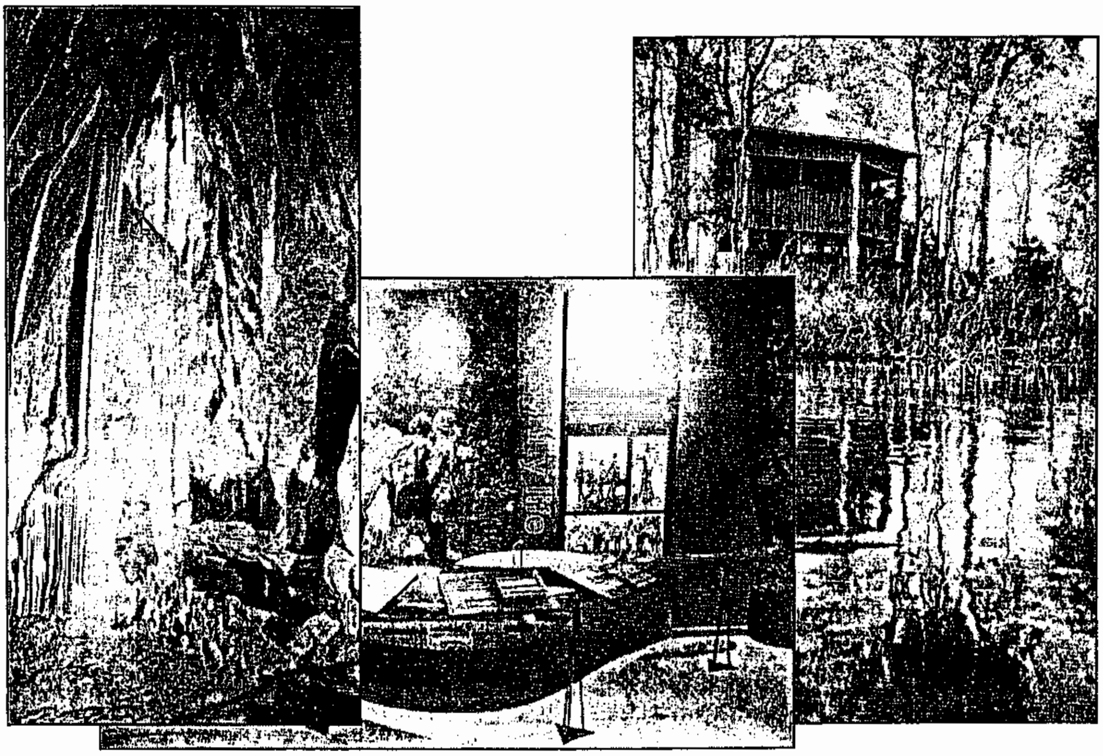
Long Term: 5+ years

Development of 'El Questro' style accommodation
Offering a combination of 5 star accommodation and service and associated 5 star tented accommodation similar to the new Ayers Rock Resort accommodation, or Paper Bark Camp on the NSW South Coast. It would need to be based in a spectacular and secluded location.

Golf Course/Country Club:
Needs to be associated with a residential/retirement development to ensure critical mass and flow of patronage. To include accommodation (possibly strata titled) and conference centre.

Regional compatibility
While the panel believes that the aforementioned options are consistent with a product image of the Tablelands that will have maximum appeal and therefore should be carefully considered, the panel also recommends against a range of development options which it felt would be counter productive to the strategic direction and development of tourism on the Tablelands. Indicative of these would be such developments as:

- Casino
- Developments that detract from the 'natural' positioning and serenity
- Theme parks or 'artificial' attractions
- 'Cheap' chain accommodation
- High-rise
- Noisy backpackers night clubs
- Noise and visual degradation



APPENDIX 1

A Mechanism for Developing Short, Medium and Long Term Development Options and Priorities

The Background

The first part of the report provides an extensive and precise overview (based of the best available data) of the:

- nature of tourism in the region;
- the main markets currently being tapped;
- the varying market segments, and,
- the experiences being sought.

The Outcomes

We previously identified priority markets, segments and experiences that the Tableland is best positioned to exploit and made some suggestions on the types of hard and soft infrastructure that could be developed to ensure maximum market penetration.

However, it was not the panel's remit to make recommendations on specific projects. The ATSR Program seeks to encourage regions to become more self-sufficient by supporting innovative initiatives that are:

- Sustainable;
- Act as catalysts for further business growth;
- Provide for direct and indirect economic gains
- Provide employment opportunities for local people

The Challenge

While the level of tourism related expertise on the panel was extremely high, the panel could not possibly foresee and properly assess all of the potential initiatives that could best grow tourism on the Tablelands. Indeed the panel was most impressed with many examples of locally developed initiatives that were surprisingly successful – i.e. the Coffee Works at Mareeba and the Crystal Caves at Atherton. If these projects had been put up for be assessed by tourism experts it is likely that they would have been assigned a low priority.

The challenge the panel grappled with was how to design an open, fair and objective process that could compare potential ventures such as a 5 Star Hotel with a Bunk-house in the rainforest to accommodate walkers on a long distance track.

The panel also acknowledged that people put a lot of time and effort into proposals and that some attempt should be made to ensure the end process for assessing proposals could be used by proponents to self-assess their project against set criteria and have the opportunity to make adaptations to increase their chance of success.

Further, the panel identified the need for higher levels of investment to 'kick-start' some of the larger potential projects. To achieve this, the panel sought to design the assessment process in much a way that it could be used by venture capitalist to identify investment opportunities.

The Solution

The panel has chosen to use a methodology used commonly in science, planning and other disciplines to assist decision making when a range of inconsistent criteria needs to be taken in account. It involves combining quantitative data with qualitative assumptions. The methodology is known as Multi- Criteria Assessment (MCA). In most cases where MCA is applied highly complex mathematical formula are involved. The panel has deliberately decided to use a less complex method of applying MCA for a number of reasons which include:

- Tourism is a very complex industry in which decisions to travel are made by individuals. These decisions could be reached on: cost; word-of-mouth recommendation; advertising, film and TV media etc. It is virtually impossible to apply a numeric value to what makes people come to a region;
- Where quantitative data exists on visitor numbers and spend, it is at best, a best guess estimate;
- The success of many tourism projects depends on the person or persons driving them (e.g. Paronella Park) and again it is an impossibility to assign a numeric value to personality and drive;
- The region is blessed with individuals and organisations that are highly experienced and skilled in tourism. This knowledge and skill should be utilized in growing tourism through ATSRP.

Moving from Insight to Decisions

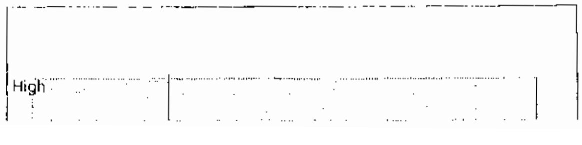
The proposed method of applying the Tablelands Multi- Criteria Assessment process helps us move from insight to decisions. It works as follows:

- Reviewing the data gives us insights on what is required. What we need however is a means to use this knowledge to lead to disciplined decisions.
- The MCA model is a system which will give us comparative guidance and assist the process of ranking the alternatives
- The MCA model is a multi criteria assessment approach which considers both the available quantitative data and expert subjective assessment, for a variety of factors.
- The MCA tool is designed to plot the alternative options and indicate which provides the best fit for the region
- As such it is a tool for the review committee, which will not only identify best fit but also highlight the variations which can best improve the appeal of various submissions.

Factors which are considered and ranked include:

- The core markets and segments
- The compatibility of the experiential needs with the region.
- The infrastructure gap opportunities which can best deliver the experience

Quadrant Template



- A factor that plots in quadrant A under the variables appeal/yield it has a double positive score and this indicates (for this criteria only) that the project is ideal. This quadrant provides a score of 1.
- Factors that are positioned in quadrants B & C have a high score against one variable but a relatively low score against the other. Projects that have their factors in these quadrants would have to demonstrate how they could improve their weaker score. NB to provide differentiation between factors "close the line' others at the bottom these quadrant allocate scores of 2 or 3 depending on the position.
- The determined quadrant will generate a score for the option. Aggregating the quadrant scores for each of the measured criteria will help us determine the ranking.
- The lower the score the more ideal the project. Hence if we measured 4 criteria a project which scored a total of 4 would be ideal, with decreasing interest being generated as the score increased beyond this ideal.

The levels would be determined by the following scale:

Total quadrant score	**Level**	**Assessment**
1.25X	One	Highly desirable with a chance of success
1.5X	Two	Has merit but needs some modification
2X	Three	Requires a complete review
2.5X	Four	Little chance of success. Should be discounted
Where X represents the total number of criteria being measured		

Level 1&2 projects could be moved to the full proposal stage where detailed assessment of the following would complete the business case:

- Financial feasibility
- Business plan
- Relevant management experience.

The MCA model is not a magic box which automatically creates numbers and gives a definitive answer.

- It relies heavily on informed opinion and good judgment.
- It allows objective comparison of inconsistent variables.
- It demonstrates how a decision is reached.
- Can be used to self-assess projects.
- Can be used to adapt projects to increase the chance of success.

So what can we learn from the MCA?

- Score the options to find the potential hero projects
- Identify the modifications which can improve the viability of the project
- Plot the timescale to determine the priority

Applying the model

It is recommended that a small panel (3 persons) with skills in tourism and business is formed to assess all tourism related applications to ATSRP. This panel would assess all preliminary applications by using the TMCA process – a series of comparative graphs and charts. The panel would then provide a short written report to the proponent that outlined where the projects were ranked.

Projects rated 1 or 2 would then be recommended to the ATSRP Task Force as being worthy of moving to the full proposal stage.

Please note the TMCA process is only intended to indicate that projects are:

- relevant to tourism markets and sectors,
- likely to increase economic benefit to the region and
- are compatible with the vision of tourism development in the Tablelands.

Proponents would be expected to demonstrate due diligence and business planning in their final application to ATSRP.

The Tablelands Multi Criteria Model process

Using the data from part one of this report, and other sources, a series of charts that compare different criteria have been developed. The numeric values assigned have been selected on the best available data and by expert opinion. These values are not set in concrete and can be varied if new data becomes available or unforeseen events change the nature of tourism in the region.

Step 1 – What Markets Come to the Region?

Data on this aspect is incomplete and while studies have been undertaken in recent years there are gaps in the data which prevent complete accuracy. As such assumptions have been made using a variety of sources. The QHTN survey undertaken by Bill Cummings in October 2001 is the most recent survey. Based on a sample of 828 visitors to the region, these results have been used as the primary source information.

The following table indicates the source numbers which the region attracts, and the anticipated penetration and yield impact which the Tablelands could expect from them. The data excludes those visitors who come to Kuranda only.

It highlights the following:

- Total arrivals are estimated to be 520, 000.
- Overnight stays are 265,000, and the balance of 255,000 are day visits*.
- Visitor transport modes were either FIT or coach.
- Coach travellers were predominantly international (92%) and on day visits (75%)
- FIT were 80% domestic and 44% were day visits only
- The domestic market splits as follows:
  - Local : 35% : 182,000
  - Other QLD : 22% : 114,000
  - Interstate : 21% : 109.000
- The average length of stay is 2.3 days, but excluding day visits the average is 3.6.
- The assumed split between day visitors and overnights is as follows, based on the QHTN 2001 survey. We have also calculated the adjusted LOS based on the mix of day trippers.

Source market	Overnight	Day visitor	Overall average stay
Domestic local	47%	53%	1.47
Other Qld	66%	34%	2.7
Interstate	56%	44%	2.5
International	37%	63%	1.96 long/haul 1.5 short/haul

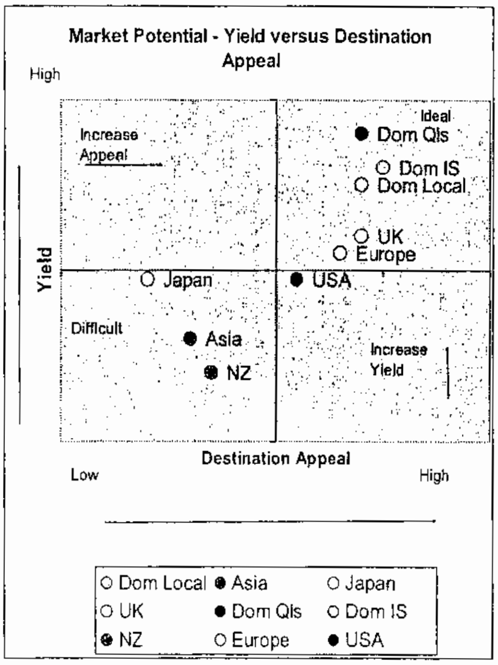
- Total yield equates to $53.5 million.
- International arrivals of 114,000 deliver $17.9m in yield.
- Penetration of all international arrivals into TNQ for the Tablelands is therefore 14%. And the penetration for domestic is 21%.
- This is greater than estimated by previous studies, and it would therefore suggest that prior studies ignored the cumulative penetration from different LGA'S

* split recalculated using the base mix data from the study, relating to FIT/ Coach Split, source markets and overnight stay mix.

Relative Values of Markets

Market	TNQ Arrivals	Tablelands Penetration	Tableland Arrivals	Av daily spend	Av stay	Total Yield	Rank
UK	166,000	25%	41,500	$75	2.0	$6,225,000	4
Eur	112,000	20%	22500	$80	2.0	$3,600,000	5
USA	116,000	15%	18,000	$80	2.0	$2,880,000	6
Ger	57,000	20%	11,000	$80	2.0	$1,760,000	8
JPN	207,000	5%	10,000	$140	1.5	$2,100,000	7
Asia	67,000	10%	7,000	$80	1.5	$840,000	9
NZ	35,000	12%	4,000	$78	1.5	$468,000	10
Dom L	n.a	n.a	182000	$42	1.47	$11.236,000	3
Dom Qld	578,000	20%	114400	$42	2.7	$12,972,000	1
Dom In	473,000	23%	109,200	$42	2.5	$11,445,000	2

Market Potential MCA



- The X axis measures the region's appeal for key regional source markets.
- The Y axis measure the relative yield from this market sector.
- Quadrant A in the top RHS is the ideal fit ie; high appeal and high yield
- Hence the core markets which best fit the region are
  - Domestic QLD
  - Domestic Interstate
  - Domestic local
  - UK
  - Europe
- Quadrant C is the bottom RHS and markets in this sector suffer from low yield.
- Quadrant D suffers from low yield and low appeal.

The quadrant A contains the optimal markets for the Tablelands – i.e. have high yield and high appeal to existing markets. Projects targeting these markets would be given priority.

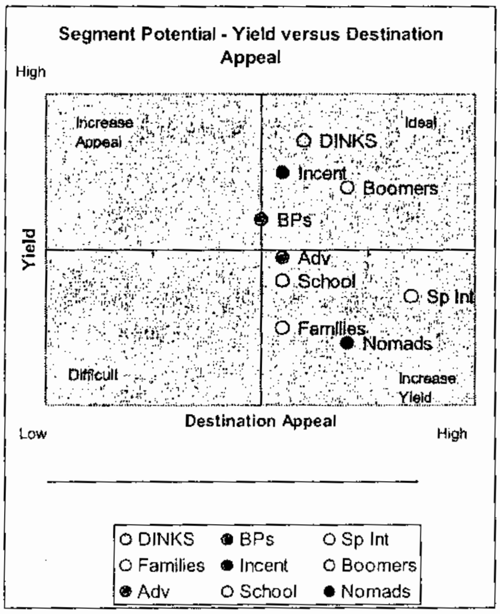
Projects in quadrant 2 have high appeal but limited yield – projects targeting these markets would have to demonstrate how they could improve yield (spend, numbers, stays). The USA market is very close to the line and projects that demonstrated how they could increase yield (time/spend/numbers) could be repositioned into the ideal sector.

The Japan market is small but has a high yield– reflecting its positioning on quadrant 4 in the yield versus appeal graph. Therefore a project that targeted the Japan market would have a low priority unless it could demonstrate how it would increase appeal – therefore yield through larger penetration.

Step 2 - What is the Yield and Destination Appeal to Key Market Segments

Chart 2

Segment MCA



- The X axis measures the regions appeal to different segments based on their preferred needs.
- The Y axis measures the yield potential
- As such in quadrant A we see the ideal segment fit being
  - Dinks
  - Boomers
  - School groups
  - Incentive groups
  - Backpackers
- Quadrant B shows the region has high appeal to these segments but yield is from them is low

This chart shows that the region has a high appeal to many generic markets segments. The projects which target segments in quadrant A not only have a high chance of success due to their appeal but also due to the high potential yield from these segments.

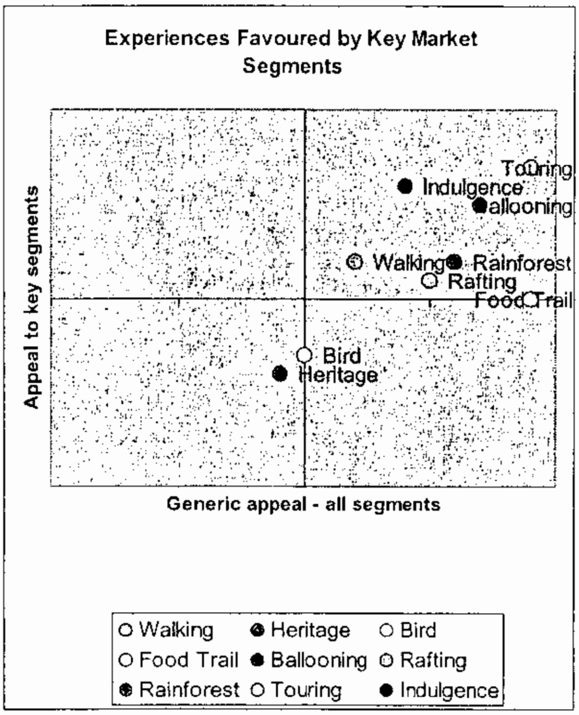
The segments in quadrant B are attracted by the destination but have a relatively low yield. The proponent of projects targeting these segments would have to demonstrate how they would boost yield (spend, numbers, length of stay).

If a segment was in quadrant C the proponent would have to demonstrate how they would boost destination appeal (special activities/facilities/marketing).

If a segment was in quadrant D it would have be deemed to have limited potential.

Step 3 - What are the most attractive experiences to our key market sectors?

Chart 3 – Experience MCA - Experiences against attractiveness to key market segments



- The X axis plots the overall attractiveness to all market segments
- The Y axis shows the attractiveness of various experiences to the key market segments identified in previous slide
- For example while bird watching is an experience which is sought by visitors, it is not in high demand from those segments that provide the highest yield

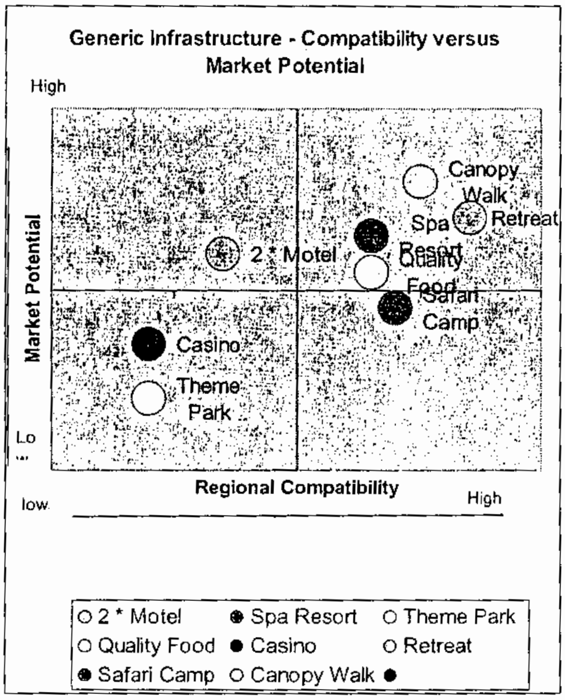
Chart 3 shows the existing experiences offered by the regions, and scores them according to generic appeal and to their appeal to key market segments (chart 2).

This table shows that bird watching is a specialist experience that has low generic appeal and limited appeal to key segments – therefore projects that focus on bird watching would most likely have to have additional attractions that appeal to more segments.

Step 4 - What Types of Facilities are most Compatible with the Vision for Tourism on the Tablelands?

Chart 4

Facility/Experience Compatibility with Region's Image



·The Y axis shows the market potential of the facility/experience.

·The x axis indicates the perceived level of compatibility a facility/experience has with the region's vision.

·E.g. While a "cheap chain" 2 star motel is seen to have reasonable market potential, it as limited relevance to the market segments being targeted.

·The safari style camp is seen as being compatible with the regional vision but would have to demonstrate innovative ways to increase its market potential.

Chart 4 shows some examples (by no means exclusive) of existing and potential facilities and plots them against their compatibility with the Nature, Quality and Indulgence theme of the Tablelands.

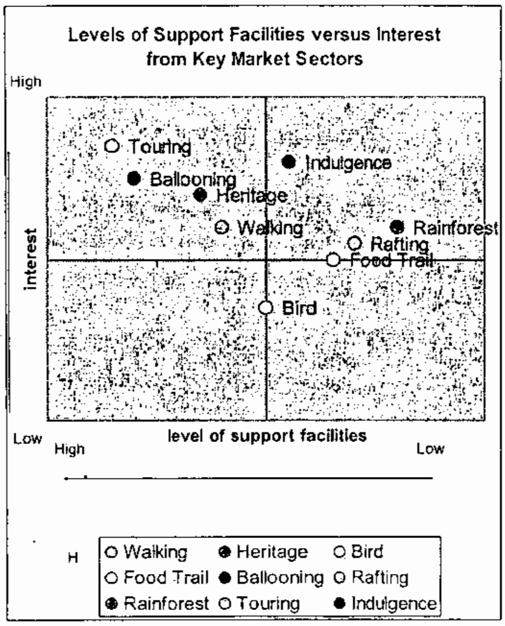
In this case an application for a "cheap chain" motel facility could demonstrate it had reasonable market potential but would have difficulty in demonstrating its compatibility to the Tablelands tourism vision. The panel is not saying the Tablelands does not need such a facility, rather it is not a priority in tourism development.

The Safari Camp facility (say at Mareeba Wetlands) has high compatibly but would have to demonstrate innovative ways to increase its market potential.

Step 5 - Identifying the Gaps in Infrastructure that Support Key Experiences

Chart 5

Gaps in Supporting Infrastructure MCA



- The Y axis shows the level of interest in activities by key market sectors – previous slide
- The x axis shows the existing level of infrastructure that supports the activities
- EG: Ballooning was identified as an important experience but is a low priority for infrastructure development due to existing facilities

Chart 5 seeks to establish where the gaps in facilities that support key experiences lie and by comparing these with the levels of interest in them by key segments allow the assessors of proposals to set priorities for infrastructure development.

In this case the x axis scores sufficient infrastructure on the LHS and notes it as high. The RHS notes that infrastructure provision is low.

For example – while ballooning is a key attraction the existing facilities are adequate and attention should given instead to activities such as rafting or rainforest based activities i.e. fauna spotting

The MCA. A practical demonstration on how it works

The Panel is convened and reviews scores used to form tables and graphs (this revision allows the use of fullest and latest data and takes into account any new trends in the market-place.

The Panel reviews draft applications by putting them through the series of filters.

Example 1
A proposal is received for a four star 50 bed eco-lodge on the edge of the rainforest. The Lodge incorporates a Spa facility and conference venue. The lodge will focus on: Domestic locals, DINKS, Boomers and the USA/Europe/UK markets

Example 2
An application is received for a safari style camp for bird watchers in an area with tremendous bird varieties. Target markets are Europe, UK, USA and segments are special interest bird watchers.

If the two projects are put through the steps 1 – 5, the results are:

Camp

Step	Test	Score	
1	Market	1	9
2	Segment	1	
3	Experience	3	
4	Compatibility	2	
5	Gap	2	

Lodge

Step	Test	Score	
1	Market	1	6
2	Segment	1	
3	Experience	2	
4	Compatibility	1	
5	Gap	1	

Criteria definitions

- Market measures destination appeal/yield
- Segment measures destination appeal/yield
- Experience measures appeal to key market sectors
- Compatibility measures relevance to regional tourism goals
- Gap measures need for infrastructure

Measuring 5 criteria would place the ideal score range between 5 and 6.25.

The conclusion we reach therefore from this analysis is as follows:

Lodge
A score of 6 is within the ideal range, is highly desirable with a strong chance of success and should be further investigated. The only outstanding is to assess the timescale probability. The required timescale to deliver on this concept may be out of ATSRP life.

What can be done to improve it?
Look at factors like support from:

- LG/QG i.e. incentives (land, fast tracking approvals etc)
- Is there a profession and experienced operator on board?
- Are their funds available?

If these factors can be addressed it may move from the long term to medium term.

Safari
The relatively high score of 9 places it at the high end of level 2 and close to a level three ranking. This would suggest it has merit but needs further modification with many aspects requiring review. The main barrier is lack of appeal and low interest to market and too narrow a target market which is in the low yield sector.

What can be done to improve it?
If we look at other sectors it could also target i.e. schools (environmental education camps) and adventure (canoeing, trekking abseiling) it may be possible to boost yield through bigger numbers and longer stays. This could lower the score and make the project more attractive to ATSRP.

Finding the right Formula

The panel is keen that projects that may be long term in their development are not dismissed out of hand.

The graph shows what can be done in the short, medium and long terms and could assist the ATSRP in developing strategic plans.

For example: the 5 star lodge could be a $30 million project with a number of difficult hurdles to overcome (planning approval, money etc).

However, if a detailed business case was prepared and this showed it was highly attractive to investors, the level of difficulty is lessened and therefore the time needed to get it of the ground diminishes. Similarly if the State and Local Government \Authorities were proactively supportive of the project (fast-track approvals, land donation, grants etc). It may evolve into a medium term project.

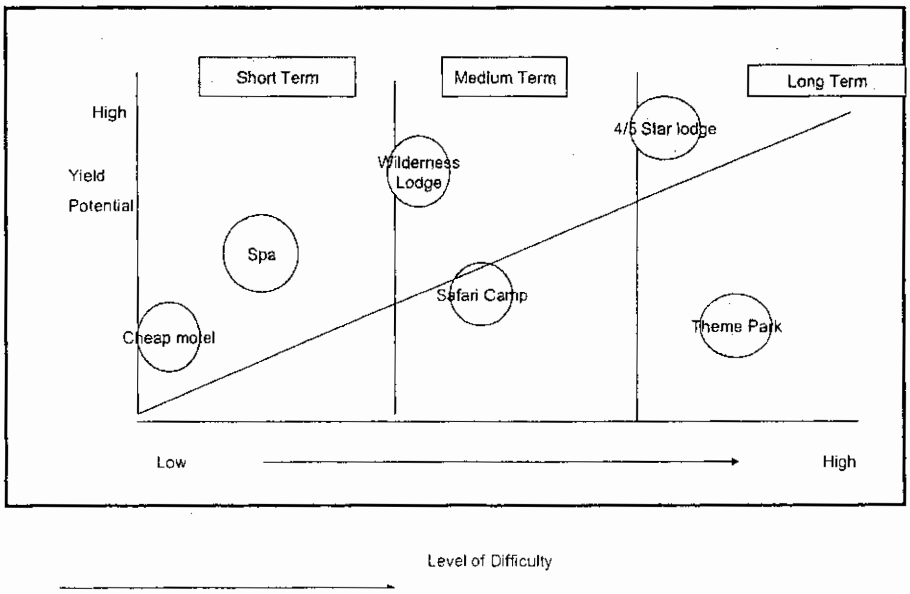
Projects that are difficult and have a low potential yield should not be considered as too risky and time consuming.

Graph six highlights the timeline placement for indicative projects. The degree of difficulty is a factor of the ease of:

- securing investment funds
- obtaining the necessary permits and approvals
- securing the suitable site
- addressing issues such as native title
- identifying a suitable partner/operator

Chart 6

Time Scale Priorities



APPENDIX 2

Additional Recommendations and Observations

While reviewing the positioning and brand of the area, the issue of the name 'Tropical Tablelands' was widely discussed in the context of lack of lack of brand recognition. The panel recognises the sensitivity associated with local names, however it recommended that the name of the Tropical Tablelands used for marketing purposes, be reconsidered for the following reasons:

- The name bears no association or suggests any proximity with either the main gateway or feature of the region.
- For most international visitors the term 'Tablelands' either has no recognition as to what it is, or suggests a flat topped plateau.
- Other areas such as the Gold Coast has changed the name under which the Lamington Ranges are now successfully promoted, to the 'Gold Coast Hinterland'.
- In a similar vein, the panel observed additional confusion with the term 'Tropical' used in association with the Tablelands, when at least its local positioning and one of its advantages is that it offers relief from tropical discomfort. There needs to be consistency in both the positioning and the perceptions projected to all markets.

The Panel recommends serious and urgent attention is given to the marketing name for the Tablelands.

The panel reviewed the brand and positioning of the Tablelands from the point of view that brand and positioning is intrinsically linked to the development of a focused and integrated product development framework and strategy. While it was not directly included in the brief, the panel felt strongly that it was an essential building block for a successful development framework and the creation of iconic experiences.

APPENDIX 3

Individual comments and insights from panel members

Accommodation Considerations for the Tablelands

The Views of a Hotelier
Andrew Turner – General Manager, Mirvac Hotels

As part of the development of the tourism strategy for The Atherton Tablelands some consideration has been given to the accommodation requirements for the area. Currently there are a number of bed and breakfast and tourist style accommodation in the area but nothing of any scale or high quality. In regions such as this accommodation is likely to be provided by one of the following three categories:

- Bed and Breakfast accommodation. Typically these are family operated businesses of less than 10 rooms.
- Lodges. This can be either a moderate standard or high quality and is generally between 10 and 30 rooms. Typically ownership of this type of accommodation varies from family companies to smaller corporations or a consortia of individuals.
- A 4 to 5 star hotel with 30 to 80 rooms.

These notes cover the likely considerations for the development of a 4 to 5 star property. Any developer or prospective hotel owner would consider the following with regard to the development of such a property:

1. The demand generators. Clearly there have to be sufficient reasons for people to stay in a reasonable quality hotel and pay rates of say between $120 and $200 per night. These generators can be divided between external (the attractions provided by the region) and internal (the attractions provided by the property itself).

   External generators may be a combination of attractions such as:
   - the Mareeba Wetlands facility
   - a variety of canopy walks
   - day tour options for self touring
   - a variety of food and beverage outlets in the area
   - man-made facilities such as golf courses or theme parks.

   Internal generators are those provided by the hotel itself. These include:
   - quality accommodation
   - an attractive location such as beside a lake, with mountain views and generally in an isolated and serene environment.
   - facilities such as indoor and outdoor pool, spa, health club and golf course also assist.
   - conference facilities are an essential part of any property more than 40 rooms and a flexible space that can be used by more than one group with modern up to date facilities is essential.

Unless these features are of significant scale these internal generators are likely to be supportive to the external generators.

2. Availability of land. Clearly sufficient land needs to be available in an environment described above. This needs to be at a price that makes sense in the feasibility. There are many precedents for the Crown or council providing land at no charge or at least deferred payment term to attract hotel developers to a region. In addition developers look to councils that are pro development to ensure a timely processing of development and building applications.

3. Funding. The developer will need to fund the project in two principal ways:

    a. Finding a take-out purchaser. The project will need to demonstrate a return in excess of 10% from Year 3 onwards. Outside main centres such as gateway cities and major resort destinations an owner is likely to be a local business or consortia of local business people.

    b. Strata Title. This has become a popular way of funding projects where the developer sells the units to individual investors and either retains ownership of the management lot or sells it to a hotel operator. Generally investors are looking for a 5%-6% return plus usage rights.

In either of the above it would be essential to attract a well known hotel management company to operate the property. The appropriate brand will have a high level of customer acceptance and the right management company will have an appropriate distribution system to sell the hotel through domestic and international operators, airlines and electronically.

Conclusion

It is possible that a developer and/or a hotel owner could be attracted to The Atherton Tablelands. The major considerations would be the ability of an accommodation facility to attract demand as a result of the environment and the built facilities. The availability of appropriate land at the right price and a cooperative council would also be essential.

Considerations for Winning in the International Market

The Views of an Inbound Operator
Denis Pierce – Managing Director, ATS Pacific

From my unique perspective as an inbound tour operator handling some 50,000 people annually principally from Europe and North America,.....

In the general scheme of things, smaller regional areas such as the Tablelands fight for exposure in already crowded visitor's itineraries. Therefore the target markets are either, second or third time visitors or those with an " extra few days " to spend.

Areas of the country that can cater to some special interest requirements are also attractive for those who can be categorised as "visit with a purpose." This is often in the sporting, educational or soft adventure sector. These sorts of visitors do not look for 5 star accommodation but tend to steer towards the experiential.

In order to attract these people the process of communicating the attractions of an area must be very clear and concise. Overseas wholesalers need to be encouraged to brochure an area by way of training, education and in some cases brochure support. In the cold hard business world, there needs to be a commercial return or at least the possibility of such a return for secondary tourism areas to get any exposure. Their partners, the Australian based ITO's need to be trained and provided with famils. Thus equipped, an ITO can provide regular business from a wide variety of markets and for market categories.

Ideally an area should have a unique point of difference...a unique selling feature not offered easily in other places. Accommodation needs to be of a reasonable standard but if attractions are unique enough, then people will come. The person (Regional Sales Manager) for the area needs to be able to relate to and understand the various layers of distribution and project effectively his/her intimate knowledge of the area.. There are many areas that owe their success to the person charged with promoting that area.

A destination marketer's perspective
Gus Maher, MD Maher Initiatives

Whilst **Marketing** will ultimately hold the key to further successes in the Cairns Highlands, assessing such was not our task. Those successes will be precipitated by development of infrastructure, and this was our major focus in the group.

Naturally Accommodation and Transport dominated our discussions as these are the lynchpins to ongoing growth. However, other infrastructure is also critical to form a solid framework.

I will though take two divergent views here; not so much an 'each way bet', but applying some reality to the situation rather than simply taking a text book approach.

Firstly, my own "textbook" is the Hunter Valley region, where of course Wine dominates. Our assessment in the Tablelands was that Nature based or Natural elements were the key asset.

Recent years in The Hunter have seen a plethora of infrastructure being developed to complement Wine Tourism and the broad socio economic demographic that it draws.

Rather than visiting The Hunter and simply tasting wine, Visitors now enjoy (day) Health Spas, Chocolate shops, Cheese shops, Antique stores, Art and Craft Galleries, Wine Accoutrement (glasses/decanters etc) stores, Wine and Cooking Schools, Ballooning etc.

These aspects broaden the experience, provide a greater economic stimulus for the area, and give people a reason to stay longer and visit more often.

They are critical as a support mechanism to the main game - being Wine.

Similarly, divergent activities are necessary to complement such iconic experiences as Walks, Lakes, Rainforests and Wetlands in the Tablelands as per the final report.

However another more simplistic view is that we are not really **building** a Region (as such) here. The **Region** (TNQ) is indeed extremely successful and what we want to achieve is hiving off a greater proportion of current TNQ visitors to also visit the Tablelands as a microcosm.

A devils advocate view could be to solely address the major impediments of Accommodation and Transport, along with 'iconic' infrastructure (walks, interpretive, wetlands etc) only at this juncture and then move very strongly on the marketing issue.

The view could and indeed should be, that we are not trying to compete with eg Cairns and the Reef, more so complement it, and as such do not need at this stage to build an enormous array of supplementary infrastructure.

Indeed that will follow quite naturally as business people observe the opportunity to capitalize on the growing number of Visitors who use The Tablelands simply as a deviation from the Lowland activities.

Whilst my summary concentrates on infrastructure, I will at least make mention of the Branding and Positioning issue.

Having these aspects set correctly is as important as the infrastructure itself – a window for potential Visitors to peek through before they commit themselves.

Finally and balancing my differing views above, I recognize that indeed both scenarios are applicable. Whilst the major market for the region as a whole is Interstate and International, there are indeed many businesses who rely heavily on the TNQ market itself, who will indeed travel to the Tablelands as a Destination

A Corporate Advisors Perspective
Cam Charlton, MD Kleinhardt FGI

Introduction

The Tourism Strategic Plan defines a detailed and logical set of criteria against which competing alternative potential new tourism developments might be assessed for compatibility with the region's strengths and opportunities.

The Sustainable Regions funding is limited. Applications for financial assistance will be competitive. We anticipate that a number of proposals will more than adequately match the criteria established by the framework. How then to differentiate between sound alternatives? The answer lies in considering those matters that will ensure "best bang for the buck".

In this regard, we recommend, that consideration also be given to additional criteria as follows:

- Leverage benefits, and
- Sustainable business success factors

Leverage benefits

Whilst alternative proposals might more than adequately meet the framework criteria, there could be marked variances as to the actual "multiplied" economic benefit to the region. Additional matters for consideration include:

- The extent to which the project will itself act as a generator or stimulant for subsidiary or affiliated business development and investment.
- The scale of the project and the extent to which capital will be subscribed over and above grant funding advanced.
- The extent to which the project will contribute to the attraction of "new" visitors, as opposed to simply "stealing" market share of existing visitors.
- The extent of leverage that might be available by virtue of connections and linkages. For example, a "Brand name" accommodation management company, with established sales and marketing distribution systems, will have a greater capacity to actually promote the broader regional destination than might a new entrant with relatively limited capacities.
- The extent to which the project has capacity for growth.
- The extent to which incremental employment opportunities are generated.

Sustainable business success factors

Greatest economic benefit will be achieved from business developments that not only survive, but prosper. Applications for grant funding should be accompanied by a detailed business plan. Key matters that should be demonstrated in a sound business plan include:

- A clear definition of target markets and segments, and a clear understanding and appreciation of:
    - The requirements of those markets and segments, and

- The competitive advantages that will exist in delivery of product to those markets, enabling both capture of market share and generation of new business.

- Evidence of soundly based market research supporting market selections and forecast visitation.
- A product concept that is actually designed to appropriately meet those identified market requirements. Staged growth in product development commensurate to realistic expectations in market penetration.
- Product capacities that are appropriately proportionate to realistic forecasts of visitation and occupancies.
- A defined, targeted and resourced marketing plan, and a clear understanding of tourism distribution systems.
- Competent (and experienced) business management, and relatively available and competent and skilled support personnel.
- Sufficient financial resources to enable full capital spend, the provision of adequate start up and on-going working capital, together with an appropriate provision for contingency and risk.
- Realistic financial forecasts that incorporate rationale and (where possible) evidence, in support of key revenue assumptions, particularly including occupancy and visitation rates, rack rates, sources of bookings, net achieved rates, and receipting lead times.
- Risk and contingency assessment and mitigation planning.

APPENDIX 4

BILL CALDERWOOD – Panel Chairman

A career spanning thirty years with the last twenty in Tourism, Bill has been involved in all aspects of tourism leading major companies in the fields of retail, wholesale, inbound and international destination marketing.

Joining as CEO of Tourism Tropical North Queensland in 2002 he has previously held the positions of Deputy Managing Director of the Australian Tourist Commission, Chief Executive Officer of Traveland, the largest travel organization in Australia, and the Managing Director of Contiki Holidays for the Asia Pacific region and the USA.

A graduate of University of N.S.W. with a major in marketing, Bill's early career was in senior consumer marketing and sales roles with Unilever and Dunlop.

Bill currently is on the boards of the Queensland Tourism Industry Council, Advance Cairns, and Chairs the Alliance for Sustainable Tourism.
He has also held board positions on the international executive board of the Pacific Asia Travel Association, Best Western Australia, and ATEC the premier association for the inbound tourism industry in Australia.

GUS MAHER – Panel Member

Until recently Gus Maher was CEO of Hunter Valley Tourism, giving him an excellent insight into Regional Tourism in an area of major Tourism visitation.

Gus' career prior to that has been a blend of Product, Inbound Operations, Research and Development, and Sales and Marketing all at Senior Management level in Tourism related businesses. He is a past recipient of the prestigious 'ITOA' Award for his contribution to the development of inbound tourism to Australia

Gus now represents several diverse interests within the Tourism sector on a Project Management basis.

ANDREW TURNER – Panel Member

Andrew Turner has been in his current position of General Manager, Mirvac Hotels since August 1994. He is responsible for the management of Mirvac's 21 hotels in Australia and New Zealand, operating under the key brands of Marriott, Sebel, Quay West and Plaza.

Mirvac Hotels is a wholly owned subsidiary of the Mirvac Group, one of Australia's major property companies. Mirvac have been in business for 30 years and specialise in residential developments including some of Australia's landmark buildings. Mirvac's current major projects include Newington and Walsh Bay in Sydney, Burswood in Perth and Beacon Cove and Docklands in Melbourne.

Prior to his current role Andrew Turner was General Manager, Marketing for Mirvac Hotels. Previous roles were held in the hotel and travel industry in Australia, France and the United Kingdom. Andrew Turner holds a Bachelor of Science degree in hotel management from the University of Surrey (UK).

CAMPBELL CHARLTON - Panel Member

Cam Charlton is a director of Kleinhardt FGI Pty Ltd, with responsibility for carriage of the firm's tourism industry development portfolio.

Cam has in excess of 18 years experience in consulting to tourism operators, and regional economic development agencies, throughout Australia, Papua New Guinea, the South Pacific and Asian region. His project work encompasses strategic and business planning, product development, market research and market planning, feasibility analysis and financial management.

Cam holds Commerce and Law degrees from the University of New South Wales, is qualified as a Chartered Accountant, and as a member of the Institute of Management Consultants in Australia.

Cam is currently Chairman of Tourism Tropical North Queensland, having served as a Director since 1996. He is also a Director of the Cairns Region Economic Development Corporation.

DENIS PIERCE - Panel Member

Denis has over 32 years experience in the inbound travel industry including 9 years in California with both the New Zealand Tourism Board and Newmans Tours. He is a past chairman of the Inbound Tourism Organisation of Australia (ITOA) and served 7 years on that board.

A recipient of the 2000 Inbound Tourism Award of Excellence in recognition of his outstanding individual contribution to the Australian inbound travel industry.

Currently a board member of Tourism New South Wales.

JOHN MC INTYRE - Panel Member

John McIntyre has an extensive background in education, training, natural resource management, tourism and regional development. John is a long term resident of TNQ and has been directly involved in:

- The development of a network of environmental education centres in the region
- The development of the Heritage and Interpretive Tourism course
- The instigation of the Cassowary Recovery Program
- The Wet Tropics Network of Visitor Information and Interpretation Centres
- The implementation of 15 major projects in the region under the Queensland Heritage Trails Network.

John is currently working a tourism development consultant to Tourism Tropical North Queensland.

JOHN KING - Consultant and Facilitator

John King is Managing Director of Sydney based tourism marketing and development consultancy, Global Tourism & Leisure and works as an adviser to tourism authorities and industry organizations principally throughout the Asia Pacific area. His 30 years tourism industry experience includes 12 years in senior executive positions with the Australian Tourist Commission, including directing its successful marketing strategies in key overseas markets.

Since establishing his own company in 1995, he has been appointed to a number of prestigious national and international tourism industry positions, including:-

- Member, Forum of Advisors, World Tourism Organization Business Council.
- Member Editorial Board of the International Journal of Vacation Marketing
- Member Sustainable Tourism Committee, Pacific Asia Travel Association

He has been Chairman of Tourism Tasmania for the past six years, and Chairman of the organising committee for the 2001 World Tourism Convention held in Hobart.

He regularly writes on trends and issues affecting tourism for tourism related publications around the world and is a regular speaker and facilitator at tourism or marketing conferences or workshops in Australia and overseas.

APPENDIX 5

INFORMATION SUMMARY

9.1 There is a deficiency of specific Atherton Tablelands profile research

A four page list of studies and reports was initially reviewed.

Reports and studies further analysed, however, included:-

1. Part 'A' A Tourism Strategy for the Tropical Tablelands (ATPB – undated)
2. Part 'B' A Tourism Strategy for the Tropical Tablelands (ATPB – undated)
3. Chillagoe Region Tourism Action Plan – Nov. 2000.
4. Heritage Tourism Linkages Plan for Tropical North Queensland, Project Report – Oct. 2001.
5. Wet Tropics – World heritage Tourism Infrastructure Initiative, Cost Benefit Assessment (WS Cummings – Feb '96 and March '97)
6. Mareeba Shire Council, Community Impact Assessment (KPMG – May 2001)
7. Queensland Heritage Trails Network (FNQ) Tablelands Tourism Survey (Cummings Research – Sept/Oct 2001)
8. Queensland Heritage Trails Network (FNQ) Tablelands Tourism Survey – Appendix 2. (Cummings Research – Sept/Oct 2001)
9. Heritage Tourism Linkages Plan for Tropical North Queensland (Environment North Oct. 2001.)
10. Report to the Taskforce Literature Review of Reports of Economic Development on the Atherton Tablelands 1996 – 2001 (May/June 2001)
11. Tropical Tablelands Marketing Plan 2002/03
12. Draft Strategic Plan for the Economic Development of the Atherton Tablelands (Kleinhardt Consulting Oct 2001)
13. Business Plan – Atherton Tablelands Promotion Bureau (2001/02)
14. Atherton Tablelands Market Analysis, Domestic Visitors

9.2 TNQ region data for both domestic and international visitation is adequate; Some of the origin specific data however may have low validity due to small sample size. This information related principally to the source markets for TNQ and principal activities undertaken

9.3 State and Australia-wide research; supplied by Tourism Queensland (TQ), Australian Tourist Commission (ATC), Bureau of Tourism Research (BTR) included significant information on the nature and sources of tourism to Australia/Queensland. In addition ATC product experience research undertaken in key Asian/Japan markets, and See Australia Campaign research of the motivations/barriers for domestic tourism were also analysed.

9.4 A thorough asset inventory of the tourism attractions, facilities and services on the Atherton Tablelands was undertaken, however tangible assets tended to dominate the list.

9.5 It appears that no 'values inventory' of residents of the Atherton Tablelands exists, however the panel had the chance to speak with representatives of the tourism industry in the area.

ATTACHMENT G

SCHEDULE OF ATTENDANCE – KIMBERLY ACC AND SRAC MEETINGS DOTARS CANBERRA BASED STAFF

Kimberley Sustainable Region Advisory Committee

2003	
16 July	Ms Wendi Key and one non-SES officer 2 non-SES officers (via teleconference)
10 October	One non-SES officer
2004	
11 February	Ms Leslie Riggs, Mr Gary Dolman, Ms Wendi Key and one non-SES officer (all via teleconference)
23 March	One non-SES officer
21 April	One non-SES officer (via teleconference)
28 July	Ms Wendi Key
22 September	No DOTARS attendees
1 December	One non-SES officer
2005	
28 February	Ms Karen Gosling
22 June	Ms Karen Gosling

Kimberley Area Consultative Committee

2003	
1 July	Ms Leslie Riggs and Ms Wendi Key
18 December	Ms Wendi Key
2004	
11 February	Same as for KSRAC above
23 March	Same as for KSRAC above
28 July	Same as for KSRAC above
2005	
28 February	Same as for KSRAC above
22 June	Same as for KSRAC above