

PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

Northern Horizons – Unleashing Our Tourism Potential

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

Joint Standing Committee on Northern Australia

June 2018
CANBERRA

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Chair's Foreword

Northern Australia is home to many iconic locations that attract millions of tourists from across Australia and the world. Uluru in the Northern Territory, the Great Barrier Reef in Queensland, and Broome with its unique pearls in Western Australia are all world-renowned tourism destinations, but only scratch the surface of what Northern Australia's tourism industry has to offer.

In 2014 the Committee's predecessor, the Joint Select Committee on Northern Australia¹, released its report *Pivot North: Inquiry into the Development of Northern Australia* (Pivot North). *Pivot North* presented an overarching examination of challenges to, and opportunities for, economic growth and development in Northern Australia.

In 2016, the predecessor Committee inquired into opportunities to expand the aquaculture industry. This Committee has now turned its focus to examining ways to stimulate the tourism industry in Northern Australia. The tourism industry presents a major opportunity to support the long term economic and social development of the north and thereby contribute to the sustainability of a large number of remote and regional communities.

Pivot North identified tourism as a significant opportunity for developing Northern Australia. The Australian Government's *White Paper on Developing Northern Australia*, released in 2015, similarly identified tourism and hospitality as one of the 'five industry pillars that play to Australia's strengths and have the most potential for growth.'²

¹ Committee members who were also members of the Joint Select Committee on Northern Australia include the Hon Warren Entsch MP, Ms Melissa Price MP, Senator Dean Smith, the Hon Warren Snowdon MP, Senator the Hon Ian Macdonald (participating member) Ms Michelle Landry MP (participating member) and former Senator Larissa Waters (participating member).

² Federal Government, *White Paper on Developing Northern Australia*, p. 3.

The tourism industry already makes a significant contribution to the employment and economy of the north. In 2014-2015, over 17 million tourists visited Northern Australia and spent over \$9.9 billion.³ At the same time, Northern Australia only attracts a small proportion of overall visits to Australia. In 2013-2014, approximately 9.3 per cent of international overnight stays and 12.7 per cent of domestic overnight stays were in Northern Australia.⁴ This suggests that there may be opportunities to expand the tourism industry to support increased visitation and expenditure across the north.

In order to stimulate tourism growth in Northern Australia, the Committee identified a need to increase visitor awareness of Northern Australian tourism destinations; improve access to the north, and between major tourism attractions; and support the tourism industry to develop products, experiences and attractions on the ground that tourists will want to visit time and again. As such, the Committee has made recommendations which focus on marketing coordination, upgrading transport and telecommunications infrastructure, streamlining regulatory processes for tourism businesses, and enhancing the planning and coordination of tourism destinations and attractions across the north.

Northern Australia's pristine and diverse natural environment and rich Aboriginal and Torres Strait Islander culture are unique to the tourism industry in the north. In addition, many tourists find that the best way to experience Northern Australia's outback is via road, and tourism businesses in regional and remote areas often rely heavily on 'grey nomads' driving through. Harnessing these strengths by enhancing existing, and developing new, cultural, nature-based and drive tourism experiences may stimulate increased visitation, and support the economies and sustainable employment in regional and remote areas of Northern Australia.

A large proportion of the tourism industry in Northern Australia is made up of small to medium sized businesses, many of which are family owned and operated. The government provides support to these businesses and the tourism industry more broadly through programs including the *Northern Australian Tourism Initiative*. The Committee has made recommendations to ensure these government programs continue to meet the needs of the tourism industry in Northern Australia, by expanding eligibility requirements to allow access for smaller businesses and Aboriginal and Torres Strait Islander businesses, as well as increasing the range of services available.

³ Office of Northern Australia, *Submission 39*, p. 3.

⁴ Office of Northern Australia, *Submission 39*, p. 3.

Uluru is one of the most recognisable and iconic attractions in Australia. Uluru is also a sacred site for the local Anangu people. In November 2017, the Board of Management of the Uluru-Kata Tjuta National Park announced that climbing up Uluru would no longer be allowed, a decision which was welcomed by the Committee. This development presents an opportunity to create new and authentic cultural tourism experiences in the Uluru-Kata Tjuta National Park, and other tourism attractions that have the agreement and involvement of traditional owners. While temporary, the Field of Light exhibition is one example of a tourism attraction at Uluru that is already drawing increased visitation.

The Committee travelled to a range of destinations across the north, to ensure local businesses and organisations had the opportunity to present their views in person. This involved holding hearings and inspections in the Indian Ocean Territories (IOTs), which had previously been identified as having the potential to expand its tourism offerings. Despite this potential, the remoteness of the IOTs and limited tourism infrastructure creates challenges to tourism development. The Committee has made recommendations specific to the IOTs to address these specific challenges and capitalise on the untapped opportunities for tourism in this region.

I would like to thank the individuals, businesses, organisations and government agencies who participated in this inquiry. In particular, the Committee appreciated the contribution of small tourism operators who took precious time away from their businesses to write submissions, host Committee inspections, and appear at public hearings. I would also like to thank my Committee colleagues for their participation in this inquiry and ongoing contribution to the development of Northern Australia.

Hon Warren Entsch MP
Chair

Members

Chair

Hon Warren Entsch MP

Deputy Chair

Hon Warren Snowdon MP

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Ms Stephanie Mikac, Secretary

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Contents

Chair's Foreword iii

Members vii

Committee Secretariat..... ix

Terms of Reference.....xvii

Abbreviations..... xix

List of Recommendations xxiii

The Report

1 Introduction.....1

 Tourism in Northern Australia 1

 Opportunities for Attracting Tourism 2

 Challenges to Attracting Tourism 3

 Future of Northern Australia’s Tourism Industry 4

 Previous Inquiries and Reports..... 4

 Pivot North: Inquiry into the Development of Northern Australia..... 4

 Our North, Our Future: White Paper on Developing Northern Australia 5

 About the Inquiry..... 6

 Objectives and Scope..... 6

 Inquiry Conduct..... 6

 Report Structure 10

2 Tourism Funding and Policy Initiatives 13

	Overview	13
	Domestic and International Tourism	14
	Economic Impact of Tourism	15
	Role of Government.....	16
	Australian Government Tourism Funding and Policy Initiatives	16
	State and Territory Government Tourism Funding and Initiatives.....	21
	Regional Tourism Organisations	24
	Local Government Tourism Funding and Initiatives	26
	Local Tourism Organisations	27
	Funding of Visitor Information Centres	27
	Concluding Comment	28
3	Showcasing Northern Australia	31
	Overview	31
	Domestic Marketing of Northern Australia	32
	Northern Territory.....	32
	Queensland.....	32
	Western Australia	33
	Marketing Northern Australia Internationally	34
	Tourist Visas.....	35
	Targeting the Asian Market.....	37
	Cooperation between Marketing Bodies.....	38
	Marketing Opportunities	41
	Attracting and Promoting Events.....	41
	Digital Marketing.....	45
	Marketing Promotions and Holiday Packages	47
	Film and TV Promotion	48
	Concluding Comment	49
4	Enabling Access to Northern Australia.....	53
	Overview	53

Infrastructure Funding.....	54
Northern Australia Infrastructure Facility	54
Other Federal Infrastructure Funding	56
Travel by Road	57
Funding of Roads for Tourism.....	57
Road Funding Opportunities	59
Tourism and Roads.....	61
Road Upgrade Priorities for Tourism	65
Travel by Air	67
Airport Infrastructure	67
Flight Routes.....	70
Cost and Availability of Flights	76
Travel by Sea.....	82
Port Infrastructure	83
Travel by Rail.....	87
Rail Priorities for Tourism	88
Concluding Comment	89
5 Developing the Tourism Industry	95
Overview	95
Planning and Investment	96
Coordination across Northern Australia	96
Data Collection.....	97
Tourism Operators and Entrepreneurs	98
Accessing Australian Government Support	98
Investment and Development.....	103
Costs of Doing Business	105
Regulatory Requirements	105
Insurance	106
Access to Land, National Parks and Marine Areas.....	108

Labour Availability	118
International Workforce.....	119
Training	121
Staff Housing.....	123
Telecommunications.....	124
Telecommunications Priorities for Tourism	126
Social Infrastructure.....	127
Facilities for Tourists	127
Visitor Information Centres	130
Concluding Comment	131
6 Tourism Experiences in Northern Australia	139
Overview	139
Cultural Tourism.....	140
Indigenous-led Approach to Tourism Development.....	141
Building Business Capacity	145
Encouraging a Local Workforce	147
Marketing of Aboriginal and Torres Strait Islander Tourism.....	149
Developing Nature Based Tourism	151
Tourism in National Parks.....	153
Environmental Impact of Tourism	155
Marketing and Developing Ecotourism	155
Drive Tourism.....	157
Scenic Drive Routes	157
Grey Nomads	158
Hire Vehicles and Fuel Prices.....	159
Industrial Tourism	160
Educational Tourism	161
Tourism Case Studies	162
Concluding Comment	162

Appendix A. Submissions	191
Appendix B. Exhibits	197
Appendix C. Hearings, Private Briefings and Witnesses.....	201

List of Tables

Table 1.1	Public Hearings Held.....	9
-----------	---------------------------	---

List of Textboxes

Box 4.1	Inland Queensland Roads Action Plan.....	59
Box 4.2	Aboriginal Communities on the Dampier Peninsula	63
Box 4.3	WA Inquiry into Regional Airfares.....	81
Box 6.1	Climbing Uluru.....	143
Box 6.2	Case Study: Indian Ocean Territories	162
Box 6.3	Case Study: Hamilton Island, Queensland	180
Box 6.4	Case Study: Great Keppel Island, Queensland.....	183

Terms of Reference

The Joint Standing Committee on Northern Australia will inquire into and report on opportunities and methods for, and impediments and challenges to, stimulating the tourism industry in Northern Australia including but not limited to:

1. Domestic and international tourism comprising: recreational, environmental, cultural, educational, and industrial tourism;
2. The role of peak bodies, local communities, and all levels of government in developing and promoting tourism opportunities nationally and internationally, including regulations and workforce issues that may inhibit tourism development; and
3. Communication and transport infrastructure (particularly air, sea, road and rail transport and port infrastructure) which may facilitate and grow tourism.

Abbreviations

2G	Second Generation
4G	Fourth Generation
4WD	Four Wheel Drive
AAA	Accommodation Association of Australia
ACF	Australian Conservation Foundation
ACN	Australian Company Number
ACT	Australian Capital Territory
AMPTO	Association of Marine Park Tourism Operators
ANWT	Australia's North West Tourism
ARTN	Australian Regional Tourism Network
ASBAS	Australian Small Business Advisory Services
Austrade	Australian Trade and Investment Commission
BBRF	Building Better Regions Fund
CDU	Charles Darwin University
CEO	Chief Executive Officer
CIAT	Cocos Islands Adventure Tours
CICS	Cocos Islands Cooperative Society
CIP	Christmas Island Phosphates
CITA	Christmas Island Tourism Association
CKI	Cocos (Keeling) Islands

CYSF	Cape York Sustainable Futures
DIIS	Department of Industry, Innovation and Science
DIRDC	Department of Infrastructure, Regional Development and Cities
DMBG	Darwin Major Business Group
DTC	Department of Tourism and Culture
EKMG	East Kimberley Marketing Group
GBRMPA	Great Barrier Reef Marine Park Authority
GST	Goods and Services Tax
HIE	Hamilton Island Enterprises
IBA	Indigenous Business Australia
ICN	Indigenous Corporation Number
IDC	Immigration Detention Centre
ILC	Indigenous Land Corporation
IOGTA	Indian Ocean Group Training Association
IOTs	Indian Ocean Territories
IQ-RAP	Inland Queensland Roads Action Plan
JSCNCET	Joint Standing Committee on the National Capital and External Territories
KLC	Kimberley Land Council
KM	Kilometre
LDC	Larrakia Development Corporation
LSC	Livingstone Shire Council
LTOs	Local Tourism Organisations
MP	Member of Parliament
NAIF	Northern Australia Infrastructure Facility
NATAG	Northern Australia Tourism Advisory Group
NATI	Northern Australia Tourism Initiative
NBN	National Broadband Network
NBY	Nyamba Buru Yawuru

NLC	Northern Land Council
NSW	New South Wales
NSRF	National Stronger Regions Fund
NT	Northern Territory
OAM	Order of Australia Medal
OHDC	Outback Highway Development Council
PDSTC	Port Douglas Steam Train Company
PMC	Passenger Movement Charge
PM&C	Department of the Prime Minister and Cabinet
Qld	Queensland
QTIC	Queensland Tourism Industry Council
RAC	Royal Automobile Club
RAPAD	Remote Area Planning and Development Board
RDA	Regional Development Australia
RRC	Rockhampton Regional Council
RTOs	Regional Tourism Organisations
RV	Recreational Vehicle
SOCI	Shire of Christmas Island
TCA	Tourism Central Australia
TDDI	Tourism Demand Driver Infrastructure
TEPs	Tourism Employment Plans
TPDD	Tourism Port Douglas and Daintree
TTNQ	Tourism Tropical North Queensland
TV	Television
UK	United Kingdom of Great Britain
USA	United States of America
WA	Western Australia
WAITOC	Western Australian Indigenous Tourism Operators Council
WHM	Working Holiday Maker

List of Recommendations

Recommendation 1

- 2.69 The Committee recommends that the Australian Government, in partnership with Northern Australian jurisdictions, develop new City Deals similar to Townsville (including in Cairns) and that the Darwin City Deal be further progressed as a matter of priority.

Recommendation 2

- 3.78 The Committee recommends that Tourism Australia work in partnership with the Queensland, Northern Territory, Western Australian and the respective Indian Ocean Territories tourism organisations to:
- Identify areas of tourism marketing and promotional overlap and streamline marketing policies and actions across Northern Australia;
 - Identify opportunities to work in partnership, particularly for the marketing of tourist destinations that cross state and territory borders; and
 - Develop a digital Northern Australia calendar of events with events scheduled consecutively (where possible) to encourage travel to and between multiple destinations and events.

Recommendation 3

- 3.79 The Committee recommends that Tourism Australia establish a new, specific and ongoing Northern Australia marketing policy and campaign to increase international awareness, including in Asian visitor markets, of Northern Australian tourism destinations and attractions.

Recommendation 4

- 3.80 The Committee recommends that the Australian Government provide ongoing financial incentives for film and television productions to take place in Northern Australian locations.

Recommendation 5

- 4.103 The Committee recommends that legislation regarding the Northern Australia Infrastructure Facility be amended to allow for participation of the Indian Ocean Territories.

Recommendation 6

- 4.104 The Committee recommends the Australian Government prioritise funding for roads which support the tourism industry, by sealing and/or upgrading the:
- Tanami Road
 - Outback Way
 - Bloomfield Track
 - Roads to and within national parks (including Karijini, Millstream Chichester, Murujuga and Mitchell River National Parks in Western Australia, and Kakadu National Park in the Northern Territory)
 - Hann Highway and the Gulf Development Road
 - Peninsula Development Road to Seisa
 - Drive tourism routes in Queensland including the Overlanders Way, Matilda Way, Capricorn Way, Great Inland Way/Great Tropical Drive, the Western Queensland Inland Way, Peak Downs Highway, Dawson Highway, and the Savannah Way (which also extends through the Northern Territory)
 - Drive tourism routes in northern WA including the Gibb River Road, the Canning Stock Route, the Warlu Way, Kalumburu Road, Cape Leveque Road, Marble Bar to Nullagine and Newman, and Mount Augustus to Paraburdoo

- Extension of the National Highway to the Smithfield Roundabout, which then connects onto the Kennedy and Cook Highways
- Bruce Highway
- Road infrastructure at Coral Bay.

Recommendation 7

4.105 The Committee recommends the Australian Government work with state and territory governments to implement measures to reduce security costs at regional airports.

Recommendation 8

4.106 The Committee recommends the Australian Government as a matter of urgency, in partnership with the relevant state or territory government, provide funding to expeditiously upgrade the:

- Jabiru and Cooina Airports in Kakadu
- Townsville Airport
- Connellan (Ayers Rock) Airport
- Cooktown Airport
- Rockhampton Regional Airport
- Christmas Island and the Cocos (Keeling) Islands Airports
- Monkey Mia Runway.

Recommendation 9

4.107 The Committee recommends the Australian Government conduct a cost-benefit analysis of the impact of current cabotage arrangements on Northern Australian airfares, flight routes, and the tourism industry.

Recommendation 10

4.108 The Committee recommends the Australian Government work with state and territory governments to upgrade ports in Cairns, Darwin, Broome, Exmouth, Dampier, Cooktown, Port Douglas, Christmas Island, and the Cocos (Keeling) Islands (including Home Island) to facilitate access (including for cruise ships where possible).

Recommendation 11

5.147 The Committee recommends that the Office of Northern Australia be funded (for no less than three years) to provide oversight of investment in, and development of, tourism in Northern Australia. As part of this role, the Office of Northern Australia should:

- Conduct an audit of tourism attractions and destinations across Northern Australia, to identify opportunities for private investment and complementary public investment;
- Provide strategic oversight and assist in coordinating the development of tourism destinations across the north, particularly through identifying opportunities that cross state and territory lines;
- Support the development of Aboriginal and Torres Strait Islander tourism businesses and products; and
- Work with all levels of government to identify opportunities to streamline and simplify regulation and approvals relating to the tourism industry.

Recommendation 12

5.148 The Committee recommends that Tourism Research Australia expand and improve its collection of data specifically related to tourism in Northern Australia and further develop and regularly publish a data set specific to Northern Australia.

Recommendation 13

5.149 The Committee recommends that the Department of Industry, Innovation and Science review, with the aim of amending, the eligibility criteria for the

Entrepreneurs' Programme under the *Northern Australia Tourism Initiative* to enable access for:

- A greater majority of small to medium sized tourism businesses operating in Northern Australia, including small tourism businesses that are working in partnership and have developed a tourism package of significant value;
- Aboriginal and Torres Strait Islander businesses, particularly those that are well established in other sectors and are looking to expand into the tourism industry, in addition to those that are registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*; and
- Organisations that contribute to the tourism industry but do not have an Australian Company Number (such as not-for-profits, incorporated associations and clubs).

Recommendation 14

5.150 The Committee recommends that the Australian Government expand the scope of the *Northern Australia Tourism Initiative* to include the *Innovation Connections* program.

Recommendation 15

5.151 The Committee recommends that the Australian Government continue to fund the *Tourism Demand-Driver Infrastructure* programme beyond mid-2018.

Recommendation 16

5.152 The Committee recommends that the Australian Government, in partnership with the state and territories, analyse the impact of high insurance costs on tourism investment in Northern Australia (particularly since the privatisation of the Territory Insurance Office) and implement measures to reduce insurance premiums; and

- that insurance be made available for homes and businesses in the Indian Ocean Territories to stimulate business investment.

Recommendation 17

- 5.153 The Committee recommends that the Australian Government conduct a review of its initiatives relating to land tenure and native title that were announced as part of the *White Paper on Developing Northern Australia*, to determine whether they are producing concrete outcomes for traditional owners, how they could better support cultural tourism, and what further reform may be needed.

Recommendation 18

- 5.154 The Committee recommends that the Australian Government work with the states and territories to remove restrictions on pastoral leases to allow for longer tenure periods and a wider range of economic activities on pastoral land, including tourism, consistent with the rights of native title holders.

Recommendation 19

- 5.155 The Committee recommends that the Great Barrier Reef Marine Park Authority:
- Implement measures to ensure allocated permits are being used regularly and if not, can be reallocated;
 - Implement an industry-led bonds scheme for smaller businesses and reduce the amount of capital required for bonds from larger businesses; and
 - Consider further ways to reduce waiting times for permits.

Recommendation 20

- 5.156 The Committee recommends that the Australian Government improve mobile and data services across Northern Australia, particularly in areas with a high reliance on tourism.

Recommendation 21

- 5.157 The Committee recommends that the Australian Government work with the states and territories to improve tourist facilities and access in the following areas:

- Cape York;
- Monkey Mia Reserve, Shark Bay and Coral Bay;
- East MacDonnell Ranges; and
- Remote areas of Northern Australia, particularly Aboriginal and Torres Strait Islander communities that are working to expand their tourism offerings.

Recommendation 22

- 6.105 The Committee recommends the Australian Government, in partnership with the Northern Territory, Queensland and Western Australia Governments facilitate and fund the establishment of a peak body for Northern Australia representing Aboriginal and Torres Strait Islander tourism operators. This body should work with Tourism Australia and state and territory tourism bodies to develop a strategy for the development of cultural tourism in Northern Australia.

Recommendation 23

- 6.106 The Committee recommends Tourism Australia work with Indigenous Business Australia to re-establish the Indigenous Tourism Champions Program.

Recommendation 24

- 6.107 The Committee recommends the Department of the Prime Minister and Cabinet consider expanding the scope of its Indigenous Ranger projects to include opportunities to support the tourism industry in remote areas.

Recommendation 25

- 6.108 The Committee recommends the Australian Government review business development programs to ensure they stimulate the creation and growth of Aboriginal and Torres Strait Islander tourism businesses in Northern Australia.

Recommendation 26

- 6.109 The Committee recommends that (in recognition of the closure of the climb up Uluru) the Australian and Northern Territory Governments consult and work with traditional owners to consider and implement options to increase tourist visitation to Uluru (for example, through events and/or new tourism experiences).

Recommendation 27

- 6.110 The Committee recommends that Parks Australia be given increased funding to improve infrastructure within National Parks. Infrastructure in Kakadu National Park should be upgraded as a priority, to stimulate private investment and improve access for tourists.

Recommendation 28

- 6.111 The Committee recommends Parks Australia and its state and territory counterparts establish an agreed and consistent regulatory approach to the consideration of investment in national parks, including private-public partnerships.

Recommendation 29

- 6.112 The Committee recommends the Australian Government, in partnership with the Northern Territory, Queensland, and Western Australia Governments implement a trial of the harmonisation of regulatory arrangements regarding hire cars, to assist in stimulating the drive tourism market.

Recommendation 30

- 6.113 The Committee recommends that cabotage restrictions be lifted for the Indian Ocean Territories.

Recommendation 31

- 6.114 The Committee strongly and urgently recommends the Australian Government reissue a licence to enable the Christmas Island Casino Resort to re-open.

Recommendation 32

6.115 The Committee recommends the Australian Government develop and implement plans (in consultation with local residents) for the following assets on the Indian Ocean Territories (including consideration of their potential to support the tourism industry):

- the Immigration Detention Centre on Christmas Island following its expected closure in mid-2018; and
- the Quarantine station on the Cocos (Keeling) Islands.

Recommendation 33

6.116 The Committee recommends the Australian Government as a matter of urgency commit to removing asbestos from Commonwealth built, owned and privately sold infrastructure on the Indian Ocean Territories (including residential properties) and other dangerous and toxic materials (such as gas cylinders and fire retardant canisters) as soon as possible.

1. Introduction

Tourism in Northern Australia

- 1.1 Every year, millions of tourists choose Northern Australia¹ as their holiday destination.² Northern Australia's stark and contrasting natural beauty is a scenic drawcard for visitors and features diverse landscapes of: coral reefs, beaches, tropical rainforests, desert, lakes and mountains. The opportunity to observe Aboriginal and Torres Strait Islander culture and participate in a cultural tourism experience also appeals to many visitors. Being able to experience Northern Australia first hand is the lure of drive tourism and 'grey nomads', travelling in caravans and motor homes, is now a familiar sight across the north.
- 1.2 Despite these attractions, growth of the tourism industry across Northern Australia is 'not consistent.'³ Some regions of Northern Australia have experienced increasing visitor numbers and a lengthening of the peak tourist season. Parts of north Queensland, for example, have seen an uptake in visitation and investment interest over recent years.⁴ Uluru (an iconic destination) has also recently experienced higher than average tourism growth, with the Ayers Rock Resort experiencing 'record occupancy' levels

¹ The Joint Standing Committee on Northern Australia is tasked with examining policies and matters relevant to Northern Australia which includes: the whole of the Northern Territory, parts of Queensland and Western Australia which lie north of the Tropic of Capricorn, as well as the Indian Ocean Territories.

² Office of Northern Australia, *Submission 39*, p. 3.

³ Office of Northern Australia, *Submission 39*, p. 3.

⁴ Office of Northern Australia, *Submission 39*, p. 3.

in 2016-2017.⁵ The Outback Queensland Tourism Association also reported that ‘over the past three years [to 2017], visitation to the Outback [Queensland] region increased [by] 12.3 per cent to 539 000.’⁶ The Cocos (Keeling) Islands have similarly seen visitation increase ‘year-on-year.’⁷

- 1.3 Other destinations in Northern Australia have had less success in maintaining and/or increasing visitor numbers. Northern Western Australia has experienced a decline in tourist numbers and a shortening of its peak tourist season.⁸ Kakadu Tourism stated that visitor numbers to Kakadu National Park have decreased over recent years and, despite an ‘encouraging turnaround’ in 2016, there is ‘still ... a declining trend.’⁹
- 1.4 The Queensland Tourism Industry Council advised that, while visitor growth in north Queensland was strong, it was ‘less strong than in the southern part’ of Queensland, with domestic visitors to Queensland less likely to head north than international visitors.¹⁰

Opportunities for Attracting Tourism

- 1.5 There are a range of untapped opportunities which have the potential to stimulate the growth of Northern Australia’s tourism industry. Many wilderness areas located in Northern Australia are largely pristine and, with adequate investment, may be developed into and marketed as premium ecotourism destinations. Infrastructure improvements in combination with the facilitation of private investment for national parks has the potential to expand the existing range and quality of nature based tourism experiences on offer in the north.
- 1.6 Northern Australia’s rich Aboriginal and Torres Strait Islander culture continues to present a unique tourism experience. International and domestic demand for cultural tourism experiences in Northern Australia is growing,¹¹ which signals a need to develop new, as well as expand existing,

⁵ Indigenous Land Corporation and Voyages Indigenous Tourism Australia, *Submission 66*, p. 3.

⁶ Outback Queensland Tourism Association, *Submission 20*, p. 2.

⁷ Administrator of the Indian Ocean Territories, *Submission 81*, p. 3.

⁸ Office of Northern Australia, *Submission 39*, p. 4.

⁹ Kakadu Tourism, *Submission 8*, p. 1.

¹⁰ Mr Daniel Gschwind, Chief Executive, Queensland Tourism Industry Council, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 8.

¹¹ Northern Territory Department of Tourism and Culture, *Submission 23*, p. 5.

Aboriginal and Torres Strait Islander tourism ventures. Stimulating tourism investment in regional and remote communities could also create a source of additional and sustainable employment into the future.¹²

- 1.7 Drive tourism is another key segment of the tourism market in regional and remote Northern Australia. The progressive upgrading and sealing of roads across the north would attract higher numbers of drive tourists to more destinations and may also encourage tourists to extend their stay.
- 1.8 From an international perspective, Northern Australia has been described as 'Australia's gateway to the Asia Pacific region.'¹³ Naturally, this presents a major opportunity for Northern Australia to capture a share of the ever growing visitor market from Asia.

Challenges to Attracting Tourism

- 1.9 While visitor numbers and levels of industry growth differ across the northern regions, there are a number of challenges common to the Northern Australia tourism industry. Firstly, tourism marketing and promotion can be a challenge for some northern destinations which struggle to compete with the appeal of the southern states and more affordable tourism destinations close by in Asia. Regional and remote destinations in particular may not have access to marketing funding or capability. Further, there may be coordination and duplication issues in marketing Northern Australia, across three separate jurisdictions, as a single destination.
- 1.10 The vast expanse and varying terrain of Northern Australia, together with the remoteness of, and at times long distances between, many known tourist destinations makes transport infrastructure a critical aspect of sustaining the tourism industry in Northern Australia. Currently, many roads throughout the north are unsealed, which can make it less attractive and more difficult for tourists to travel widely within limited timeframes. Flights to Northern Australia are, in some cases, described as expensive, while limited direct flight routes between tourist destinations within Northern Australia is also seen as negatively impacting on tourism numbers. The cruise industry has the potential to bring hundreds of tourists to Northern Australia, but many ports would need to upgrade existing infrastructure to be able to adequately support large cruise ships.

¹² Ecotourism Australia, *Submission 13 Attachment A*, p. 1.

¹³ Office of Northern Australia, *Submission 39*, p. 3.

- 1.11 In addition to marketing and infrastructure challenges, regulatory processes regarding access to land, labour hire, and permits and approvals may also act as impediments for individuals who would like to establish a tourism business, are running a tourism business, or are looking to expand operations. The time, expense and complexity of some regulatory processes, particularly those involving multiple jurisdictions, are particularly burdensome for small businesses and could also cause potential investors to look elsewhere.

Future of Northern Australia's Tourism Industry

- 1.12 There is no shortage of potential in Northern Australia's tourism industry. If the above challenges are met and opportunities are captured, the north could see increasing international and domestic visitation to a wider range of tourism destinations over more months of the year, as well as more tourists returning for repeat visits. Success will also involve destinations across Western Australia, the Northern Territory, and Queensland partnering and coordinating to create authentic and unique northern tourism experiences that are world renowned. Most importantly, the success of the tourism industry will enable the sustainable growth of Northern Australia's economy, and provide an additional source of employment, and long term career path, for Northern Australians.

Previous Inquiries and Reports

Pivot North: Inquiry into the Development of Northern Australia

- 1.13 In September 2014 the Committee's predecessor, the Joint Select Committee on Northern Australia, released its report *Pivot North: Inquiry into the Development of Northern Australia* (Pivot North). *Pivot North* included 42 recommendations relating to opportunities for, and impediments to, developing Northern Australia. Two of these specifically related to tourism in Northern Australia and recommended that the Australian Government:
- develop a tourism strategy for promoting Northern Australia, in conjunction with the Northern Australia Strategic Partnership, which would highlight natural assets and Aboriginal and Torres Strait Islander culture; and
 - 'build upon significant cultural and artistic events, and programs including the promotion of Aboriginal and Torres Strait Islander arts, to

increase participation in, and the public profile of, artistic and cultural activities in Northern Australia.’¹⁴

- 1.14 Many of *Pivot North’s* other recommendations, while not specifically related to tourism, also have an impact on the tourism industry and are relevant to this inquiry. These include the recommendations regarding transport infrastructure, insurance premiums, telecommunications, Aboriginal and Torres Strait Islander businesses and employment, land tenure and travel costs.¹⁵

Our North, Our Future: White Paper on Developing Northern Australia

- 1.15 Subsequently in 2015 and complementary to the findings in *Pivot North*, the Australian Government released *Our North, Our Future: White Paper on Developing Northern Australia* (the White Paper). The White Paper named tourism and hospitality as one of the ‘five industry pillars that play to Australia’s strengths and have the most potential for growth.’¹⁶
- 1.16 The White Paper outlined a number of actions to develop Northern Australia. Actions that support the tourism industry included:
- Measures relating to land tenure, native title and pastoral leases;
 - Actions to stimulate business trade and investment, which included investigation into lowering the cost of insurance in the north; establishing the *Northern Australia Tourism Initiative*; funding to boost Indigenous Ranger programs; and visitor visa reform to attract tourists from China and India;
 - Establishing the *Northern Australia Infrastructure Facility* and providing infrastructure funding for roads and air services, and
 - reforms to foreign worker programs to attract workers to the north.¹⁷

¹⁴ Joint Select Committee on Northern Australia, *Pivot North: Inquiry into the Development of Northern Australia*, p. 174.

¹⁵ Joint Select Committee on Northern Australia, *Pivot North: Inquiry into the Development of Northern Australia*, pp 165-196.

¹⁶ Australian Government, *Our North, Our Future: White Paper on Developing Northern Australia*, p. 3.

¹⁷ Australian Government, *Our North, Our Future: White Paper on Developing Northern Australia*, pp 11-14.

About the Inquiry

Objectives and Scope

- 1.17 On 24 November 2016, the Minister for Resources and Northern Australia, Senator the Hon Matthew Canavan, referred the *Inquiry into Opportunities and Methods for Stimulating the Tourism Industry in Northern Australia* (the inquiry) to the Joint Standing Committee on Northern Australia (the Committee) for inquiry and report.
- 1.18 Over the course of the inquiry, the Committee examined the current state of the tourism industry across Northern Australia, as well as impediments to and opportunities for growth in the industry. Issues which were a focus of the inquiry included:
- Domestic and international visitor trends and the contribution of the tourism industry to Northern Australia's economy.
 - The role of federal, state, territory and local governments in developing and promoting tourism and the tourism industry. This included a focus on marketing, transport and telecommunications infrastructure, and regulatory and workforce issues.
 - Challenges facing tourism operators and entrepreneurs in establishing, funding and growing tourism businesses, and the types of tourism products and experiences that reflect Northern Australia's strengths and have the most potential for sustained growth.
 - The unique opportunities and challenges for islands in Northern Australia that rely on tourism as their main industry, with case studies examining the Indian Ocean Territories (IOTs), Hamilton Island and Great Keppel Island.

Inquiry Conduct

- 1.19 On 24 November 2016 the Committee launched the inquiry and called for submissions to be received by 16 February 2017. The Committee invited submissions from organisations and individuals including tourism organisations, peak bodies, tourism businesses, airline operators and federal, state and territory governments.
- 1.20 The inquiry received 115 submissions and 55 exhibits, which are listed at Appendix A and B respectively. The Committee subsequently held 22 public hearings in Canberra, the Northern Territory, Queensland and Western

Australia, which are listed in Table 1.1. The Committee also conducted seven days of inspections.

- 1.21 The Committee held two private briefings with the Inland Queensland Roads Action Plan Working Group and the Outback Highway Development Council on 16 February 2017 and 8 February 2018. The information presented to the Committee in these briefings was deemed useful as part of the inquiry and the transcripts were subsequently released.
- 1.22 Initially (within a seven-month period), the Committee intended to hold public hearings and inspections in all jurisdictions within Northern Australia, with the inclusion of the IOTs. The Committee undertook to travel to a range of destinations across the north to ensure a range of stakeholders, particularly small tourism businesses and tourism organisations, had the opportunity to present their views to the Committee in person.
- 1.23 The Committee adapted its visit program on a number of occasions, in part due to Tropical Cyclone Debbie, and the availability and timing of flights to remote areas of Northern Australia. The Committee subsequently visited Hamilton Island and Airlie Beach in June 2017 to survey the impact of the Cyclone and its impact on tourism.
- 1.24 The Committee placed an importance on specifically visiting the IOTs to hear from tourism operators and investors, and local residents. In particular, the Committee's predecessor, the Joint Select Committee on Northern Australia (while unable to visit) had specifically identified the IOTs as being an important part of the Northern Australia economy which could add value to the overall development and sustainability of the region.
- 1.25 As the inquiry progressed, the interrelationship between tourism issues and other aspects of economic development which the Committee's predecessor had examined in *Pivot North*, resurfaced. These issues related to transport, infrastructure, regulation, and employment.

*Previous Reports and Inquiries on the Indian Ocean Territories*¹⁸

- 1.26 The Joint Standing Committee on the National Capital and External Territories (JSCNCET) has produced a number of reports regarding the economy of the IOTs. In 2015, the JSCNCET released *Governance in the Indian Ocean Territories – Interim Report: Economic Development* (interim report).
- 1.27 The interim report outlined three recommendations for the Australian Government to: facilitate the reopening of the Christmas Island Casino and conduct an appropriate process to assess private sector proposals to operate the casino; facilitate the provision of educational services to international students on the IOTs; and call for expressions of interest for the delivery of freight by sea to the IOTs for government goods, followed by a full tender process if necessary.¹⁹
- 1.28 In 2016, the JSCNCET released its final report *Governance in the Indian Ocean Territories – Final Report: Economic Development and Governance*. The report included 19 recommendations, four of which focussed on tourism. These included recommending that:
 - visitors to the IOTs be required to fill out a visitor information card in order to improve visitor data collection;
 - the Australian Government negotiate a Service Delivery Arrangement to enable the IOTs to access tourism support services provided by Tourism WA;
 - Tourism Australia formalise its relationship with the IOT tourism associations; and
 - airlines that are interested in providing international flights to Christmas Island be exempt from paying landing and security fees for 12 months.²⁰

¹⁸ The IOTs consists of Christmas Island and the Cocos (Keeling) Islands. Christmas Island is located approximately 2600 kilometres (km) northwest of Perth and 500 km south of Jakarta, Indonesia. The Cocos (Keeling) Islands are located 975 km south-west of Christmas Island and 2900 km north-west of Perth. West Island and Home Island are two of the 27 Cocos (Keeling) Islands which are permanently inhabited.

¹⁹ Joint Standing Committee on the National Capital and External Territories (JSCNCET), *Governance in the Indian Ocean Territories – Interim Report: Economic Development*, p. xv.

²⁰ JSCNCET, *Governance in the Indian Ocean Territories – Final Report: Economic Development and Governance*, pp xix-xx.

- 1.29 In 2012, the JSCNCET released its *Report on the Visit to the IOTs, 21-25 October 2012*. This report made 25 recommendations, including that Christmas Island Casino be reopened, and also that the Australian Government:
- ... commit to the implementation of existing strategies commissioned by the Commonwealth to develop tourism in the Indian Ocean Territories, and develop long term arrangements to secure air services, including subsidising flights to Asia, and improve tourism-related infrastructure and facilities.²¹
- 1.30 In addition to the JSCNCET reports, *Pivot North* recommended that the Australian Government ‘commit to facilitating the approval process to enable reopening of the Christmas Island Casino’ for the purpose of stimulating tourism.²² Another recommendation was that the Australian Government take measures to reduce insurance premiums in Northern Australian locations including the IOTs.²³
- 1.31 The tourism industry on the IOTs faces unique challenges due to its remoteness, governance and funding arrangements, and economic circumstances. As such, tourism on the IOTs formed a case study for this inquiry, and is considered in depth in Chapter 6.

Table 1.1 Public Hearings Held

Date	Place
17 February 2017	Canberra, ACT
25 June 2017	Hamilton Island, Qld
26 June 2017	Airlie Beach, Qld
3 July 2017	Port Douglas, Qld
4 July 2017	Cairns, Qld
5 July 2017	Townsville, Qld
6 July 2017	Brisbane, Qld

²¹ JSCNCET, *Report on the Visit to the IOTs, 21-25 October 2012*, p. xvi.

²² Joint Select Committee on Northern Australia, *Pivot North: Inquiry into the Development of Northern Australia*, p. 174.

²³ Joint Select Committee on Northern Australia, *Pivot North: Inquiry into the Development of Northern Australia*, p. 170.

23 July 2017	Yulara, NT
24 July 2017	Alice Springs, NT
27 July 2017	Darwin, NT
21 August 2017	Broome, WA
22 August 2017	Broome, WA
23 August 2017	Perth, WA
14 September 2017	Canberra, ACT
19 October 2017	Canberra, ACT
20 October 2017	Canberra, ACT
7 December 2017	Canberra, ACT
29 January 2018	Christmas Island
31 January 2018	West Island, Cocos (Keeling) Islands
31 January 2018	Home Island, Cocos (Keeling) Islands
1 May 2018	Yeppoon, Qld
25 May 2018	Canberra, ACT

Report Structure

- 1.32 Chapter 2 provides an overview of international and domestic visitation to Northern Australia and the economic contribution of the tourism industry. Tourism funding initiatives for Northern Australia are also examined.
- 1.33 Chapter 3 discusses the promotion of Northern Australian tourism, including domestic and international marketing campaigns; cooperation between marketing bodies; and marketing opportunities such as events, digital marketing, holiday packages and film and television promotion.
- 1.34 Chapter 4 outlines how transport infrastructure supports the tourism industry, including roads, airports and flight routes, sea ports, and rail.
- 1.35 Chapter 5 focuses on issues relating to the development of the tourism industry, such as planning and investment, support for tourism operators and entrepreneurs, costs and regulation for businesses, and telecommunication and social infrastructure.

- 1.36 Chapter 6 considers opportunities for broadening the tourism experience, including cultural, environmental, drive, industrial and educational tourism. This chapter also presents three tourism case studies which outline challenges and opportunities for tourism in the IOTs, Hamilton Island, and Great Keppel Island.

2. Tourism Funding and Policy Initiatives

Overview

- 2.1 Tourism is a major economic driver in Northern Australia. The industry attracts millions of domestic and international visitors, who spend billions of dollars in Northern Australia.¹ This visitation and expenditure in turn generates employment, stimulates investment, and supports local businesses.² The tourism industry can also enable regions that rely heavily on the resources and/or agricultural industries to diversify their economies.³
- 2.2 Given the importance of the tourism industry to the economy in the north, governments at the federal, state and local levels have and are providing funding and implementing policy initiatives to support the tourism sector.
- 2.3 Federal tourism initiatives include: international marketing, infrastructure spending, business development assistance and advice, investment attraction and grant funding.
- 2.4 States and territories are responsible for the domestic marketing of tourism, and have a range of policies and strategies regarding the development of tourism in their jurisdiction. Regional and local tourism organisations and local governments also contribute to tourism marketing and product development across Northern Australia.

¹ Office of Northern Australia, *Submission 39*, p. 3.

² Office of Northern Australia, *Submission 39*, p. 3.

³ Ecotourism Australia, *Submission 13: Attachment A*, p. 1.

Domestic and International Tourism

- 2.5 The Office of Northern Australia advised that in 2013-2014, approximately 9.3 per cent of Australia's international overnight stays and 12.7 per cent of domestic overnight stays were in Northern Australia.⁴ North Queensland (Qld) is the most popular region in Northern Australia, hosting over six million domestic and approximately 1.5 million international visitors in 2017.⁵
- 2.6 Northern Western Australia (WA) hosted over 1.5 million domestic and approximately 100 000 international visitors in 2017.⁶ The Northern Territory (NT) displayed a similar trend domestically with 1.5 million domestic visitors, and almost 300 000 international visitors for 2017.⁷
- 2.7 In northern WA in 2017⁸, the largest international visitor markets were the United States of America (USA), Germany and New Zealand.⁹ For the NT, the largest international markets in 2017 were the USA, the United Kingdom of Great Britain and Germany.¹⁰ In Tropical North Qld, visitors from China were the largest international market share in 2017¹¹, followed by the USA and Japan.¹² Greater China had the highest spend of all international markets across Qld, the NT and WA.¹³

⁴ Office of Northern Australia, *Submission 39*, p. 3.

⁵ This refers to the part of Queensland that sits in Northern Australia, and the year ending March 2017. Mr Daniel Gschwind, Chief Executive, Queensland Tourism Industry Council, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 8.

⁶ This refers to the year ending March 2017. Tourism WA, *Submission 63*, p. 1.

⁷ This refers to the year ending December 2017. Tourism NT, 'Latest Facts and Figures', www.tourismnt.com.au/en/research/latest-visitor-data, Accessed 9 May 2018.

⁸ This refers to the year ending March 2017.

⁹ Tourism WA, *Submission 63*, p. 1.

¹⁰ This refers to the year ending December 2017. Tourism NT, 'Latest Facts and Figures', www.tourismnt.com.au/en/research/latest-visitor-data, Accessed 9 May 2018.

¹¹ This refers to the year ending September 2017.

¹² Tourism Tropical North Queensland, 'Tourism Fact File', http://www.ttnq.org.au/wp-content/uploads/IVS-September-2017_InfoGraphics_TourismFacts.pdf, Accessed 23 March 2018.

¹³ Tourism Top End, *Submission 9: Attachment B*, p. 3 (refers to 2016), Tourism and Events Queensland, 'International Tourism Snapshot', <https://teq.queensland.com/research-and-insights/international-research/international-summary>, Accessed 1 June 2018 (refers to 2017), Tourism WA 'International Visitation – Fast Facts',

- 2.8 Tourism Australia confirmed that Western international markets are most likely to visit Northern Australia. Tourism Australia explained that this was ‘a reflection of the fact that the Western markets have a higher rate of repeat visitation’, which means they are ‘much more willing to disperse and discover the rest of Australia’ on return visits.¹⁴

Economic Impact of Tourism

- 2.9 The Office of Northern Australia outlined the significant economic contribution of the tourism sector in Northern Australia and stated:

With less than six per cent of Australia’s population, the Northern Australia tourism industry ... regularly ‘punches above its weight’. Total expenditure by tourists across Northern Australia was estimated to be over \$9.9 billion in 2014-15. In total, tourism in Northern Australia is estimated to contribute approximately 0.5 per cent to Australia’s total [Gross Domestic Product].¹⁵

- 2.10 The Qld Tourism Industry Council advised that the tourism regions of Qld that are in Northern Australia attracted \$6.6 billion worth of visitor expenditure in the year ending March 2017.¹⁶ Tourist activity associated with the Great Barrier Reef contributed \$5.7 billion to Australia’s economy in 2015-2016.¹⁷ Further, Deloitte Access Economics stated that Great Barrier Reef tourism supported approximately 59 000 full-time jobs in Australia in the same year.¹⁸
- 2.11 In northern WA, tourists spent \$1.4 billion in the year ending March 2017.¹⁹ Tourism WA further advised that tourism is a ‘key economic driver’ for WA, and has generated 109 000 jobs across the state.²⁰

<https://www.tourism.wa.gov.au/Publications%20Library/Research%20and%20reports/2017/IVS%20Fast%20Facts%20YE%20Dec%202017.pdf>, Accessed 23 March 2018 (refers to 2017).

¹⁴ Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry, Tourism Australia, *Official Committee Hansard*, Canberra, 25 May 2018, p. 22.

¹⁵ Office of Northern Australia, *Submission 39*, p. 3.

¹⁶ Mr Daniel Gschwind, Queensland Tourism Industry Council, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 8.

¹⁷ Deloitte Access Economics, *At What Price? The Economic, Social and Icon Value of the Great Barrier Reef*, p. 20.

¹⁸ Deloitte Access Economics, *At What Price? The Economic, Social and Icon Value of the Great Barrier Reef*, p. 26.

¹⁹ Tourism WA, *Submission 63*, p. 1.

- 2.12 The NT Department of Tourism and Culture (DTC) stated that the NT is more reliant on tourism than the northern states, with tourism contributing \$1.76 billion to the NT's economy in 2014-2015 and directly or indirectly employing 11.5 per cent of the NT's total workforce.²¹
- 2.13 The Northern Regional Development Australia Alliance (Northern RDA Alliance) advised that across WA, the NT and Qld, tourism directly and indirectly employs 350 000 people. The Northern RDA Alliance further stated that tourism provides much needed employment opportunities in regional and remote parts of Northern Australia.²² The NT DTC added that tourism created an 'opportunity to provide jobs to Indigenous people where there are few other options' in regional and remote areas.²³
- 2.14 Tourism was also seen as an additional or alternative industry for communities that have a high reliance on mining and/or agriculture. Kakadu Tourism, for example, stated that 'for Kakadu, the end of uranium mining means that the region will depend on tourism as the major industry and employment provider.'²⁴ The Outback Qld Tourism Association similarly stated that for its region:

The tourism industry is still a relatively small sector compared to the mining and agricultural sectors in terms of economic impact but it is seen as part of a sustainable long-term pathway towards a diversified and vibrant economy.²⁵

Role of Government

Australian Government Tourism Funding and Policy Initiatives

- 2.15 The Australian Government supports the tourism industry in Northern Australia in a number of ways which include marketing (Tourism Australia), investment attraction and development (Austrade), business development, and grant funding. The Australian Government also provides significant infrastructure funding, including through the *Northern Australia*

²⁰ Tourism WA, *Submission 63*, p. 1.

²¹ Northern Territory Department of Tourism and Culture, *Submission 23*, p. 1.

²² Ms Glenys Schuntner, Northern RDA Alliance and Chief Executive Officer, RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 28.

²³ Northern Territory Department of Tourism and Culture, *Submission 23*, p. 1.

²⁴ Kakadu Tourism, *Submission 8*, p. 3.

²⁵ Outback Queensland Tourism Association, *Submission 20*, p. 1.

Infrastructure Facility, which is outlined in Chapter 4. Some federal funding for tourism is specifically targeted at Northern Australia, such as the *Northern Australia Tourism Initiative* (NATI), while other funding is available Australia-wide, such as the *Tourism 2020* strategy.

Northern Australia Tourism Initiative

- 2.16 The \$13.6 million NATI was developed in response to the Australian Government's *White Paper on Developing Northern Australia*. The NATI extends two existing programs in order to 'better target the needs of the north Australian tourism industry' — the *Entrepreneurs' Programme* and the *Australian Small Business Advisory Services* (ASBAS).²⁶
- 2.17 The *Entrepreneurs' Programme* connects businesses to private sector advisors and facilitators in order to help the businesses grow. Services include business evaluation, growth services, supply chain facilitation, and tourism partnerships. Business Growth Grants are also available as part of the *Entrepreneurs' Programme*, to assist in implementing the recommendations of the advisors and facilitators.²⁷ Business advisors are located in Cairns, Broome and Darwin and as of 31 January 2017, 255 services had been provided to tourism businesses in Northern Australia.²⁸
- 2.18 The Department of Industry, Innovation and Science advised that since the launch of the NATI, over 100 businesses had accessed the *Entrepreneurs' Programme*. The Department further stated that:

Preliminary data indicates that Northern Australian tourism businesses which have completed the business evaluation service have increased their revenue by 15 per cent and their full-time-equivalent employment by an average of nine per cent. Some of the businesses that have participated in the program have in fact been at risk of closing or in decline because of the economic circumstances of their region ... [these] clients have been able to be assisted in surviving and potentially looking to continue growth into the future.²⁹

²⁶ Tourism Australia, *Submission 44*, p. 2.

²⁷ Australian Government, 'Northern Australia Tourism Initiative', www.business.gov.au/assistance/northern-australia-tourism-initiative, Accessed 26 February 2018.

²⁸ Office of Northern Australia, *Submission 39*, p. 5.

²⁹ Mr Cam Charlton, Tourism Sector Director, Entrepreneurs' Programme, Department of Industry, Innovation and Science, *Official Committee Hansard*, Canberra, 25 May 2018, p. 25.

- 2.19 The Australian Government halved the financial threshold for businesses in Northern Australia to be eligible to access the *Entrepreneurs' Programme* from \$1.5 million to \$750 000.³⁰ Some tourism businesses in Northern Australia still considered that this threshold is too high and may be a barrier to growth in the north. This is discussed further in Chapter 5.
- 2.20 The ASBAS connects small tourism businesses and people wanting to start a small tourism business with low cost business advisory services. The Office of Northern Australia advised that services available as part of the ASBAS cover topics including: 'funding avenues and financial analysis; building your business; making the most of your talent and team; management capabilities; digital engagement implementation; and tourism ready.'³¹

Tourism 2020

- 2.21 *Tourism 2020* is a 'whole-of-government and industry long-term strategy to build the resilience and competitiveness of Australia's tourism industry and grow its economic contribution.' Launched in 2009, *Tourism 2020* aims to increase visitor expenditure to over \$115 billion by 2020 (from a base of \$70 billion in 2009). Tourism Australia stated that 'we are on track to achieve our goal of more than A\$115 billion in overnight spend by 2020.'³²
- 2.22 Federal, State and Territory Tourism Ministers identified four policy priorities under *Tourism 2020*, which are to:
- 'encourage high-quality tourism experiences, including Indigenous tourism;
 - limit the tax, red tape and other regulatory burden [the tourism] industry faces;
 - undertake coordinated and effective marketing campaigns to drive demand; and
 - work with industry to support the development of tourism infrastructure that can drive demand.'³³

³⁰ Office of Northern Australia, *Submission 39*, p. 4.

³¹ Office of Northern Australia, *Submission 39*, p. 6.

³² Tourism Australia, 'About Us', www.tourism.australia.com/about-us/tourism2020.aspx, Accessed 26 May 2017.

³³ Australian Trade and Investment Commission (Austrade), 'About Tourism 2020', www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/tourism-2020, Accessed 29 May 2017.

2.23 In 2015, an Implementation Plan was also agreed to by Tourism Ministers, in order to deliver key reforms consistent with the four policy priorities.³⁴

Austrade Initiatives

2.24 The Australian Trade and Investment Commission (Austrade) works to facilitate investment, attract foreign investment into Australia, and also strengthen the tourism industry.³⁵ Austrade has a range of initiatives which support tourism in Northern Australia:

- **Regional Tourism Infrastructure Investment Attraction Strategy 2016-2021:** this five year commitment between Austrade and Tourism Australia focuses on working with state and territory governments to attract foreign investment into regional tourism infrastructure. The Strategy is initially targeting eight pilot regions which have shown 'signs of growth' in their tourism sectors, but have not experienced significant investment. Two of these pilot regions are located in Northern Australia: Katherine, NT and the Whitsundays, Qld.³⁶
- **Tourism Major Project Facilitation Service:** provides tourism investors with a central contact point in the Australian Government to help guide investors through approval processes at both the federal and state or territory level.³⁷ Austrade advised that five projects in Northern Australia are currently benefiting from this scheme.³⁸
- **Northern Australia Investment Forum:** the first of these forums was held in Darwin in 2015, and the second in Cairns in 2017. Austrade advised that it invites 'foreign investors who have an interest in Northern Australian opportunities to come and hear about those opportunities.'³⁹

³⁴ Austrade, 'About Tourism 2020', www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/tourism-2020, Accessed 29 May 2017.

³⁵ Mr Rob Donnelly, Acting Executive Director, Tourism, Investment, Education and Programs, Austrade, *Official Committee Hansard*, Canberra, 19 October 2017, p. 1.

³⁶ Austrade, 'Regional Tourism Infrastructure Investment Attraction Strategy 2016-2021', www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/Infrastructure-and-Investment/regional-tourism, Accessed 26 February 2018.

³⁷ Austrade, 'Tourism Major Project Facilitation Service', www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/Infrastructure-and-Investment/major-project-facilitation, Accessed 26 February 2018.

³⁸ Mr Rob Donnelly, Austrade, *Official Committee Hansard*, Canberra, 19 October 2017, p. 6.

³⁹ Mr Rob Donnelly, Austrade, *Official Committee Hansard*, Canberra, 19 October 2017, p. 1.

Tourism Australia

- 2.25 Tourism Australia is responsible for the international marketing of Australia as a tourism destination. The role of Tourism Australia is discussed further in Chapter 3.

Tourism Demand Driver Infrastructure Programme

- 2.26 To assist in meeting the *Tourism 2020* targets, in 2014 Federal, State and Territory Tourism Ministers endorsed the *Tourism Demand Driver Infrastructure* (TDDI) programme. Under the TDDI programme, the Australian Government allocated \$43.1 million over four years to the state and territory governments to 'drive demand, improve quality and increase tourism expenditure'. The TDDI programme is scheduled to terminate on 30 June 2018.⁴⁰

City Deals in Northern Australia

- 2.27 The Australian Government has outlined seven City Deals with states and territories and local governments as part of its Smart Cities Plan. City Deals bring together 'the three levels of government, the community and private enterprise to create place-based partnerships', and 'align the planning, investment and governance necessary to accelerate growth and job creation, stimulate urban renewal and drive economic reforms.'⁴¹ Two of these City Deals are located in Northern Australia: Darwin, NT and Townsville, Qld.
- 2.28 The Townsville City Deal was signed on 9 December 2016 and outlines a 15 year commitment to invest in and revitalise Townsville. The Townsville City Deal includes a number of initiatives which will support the tourism industry, including: developing the North Qld Stadium and Townsville Entertainment and Convention Centre, expanding the Townsville port, and improving educational tourism capabilities. The implementation plan for

⁴⁰ Austrade, 'Tourism Demand Driver Infrastructure' (TDDI), www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/Infrastructure-and-Investment/tourism-demand-driver-infrastructure-program, Accessed 26 February 2018.

⁴¹ Department of Infrastructure, Regional Development and Cities, 'City Deals', <https://cities.infrastructure.gov.au/city-deals>, Accessed 30 May 2018.

this City Deal was released in April 2017, and the first annual progress report released in April 2018.⁴²

- 2.29 In May 2017, the Federal and NT Governments similarly announced an intention to develop a City Deal for Darwin. Work to identify the scope and focus of the City Deal is currently underway.⁴³

State and Territory Government Tourism Funding and Initiatives

- 2.30 State and territory governments are responsible for the domestic marketing of tourism and the development of tourism products.⁴⁴ State governments also provide funding to Regional Tourism Organisations (RTOs).
- 2.31 Qld, WA and the NT have developed tourism targets for their jurisdictions as part of the overarching *Tourism 2020* strategy, aiming to increase their respective overnight visitor expenditure levels to \$2.2 billion (NT)⁴⁵, \$12 billion (WA)⁴⁶ and \$30 billion (Qld)⁴⁷ by 2020.
- 2.32 A number of the initiatives undertaken by state and territory governments to reach these goals, and support the tourism industry more broadly, are outlined below. The agencies responsible for the domestic marketing of Northern Australia are examined further in Chapter 3.

Northern Territory

- 2.33 Tourism NT is responsible for the marketing of the NT as a tourist destination and facilitating the sustainable growth of the NT tourism industry.⁴⁸ Tourism NT also provides industry assistance, such as managing programs to improve the digital capacity of local tourism operators.⁴⁹

⁴² Department of Infrastructure, Regional Development and Cities, 'The Townsville City Deal'. <https://cities.infrastructure.gov.au/townsville-city-deal>, Accessed 30 May 2018.

⁴³ Department of Infrastructure, Regional Development and Cities, 'The Darwin City Deal', <https://cities.infrastructure.gov.au/darwin-city-deal>, Accessed 30 May 2018.

⁴⁴ Tourism Australia, *Submission 44*, p. 3.

⁴⁵ Tourism Central Australia, *Submission 2*, p. 1.

⁴⁶ Ms Derryn Belford, Executive Director, Destination Development, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 5.

⁴⁷ Queensland Government, *Submission 40*, p. 11.

⁴⁸ Tourism NT, 'About Us', <http://tourismnt.com.au/en/about-us>, Accessed 10 May 2018.

⁴⁹ Tourism NT, 'Industry Toolkit', <http://tourismnt.com.au/en/industry-toolkit>, Accessed 27 February 2018.

- 2.34 Tourism Central Australia advised that the NT has already met and exceeded its 2020 target, reaching \$2.5 billion in overnight visitor expenditure in the year ending September 2016.⁵⁰
- 2.35 In 2018 the NT Government announced a \$103 million tourism stimulus package, to be rolled out over a two year period. This package, entitled *Turbocharging Tourism*, includes funding for marketing, tourism infrastructure and programs, as well as events, festivals and tourism experiences.⁵¹
- 2.36 In 2017, the NT Government released *Our Economic Future*, outlining an economic development framework for the Territory. *Our Economic Future* included tourism as a key growth sector for the NT, and listed 11 high level actions to support the tourism industry. The actions covered areas such as: increasing visitor numbers and expenditure; tourism research; increasing aviation and cruise ships; diversifying the tourism products available; cultural and nature tourism; and planning and investment.⁵²

Queensland

- 2.37 The Qld Department of Innovation, Tourism Industry Development and the Commonwealth Games⁵³ facilitates growth in Qld's tourism economy. Key roles include 'investment attraction, policy, planning and industry engagement for tourism industry development and coordinating tourism outcomes across other Qld Government agencies.'⁵⁴
- 2.38 Tourism and Events Qld is a statutory body of the Qld Government and is responsible for 'marketing, destination and experience development and [is] the major events agency, working in partnership with the state's tourism and events industries.'⁵⁵

⁵⁰ Tourism Central Australia, *Submission 2*, p. 2.

⁵¹ NT Government, 'Turbocharging Tourism Action Plan', <https://turbochargingtourism.nt.gov.au/the-plan>, Accessed 16 May 2018.

⁵² NT Government, *Our Economic Future: Northern Territory Economic Development Framework*, 2017, pp 24-25.

⁵³ At the time of making a submission, the department with tourism responsibility was called the Department of Tourism, Major Events, Small Business and the Commonwealth Games.

⁵⁴ Queensland Government, *Submission 40*, p. 8.

⁵⁵ Queensland Government, *Submission 40*, p. 8.

- 2.39 The Qld Government partnered with the tourism industry to create *DestinationQ*, in order to reach its 2020 tourism target. A key aspect of *DestinationQ* is an annual forum which ‘brings government and industry leaders together to discuss priorities for ensuring the industry remains competitive.’⁵⁶ A 20 year plan for tourism in the state was also developed as part of *DestinationQ*.⁵⁷
- 2.40 The Qld Government also developed the *Advancing Tourism 2016-2020* plan, which aims ‘to increase market share and boost tourism jobs’. The strategic priorities for *Advancing Tourism 2016-2020* are to:
- ‘Grow quality products, events and experiences;
 - Invest in infrastructure and access;
 - Build a skilled workforce and business capabilities; and
 - Seize the opportunity in Asia.’⁵⁸
- 2.41 As a supplement to *Advancing Tourism 2016-2020*, in 2016 the Qld Government released *Advancing Tourism in North Qld*. This plan takes the same strategic priorities as *Advancing Tourism 2016-2020* and applies them to the North Qld context.⁵⁹
- 2.42 The Qld Government is also preparing the first North Qld Regional Plan, which will set out a long term strategic direction for the region.⁶⁰ The Qld Government advised that, in relation to tourism, the North Qld Regional Plan will:
- ... examine opportunities to develop and promote tourism across the region (including a regional brand, eco and cultural tourism opportunities in addition to adventure and agri-tourism).⁶¹
- 2.43 The Qld Government also provides funding to the state’s 13 RTOs.⁶²

⁵⁶ Queensland Government, ‘What is DestinationQ’, www.destq.com.au/about, Accessed 17 April 2018.

⁵⁷ Queensland Government, *Submission 40*, p. 11.

⁵⁸ Queensland Government, *Submission 40*, p. 11.

⁵⁹ Queensland Government, ‘Advancing Tourism in North Queensland’, <https://publications.qld.gov.au/dataset/advancing-tourism-in-north-queensland/resource/14a36926-4640-422f-9a4d-a1d269b6539f>, Accessed 26 February 2017.

⁶⁰ Queensland Government, ‘North Queensland Regional Plan FAQs’, <https://haveyoursay.dilgp.qld.gov.au/north-queensland/faqs#24377>, Accessed 16 May 2018.

⁶¹ Queensland Government, *Submission 40*, p. 13.

Western Australia

- 2.44 Tourism WA is a statutory authority and has responsibility for promoting WA as a tourism destination.⁶³ Tourism WA also provides funding to the state's five RTOs.
- 2.45 The WA Government developed the *WA Tourism 2020 Strategy* in 2012, which aims to increase the value of WA tourism to \$12 billion by 2020. The *WA Tourism 2020 Strategy* outlines seven focus areas for the state: brand, Indigenous tourism, infrastructure, Asia, business travel, events and regional travel.⁶⁴ To support the regional travel aspect of the strategy, the WA Government developed a *Caravan and Camping Action Plan 2014-2018* and a *Cruise Shipping Strategic Plan 2012-2020*.⁶⁵
- 2.46 A 2017 audit of the *WA Tourism 2020 Strategy* by the WA Auditor General forecast that the state would fall \$800 million below its \$12 billion target. The Auditor General advised that 'there is still time for Tourism WA to achieve its goal, although it will be challenging.'⁶⁶ In response, Tourism WA stated that it 'remains committed to working with [its] partners to increase visitor numbers and spend for the benefit of all Western Australians.'⁶⁷

Regional Tourism Organisations

- 2.47 RTOs are responsible for the marketing of their specific region. There are 13 RTOs in Qld;⁶⁸ two in the NT;⁶⁹ and five in WA.⁷⁰

⁶² Queensland Government, *Submission 40*, p. 8.

⁶³ Tourism WA, 'Our Role', <https://www.tourism.wa.gov.au/About%20Us/Our%20organisation/Our-role/Pages/Our-role.aspx>, Accessed 27 February 2018.

⁶⁴ Office of the Auditor General of WA, 'WA State Tourism Strategy 2020', [www.parliament.wa.gov.au/publications/tailedpapers.nsf/displaypaper/4011002a911e85cc2a2ffe41482581e800252742/\\$file/1002.pdf](http://www.parliament.wa.gov.au/publications/tailedpapers.nsf/displaypaper/4011002a911e85cc2a2ffe41482581e800252742/$file/1002.pdf), Accessed 16 May 2018.

⁶⁵ Tourism WA, 'Regional Travel', www.tourism.wa.gov.au/About%20Us/Growing_tourism/Strategy/Pages/Regional-travel.aspx, Accessed 27 February 2018.

⁶⁶ Office of the Auditor General of WA, 'WA State Tourism Strategy 2020', [www.parliament.wa.gov.au/publications/tailedpapers.nsf/displaypaper/4011002a911e85cc2a2ffe41482581e800252742/\\$file/1002.pdf](http://www.parliament.wa.gov.au/publications/tailedpapers.nsf/displaypaper/4011002a911e85cc2a2ffe41482581e800252742/$file/1002.pdf), Accessed 16 May 2018.

⁶⁷ Office of the Auditor General of WA, 'WA State Tourism Strategy 2020', [www.parliament.wa.gov.au/publications/tailedpapers.nsf/displaypaper/4011002a911e85cc2a2ffe41482581e800252742/\\$file/1002.pdf](http://www.parliament.wa.gov.au/publications/tailedpapers.nsf/displaypaper/4011002a911e85cc2a2ffe41482581e800252742/$file/1002.pdf), Accessed 16 May 2018.

⁶⁸ Queensland Government, *Submission 40*, p. 8.

2.48 The Qld Government stated that RTOs are generally:

... private sector, membership-based bodies that play a role in marketing and developing destinations, and coordinating the efforts of industry, local government and the community to grow tourism.⁷¹

2.49 Tourism Central Australia further explained the role of the RTOs and stated that they provide a 'critical link between industry and government', a focus on regional marketing, and 'on the ground services' which may include running Visitor Information Centres, product development and business advice.⁷²

Funding and Structure of RTOs

2.50 The RTOs receive funding from a variety of sources, including local, state and territory government funding, and industry funding. Tourism Central Australia described the funding arrangements for RTOs as 'ad hoc' and that the variety of sources of funding see RTOs being 'pulled in many different directions', which can mean 'sacrificing projects that are crucial to tourism development to satisfy the political requirements of these funding partners.'⁷³

2.51 Tourism Central Australia called for a national approach to the funding of RTOs, and suggested 'a business levy attached to rates across the nation, or a similar funding program that is not linked to election cycles and is set in legislation'.⁷⁴

2.52 The Outback Qld Tourism Association recommended structural reform of RTOs throughout Australia, and that the Australian Government contribute to funding state tourism organisations and RTOs by 'introducing a levy through the GST'.⁷⁵ Tourism Tropical North Qld also identified the importance of RTO funding and supported 'the establishment of adequate

⁶⁹ Tourism Central Australia, *Submission 2*, p. 1.

⁷⁰ Australia's North West Tourism, *Submission 30*, p. 2.

⁷¹ Queensland Government, *Submission 40*, p. 8.

⁷² Tourism Central Australia, *Submission 2*, pp 7-8.

⁷³ Tourism Central Australia, *Submission 2*, pp. 7, 8.

⁷⁴ Tourism Central Australia, *Submission 2*, p. 8.

⁷⁵ Outback Queensland Tourism Association, *Submission 20*, p. 4.

and sustainable funding mechanisms for regional tourism management organisations'.⁷⁶

- 2.53 The Livingstone Shire Council (LSC) advised that funding from local governments for RTOs is matched by funding from the state government. As such, a reduction in local council funding may result in a similar reduction from the state government. The LSC stated it is 'doing the heavy lifting in the Central Qld region in order to keep the matched funding' from the state government, as other councils in the region have reduced their funding allocations. The LSC further advised that 'it would seem there are no consequences from the state government for councils that do not wish to contribute' to their RTO.⁷⁷
- 2.54 Capricorn Enterprise agreed and stated that 'there should be a directive from the state government and the state minister to recalcitrant councils around the state' who are not providing adequate support to their RTO.⁷⁸
- 2.55 Cape York Sustainable Futures recommended an RTO be established to represent the Cape York region, as it is 'overlooked' under its current RTO. Cape York Sustainable Futures further stated that Cape York has a different tourism profile and development needs to other tourism centres covered by its RTO, such as Cairns and Port Douglas.⁷⁹

Local Government Tourism Funding and Initiatives

- 2.56 Local governments have a role in promoting and developing the tourism industry. The Qld Government stated that Qld's local government councils focus on:

... developing their local area, and driving or participating in local tourism development initiatives. Some councils have special economic development units with a tourism development and marketing role. Local governments are also responsible for developing planning schemes for their local government areas, which can impact tourism development.⁸⁰

⁷⁶ Tourism Tropical North Queensland, *Submission 15*, p. 3.

⁷⁷ Councillor Frederick (Bill) Ludwig, Mayor, Livingstone Shire Council, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 2.

⁷⁸ Ms Mary Carroll, Chief Executive Officer, Capricorn Enterprise, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 20.

⁷⁹ Cape York Sustainable Futures, *Submission 19*, pp 3-4.

⁸⁰ Queensland Government, *Submission 40*, p. 9.

- 2.57 Local Councils from across the north including Rockhampton Council, the City of Karratha⁸¹, the Shire of Halls Creek⁸² and the Shire of Broome⁸³ have identified tourism as a major economic enabler for their council area. Rockhampton Regional Council, for example, stated that it had 'assumed a greater role in tourism, and is working collaboratively with businesses to enhance the overall tourism economy and experience in the region.'⁸⁴

Local Tourism Organisations

- 2.58 Local Tourism Organisations (LTOs) promote and support tourism in their local region. The Qld Government stated that LTOs are usually 'private sector, membership based bodies' that promote their local area and drive or participate in local tourism development.⁸⁵
- 2.59 Tourism Port Douglas and Daintree (TPDD), the LTO for the Douglas Shire, stated that destination marketing is its key role, with 80 per cent of its output being marketing related. The TPDD further advised that it is also involved in industry development and engagement, and capacity building for local tourism operators.⁸⁶

Funding of Visitor Information Centres

- 2.60 Visitor Information Centres 'provide tourist information to visitors to encourage them to stay longer, spend more money, experience more attractions and revisit the region.'⁸⁷ The Broome Visitor Centre stated that people who come into visitor centres 'are likely to spend an extra two nights and an extra \$104 per person.'⁸⁸

⁸¹ City of Karratha, *Submission 6*, p. 3.

⁸² Shire of Halls Creek, *Submission 29*, p. 1.

⁸³ Shire of Broome, *Submission 68*, p. 2.

⁸⁴ Rockhampton Regional Council, *Submission 26*, p. 2.

⁸⁵ Queensland Government, *Submission 40*, p. 9.

⁸⁶ Ms Tara Bennett, Executive Officer, Tourism Port Douglas and Daintree, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 20.

⁸⁷ Queensland Government, *Submission 40*, p. 8.

⁸⁸ Ms Gail Gower, Board Member, Broome Visitor Centre, *Official Committee Hansard*, Broome, 21 August 2017, p. 43.

- 2.61 Visitor Information Centres may be operated by local governments, RTOs or private enterprise.⁸⁹ The East Kimberley Marketing Group (EKMG) advised that while most Visitor Information Centres in WA are run by local Shires, the Kununurra Visitor Centre is not.⁹⁰ The EKMG further advised that as a consequence, the Kununurra Visitor Centre needed 'to be creative in the ways that it can service' visitors to the Kimberley and that it:
- ... relies on tour sales commissions, membership and moving away from its core business of 'visitor servicing' in order to keep its doors open (i.e. production of a local phone book, management of a museum, local coordinator role for a large-scale community event).⁹¹
- 2.62 The Broome Visitor Centre stated that its funding model is 'vulnerable' to economic fluctuations, as over 90 per cent of its funding comes from commissions, membership, advertising and retail sales, while seven per cent is provided by the local shire.⁹²
- 2.63 Further discussion of the role of Visitor Information Centres is in Chapter 5.

Concluding Comment

- 2.64 There is no doubt that the tourism industry has a critical role in stimulating and sustaining Northern Australia's economy. In particular, the development of tourist attractions and experiences can attract visitors to regional and remote parts of Australia and assist in supporting these local economies to grow and, in some cases, thrive. Development of a tourism industry may also enable communities within Northern Australia that have been reliant on a single industry or product to diversify offerings, thereby improving economic sustainability.
- 2.65 The Committee acknowledges the range of Government policy initiatives and funding programs available to support the tourism industry in Northern Australia. In particular, the *Northern Australia Tourism Initiative* has the potential to be a game changer for tourism businesses across the north. Throughout the course of the inquiry, the Committee was interested to hear from tourism businesses, peak bodies and entrepreneurs, about how the

⁸⁹ Queensland Government, *Submission 40*, p. 8.

⁹⁰ East Kimberley Marketing Group, *Submission 27*, p. 2.

⁹¹ East Kimberley Marketing Group, *Submission 27*, p. 2.

⁹² Ms Gail Gower, Broome Visitor Centre, *Official Committee Hansard*, Broome, 21 August 2017, p. 43.

Government could improve this program to better meet the needs of industry. The Committee explores this issue further in Chapter 5.

- 2.66 The Committee welcomes the announcement of City Deals in Northern Australia, and is pleased to see that the implementation of the Townsville City Deal is well underway. The Darwin City Deal is also progressing. Implementation of the Darwin City Deal has the potential to create major opportunities for tourism in the north, including by stimulating investment in new tourism attractions and events, supporting the development of cultural tourism, and subsequently increasing visitation.
- 2.67 The Committee was pleased to hear about the range of state, regional and local initiatives that have a role in stimulating tourism in Northern Australia. In Chapter 3 the Committee further discusses how these jurisdictions, along with the federal government, could work together in relation to the marketing of Northern Australia.
- 2.68 The Committee acknowledges that current funding arrangements for regional and local tourism organisations and visitor centres create challenges for the provision of services and long term planning. Consideration by the states and territories as to a more sustainable and consistent approach to funding could boost the capacity of these organisations to support the tourism industry.

Recommendation 1

- 2.69 **The Committee recommends that the Australian Government, in partnership with Northern Australian jurisdictions, develop new City Deals similar to Townsville (including in Cairns) and that the Darwin City Deal be further progressed as a matter of priority.**

3. Showcasing Northern Australia

Overview

- 3.1 Domestic tourism marketing is undertaken by states and territories, Regional Tourism Organisations (RTOs), local governments and tourism organisations, and industry bodies. The international tourism marketing of Australia is undertaken by Tourism Australia.¹
- 3.2 Potential marketing approaches that may enhance the current the marketing of Northern Australia range from: attracting and supporting events to increase tourist visitation; using digital marketing, the development of one-off promotions and holiday packages, and encouraging film and television (TV) production to take place in the north in order to showcase northern cities and landscapes and potentially encourage viewers to visit Northern Australia.
- 3.3 As well as international marketing efforts through Tourism Australia, the Australian Government has implemented visa initiatives aimed at attracting international tourists (particularly from Asia) to Northern Australia.

¹ Tourism Australia is an Australian Government agency.

Domestic Marketing of Northern Australia

Northern Territory

- 3.4 Tourism Northern Territory (NT) was established by the NT Government to market the NT as a tourist destination, and to facilitate growth of the NT tourism industry.²
- 3.5 As part of the NT Government's \$103 million *Turbocharging Tourism Initiative*, \$26.57 million has been allocated to 'increase visitation through smart marketing.' A further \$20.78 million will be used to develop 'experiences', which includes developing new and existing festivals and events, implementing a festival support program, and encouraging art, cultural and sporting events.³
- 3.6 Tourism Central Australia and Tourism Top End are the NT's two RTOs. Tourism Central Australia explained that the strength of an RTO is its ability to 'provide a regional marketing focus', as opposed to state and federal level bodies which 'take a macro approach to marketing'.⁴ Tourism Top End advised that it works in partnership with Tourism Central Australia, Tourism NT and industry bodies to develop tourism in the region.⁵

Queensland

- 3.7 Tourism and Events Queensland (Qld) leads the marketing, destination and experience development in Qld and is also the major events agency. In order to grow Qld's tourism and event market, Tourism and Events Qld has developed a 'strategic priorities' plan to the year 2020.⁶
- 3.8 In 2016, Tourism and Events Qld began focussing its marketing on Qld as a 'Master Brand' and highlighting unique tourist experiences from across the state.⁷ Tourism and Events Qld explained that 'elevating the exposure of the

² Tourism Northern Territory (NT), 'About Us', www.tourismnt.com.au/en/about-us, Accessed 5 June 2017.

³ NT Government, 'Turbocharging Tourism', https://turbochargingtourism.nt.gov.au/_data/assets/pdf_file/0006/493026/turbocharging-tourism-action-plan.pdf, Accessed 16 May 2018.

⁴ Tourism Central Australia, *Submission 2*, p. 7.

⁵ Tourism Top End, *Submission 9*, p. 1.

⁶ Queensland Government, *Submission 40*, p. 11.

⁷ Queensland Government, *Submission 40*, p. 12.

Qld brand and focusing on experiences will present a stronger platform to inspire, engage and attract more visitors.’⁸

- 3.9 Tourism and Events Qld’s 2016 marketing campaign *I know just the place* showcased specific North Qld experiences from Tropical North Qld (such as the Savannah Way, Wangetti Beach and the Undara Experience) Townsville (the SS Yongola Dive Wreck) the Whitsundays (Nara Inlet, Hook Island and Whitsunday Islands National Park) and Mackay (Cape Hillsborough National Park).⁹
- 3.10 Qld has 13 RTOs, each of which market specific regions. The Qld RTOs that fall wholly or partly in Northern Australia are: Capricorn Enterprise, Townsville Enterprise, Tourism Tropical North Qld (TTNQ), Mackay Tourism, Outback Qld Tourism Association, Tourism Whitsundays, Bundaberg North Burnett Tourism, and Gladstone Area Promotion and Development.¹⁰
- 3.11 The Qld Government advised that each RTO has developed a Destination Tourism Plan, in consultation with industry stakeholders, and that ‘through these plans, Qld’s RTOs are aligning strategies, available resources, and the efforts of industry and all levels of government toward a set of unified long-term objectives.’¹¹
- 3.12 The Destination Tourism Plans also outline how the RTOs and Tourism and Events Qld ‘will work together to market tourism for the destination’.¹²

Western Australia

- 3.13 Tourism WA is a statutory authority and promotes WA as a holiday and event destination. This includes delivering marketing campaigns, developing and promoting events, and working across government and with industry on destination development.¹³

⁸ Queensland Government, *Submission 40*, p. 12.

⁹ Queensland Government, *Submission 40*, p. 12.

¹⁰ Mr Daniel Gschwind, Chief Executive, Queensland Tourism Industry Council, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 8.

¹¹ Queensland Government, *Submission 40*, p. 11.

¹² Queensland Government, *Submission 40*, p. 11.

¹³ Tourism Western Australia (WA), ‘Our Role’, <https://www.tourism.wa.gov.au/About%20Us/Our%20organisation/Our-role/Pages/Our-role.aspx>, Accessed 27 February 2018.

- 3.14 The RTOs in northern WA are Australia's North West, Australia's Coral Coast and Australia's Golden Outback. The Tourism Council WA, Australian Hotels Association and the Western Australian Indigenous Tourism Operators Council (WAITOC), as well as local governments and visitor centres also contribute to the marketing of northern WA.¹⁴

Marketing Northern Australia Internationally

- 3.15 Tourism Australia is the Australian Government agency responsible for the international marketing of Australia as a tourism destination.¹⁵ Tourism Australia stated that part of its remit is to 'encourage dispersal' of international tourists throughout Australia and as such, it aims to ensure its work covers 'regional experiences.'¹⁶ Tourism Australia advised that its recent global marketing campaign 'There's Nothing Like Australia' currently had three areas of focus: youth, aquatic and coastal, and food and wine.¹⁷
- 3.16 The NT Department of Tourism and Culture (DTC) expressed concern that Tourism Australia's recent focus on food, wine and beach experiences had 'not resonated strongly with NT tourism product'.¹⁸ The NT DTC recommended that Tourism Australia's international campaigns prioritise Northern Australia and its attractions.¹⁹ Tourism Central Australia similarly recommended that Tourism Australia use the 'Red Centre as a hallmark destination for adventurous experiences' in its marketing.²⁰
- 3.17 Quicksilver Group, which operates marine tourist vessels, stated that Tourism Australia's capacity to sell Australia to the world had been reduced, primarily due to a reduction in its revenue.²¹ Tourism WA recommended that funding to Tourism Australia be increased, and be used

¹⁴ Tourism WA, *Submission 63*, p. 9.

¹⁵ Tourism Australia, *Submission 44*, p. 3.

¹⁶ Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry, Tourism Australia, *Official Committee Hansard*, Canberra, 17 February 2017, p. 30.

¹⁷ Tourism Australia, 'There's Nothing Like Australia', <http://www.tourism.australia.com/campaigns/TNLA.aspx>. Accessed 5 June 2017.

¹⁸ NT Department of Tourism and Culture (DTC), *Submission 23*, p. 9.

¹⁹ NT DTC, *Submission 23*, p. 10.

²⁰ Tourism Central Australia, *Submission 2*, p. 3.

²¹ Mr Michael Healy, Group Director, Sales and Marketing, Quicksilver Group, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 34.

specifically for ‘the development of specific campaigns that promote tourism in northern WA.’²²

3.18 Kakadu Tourism called for the establishment of a ‘Northern Australia tourism media promotion fund’, to be managed by Tourism Australia. Kakadu Tourism explained that this fund would be used for ‘media familiarisations’, where domestic and international journalists experience Northern Australia’s tourism products first hand, and report on them to a global audience.²³

3.19 The Christmas Island Tourism Association (CITA) advised that Christmas Island and the Cocos (Keeling) Islands are not included on Tourism Australia’s website, as the region is not represented by a regional or state tourism body. The CITA further stated:

Exposure through Tourism Australia and its networks is paramount to Christmas Island being able to continue to stimulate investment and development opportunities.²⁴

3.20 Tourism Australia advised that it had begun working more closely with the Indian Ocean Territories (IOTs), through activities such as: involving the IOTs in Tourism Australia’s distribution platforms, including the IOTs in its Indonesia events, reposting photographs taken from the IOTs tourism associations social media; and examining how Tourism Australia can support any international flight or cruise ship proposals for Christmas Island.²⁵

Tourist Visas

3.21 Various visas are available to international tourists:

- Electronic Travel Authority (subclass 601): tourists can enter Australia as many times as they want, for up to three months at a time, for up to twelve months after the visa is granted.

²² Tourism WA, *Submission 63*, p. 8.

²³ Kakadu Tourism, *Submission 8*, pp 8-9.

²⁴ Christmas Island Tourism Association, *Submission 21*, p. 3.

²⁵ Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry, Tourism Australia, *Official Committee Hansard*, Canberra, 25 May 2018, pp 19-20.

- eVisitor (subclass 651): this visa is for people with passports from certain countries, and allows them enter as many times as they want, for up to three months at a time, for up to twelve months after the visa is granted.
- Visitor visa (subclass 600): tourists can visit for up to twelve months.
- Special Category visa (subclass 444): this visa is for visitors from New Zealand.²⁶

3.22 Tourism Australia outlined the features of visitor visa trials which are designed to attract tourists from the People's Republic of China. These details are:

- 'a ten year multiple entry visitor visa (making Australia one of only a handful of countries to offer this product);
- a fast track (48 hour) visa processing service (for a fee); and
- online visa application lodgement in simplified Chinese (the first time any country has afforded the Chinese traveller this service).'²⁷

3.23 Tourism Australia further stated that full online visitor visa application lodgement is available for the Indian and China markets.²⁸ In June 2017 the Australian Government also announced a visitor visa for Singaporeans, which will allow travellers to visit Australia for up to three months at a time, over a six-year period, with a single application.²⁹

3.24 Tourism Australia advised that the Australian Government had implemented working holiday visa initiatives which may also encourage international visitation to Northern Australia. These include:

- 'expanding the Working Holiday Maker visa programme by increasing the amount of time visa holders can work in high demand areas in Northern Australia, with a small number allowed a second year on their visa if they work in northern tourism and agriculture

²⁶ Department of Home Affairs, 'What visa do I need to visit Australia?'

<https://www.homeaffairs.gov.au/Lega/Lega/Form/Immi-FAQs/what-visa-do-i-need-to-visit-australia>, Accessed 8 June 2018.

²⁷ Tourism Australia, *Submission 44*, p. 2.

²⁸ Tourism Australia, *Submission 44*, p. 2.

²⁹ The Hon Malcolm Turnbull MP, Prime Minister, and the Hon Peter Dutton MP, Minister for Immigration and Border Protection, 'New Visa Option to Boost Tourism and Business Ties with Singapore', *Joint Media Release*, 2 June 2017, www.pm.gov.au/media/2017-06-02/new-visa-option-boost-tourism-and-business-ties-singapore; Accessed 6 June 2017.

- From 21 November 2015, an employment extension to work with one employer in Northern Australia beyond the usual limit of six months was initiated; and
- expanding and streamlining the Seasonal Worker Programme to support seasonal industries such as tourism and hospitality by reducing costs to business, increasing worker numbers and allowing more countries and industries to participate.³⁰

3.25 The Department of Home Affairs advised of further initiatives that may encourage foreign workers to Northern Australia³¹, such as the *NT Designation Area Migration Agreement*, under which ‘NT employers sponsor skilled and semi-skilled overseas workers in areas experiencing skills and labour shortages.’³² The Department of Home Affairs also referenced the *Pacific Labour Scheme*, to be introduced on 1 July 2018, which will ‘enable citizens of Pacific island countries to take up low and semi-skilled work opportunities in rural and regional Australia for up to three years.’³³

Targeting the Asian Market

- 3.26 Virgin Australia emphasised the importance of the Asian market to Australia’s tourism industry, stating that ‘it is expected that visitors from Asia will contribute most of the growth in [Australia’s international tourism] sector over the coming decade.’³⁴ Tourism Australia similarly highlighted the value of the Chinese tourism market in Northern Australia, stating that Chinese visitors spent \$282 million in Northern Australia in 2016.³⁵
- 3.27 Sealink suggested that, given Northern Australia’s close proximity to Asia³⁶, a marketing strategy should be developed for Northern Australia to attract

³⁰ Tourism Australia, *Submission 44*, pp 2-3.

³¹ Mr Michael Willard, Assistant Secretary, Global Mobility, Department of Home Affairs, *Official Committee Hansard*, Canberra, 25 May 2018, p. 31.

³² NT Government, ‘NT Designated Area Migration Agreement’, <https://business.nt.gov.au/business/migration-information-for-business/northern-territory-designated-area-migration-agreement>, Accessed 29 May 2018.

³³ Department of Foreign Affairs and Trade, ‘Stepping-up Australia’s Pacific Engagement’, <http://dfat.gov.au/geo/pacific/engagement/Pages/stepping-up-australias-pacific-engagement.aspx>, Accessed 29 May 2018.

³⁴ Virgin Australia, *Submission 32*, p. 2.

³⁵ This refers to the year ending September 2016. Tourism Australia, *Submission 44*, p. 3.

³⁶ Sealink, *Submission 3*, p. 4.

visitors from this region.³⁷ Virgin Australia expressed similar sentiments and stated that ‘attracting a greater share of visitors from Asia and the subcontinent should be prioritised in international marketing efforts.’³⁸

- 3.28 Hamilton Island Enterprises considered China to be a growth market for tourism in Australia and supported recent visa changes to encourage Chinese tourists to Australia. Hamilton Island Enterprises recommended the Government continue to pursue this market, to ensure it is maintained over the long term.³⁹
- 3.29 Australia’s North West Tourism (ANWT) cautioned that northern WA may be ‘disadvantaged’ by a focus on Asia, as tourists from this region have generally looked at ‘short stays’ and are not ‘interested in internal flights’. As such, the distance and time it takes to travel from Perth to northern WA may mean it would not be a popular destination among visitors from Asia.⁴⁰ Tourism Council WA similarly stated that ‘there is a long way to go before [Asia] is going to be a sizeable market for the north-west.’⁴¹

Cooperation between Marketing Bodies

- 3.30 The ANWT stated there is ‘overlap and duplication’ in the delivery of destination marketing across Northern Australia and particularly in the north-west region of WA.⁴² The TTNQ agreed, outlining the layers of marketing organisations in Qld and highlighting the work being undertaken with limited resources. The TTNQ stated:

The diversity of our region has a very complex network of organisations from the councils, our [local tourism organisations] and RTOs in promoting [tourism]. It is all very place specific and in the context of local needs ... the

³⁷ Sealink, *Submission 3.1*, p. 7.

³⁸ Virgin Australia, *Submission 32*, p. 7.

³⁹ Mr Glenn Bourke, Chief Executive Officer (CEO), Hamilton Island Enterprises, *Official Committee Hansard*, Hamilton Island, 25 June 2017, pp 2-3.

⁴⁰ Mr Glen Chidlow, CEO, Australia’s North West Tourism (ANWT), *Official Committee Hansard*, Broome, 21 August 2017, p. 38.

⁴¹ Mr Evan Hall, CEO, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 14.

⁴² ANWT, *Submission 30*, p. 5.

current system has areas where we are duplicating a whole bunch of roles and we are doing that with scarce resources.⁴³

- 3.31 Ecotourism Australia further advised that this multijurisdictional approach may not be in line with visitor expectations and stated:

The current approach is for Tourism Australia to attract visitors to Australia and then states attract visitors to their states and then regions to their regions. Unfortunately, visitors have a different approach. They come to Australia to do something. And don't really care which state/territory or region it is physically located. They want to go scuba diving, kite surfing, bird watching, walking etc. Currently there is no direct way for the potential tourist to search by activity at the national level.⁴⁴

- 3.32 The ANWT similarly questioned whether marketing should be divided on state and territory lines, and further suggested an 'east-west rather than north-south' focus could be effective. The ANWT stated that tourism in the Kimberley-Pilbara region in WA may have more in common with the NT than southern WA, but that there are 'difficulties in how we market those two areas together because of that [state] line on the map and how funding is allocated.'⁴⁵

- 3.33 The Shire of Exmouth expressed similar sentiments in relation to the Kimberley and Ningaloo Reef, WA. The Shire stated that these 'standout' attractions should be marketed as 'an international destination' but currently they are broken up across five RTOs, and there is a lack of coordination across the RTOs, local tourism organisations and Tourism WA.⁴⁶
- 3.34 Ecotourism Australia stated that small tourism operators and new businesses may find it difficult to navigate the marketing landscape and determine which marketing body to contact. Ecotourism Australia further explained that there is no 'clear pathway, because Tourism Australia's way

⁴³ Ms Wendy Morris, Board Member, Tourism Tropical North Queensland (TTNQ), *Official Committee Hansard*, Cairns, 4 July 2017, p. 2.

⁴⁴ Ecotourism Australia, *Submission 13*, p. 3.

⁴⁵ Mr Glen Chidlow, ANWT, *Official Committee Hansard*, Broome, 21 August 2017, p. 39.

⁴⁶ Mr Cameron Woods, CEO, Shire of Exmouth, *Official Committee Hansard*, Canberra, 19 October 2017, p. 8.

of doing business is very different from the way the [state tourism organisations] do it, which is very different from the RTOs.’⁴⁷

- 3.35 The Outback Highway Development Council (OHDC) recommended that regions be tasked with developing tourism products and capacity building, while state organisations should focus on the promotional aspect (based on information provided by the regions). The OHDC stated that:

... [the regions] should not be promoting. They should be highlighting what needs promoting, putting it all together to be promoted, putting the message together and the whole spin because they are the local people who know. The state organisation should be promoting. The local guy should be developing products and preparing, identifying and developing but also building capacity ... No region could ever have the budget big enough to do their promotion justice.⁴⁸

- 3.36 Ecotourism Australia suggested that collaboration between Tourism Australia, state tourism organisations and RTOs is needed to ensure marketing campaigns and messages are consistent across Northern Australia.⁴⁹ The Northern RDA Alliance put forward a similar proposition, and recommended a team be created and resourced within Tourism Australia to focus on the development and marketing of Northern Australia, in partnership with states and RTOs.⁵⁰

- 3.37 While many inquiry participants advocated for greater coordination of marketing, others provided examples of organisations working together to market their region more effectively. These examples were:

- In northern WA, the East Kimberley Marketing Group (EKMG) was created, with representatives from local tourism operators, Shire Councils, ANWT, Kununurra Visitor Centre and the East Kimberley Chamber of Commerce and Industry. The EKMG was formed to better coordinate marketing of the East Kimberley, and it has focussed on attracting a flight from Melbourne to Kununurra to boost tourism. The

⁴⁷ Mr Roderick John Hillman, Chief Executive, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 30.

⁴⁸ Mrs Helen Lewis, General Manager, Outback Highway Development Council, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 34.

⁴⁹ Ecotourism Australia, *Submission 13*, p. 3.

⁵⁰ Northern RDA Alliance, *Submission 46*, p. 4.

EKMG advised that it had received a proposal from an airline to assist with reaching this goal.⁵¹

- In Qld, the RTOs Capricorn Enterprise, Gladstone Area Promotions and Development, and Bundaberg North Burnett Tourism work in partnership under the Southern Great Barrier Reef Destination Brand. Capricorn Enterprise advised that this partnership received awards for destination marketing in 2015 and 2016.⁵²
- Christmas Island Tourism Association and the Cocos (Keeling) Islands Tourism have developed ‘an integrated “brand” of Australia’s Indian Ocean Islands, encouraging potential visitors to visit both unique island destinations’.⁵³ Parks Australia advised it will work with the tourism associations on cooperative marketing.⁵⁴

Marketing Opportunities

Attracting and Promoting Events

- 3.38 Tourism Central Australia made the point that despite having a low population, Northern Australia ‘is host to many excellent events’. For example, there are ‘iconic and famous events in the Red Centre’ such as: Henley on Todd Regatta, Parrtjima Festival in Light, Red Finke Desert Race, Easter in the Alice Mountain Bike Event and Alice Springs Beanie Festival. Tourism Central Australia were of the view that:

These festivals are significant attractors of interstate and international visitors, given that they celebrate our unique outback lifestyle. Along with the many major events we host, there are many smaller community and regional festivals that with some capacity development and marketing assistance could develop into larger events, attracting more visitors and encouraging existing visitors to stay longer.⁵⁵

- 3.39 The City of Karratha similarly outlined the positive impact events can have on the tourism industry, as they can ‘draw increased visitation and expenditure, repeat visitation, heightened regional awareness and word of

⁵¹ East Kimberley Marketing Group, *Submission 27*, p. 1.

⁵² Capricorn Enterprise, *Submission 22*, p. 1.

⁵³ Parks Australia, *Submission 14.2*, p. 2.

⁵⁴ Parks Australia, *Submission 14.2*, p. 2.

⁵⁵ Tourism Central Australia, *Submission 2*, p. 2.

mouth recommendations.’⁵⁶ Other benefits of large scale events are that they can attract visitors outside of the peak tourist season⁵⁷, and when held in regional locations can encourage tourists to travel beyond capital cities.⁵⁸

- 3.40 The Qld Government advised that it has a calendar of major events in Qld, which ‘has a value of more than \$600 million per annum.’⁵⁹ North Qld Airports outlined the visitation and expenditure generated by one such event in Qld - the Cairns Airport Adventure Festival, which includes an international Ironman championship. North Qld Airports stated:

Each international participant is estimated to bring 2.5 people with them to the event. This event over one week contributes up to \$20 million to the regional and state economy. The event is broadcast to a potential global audience of around 300 million, providing enormous promotional opportunities for the destination.⁶⁰

- 3.41 North Qld Airports added that major international events such as this can also ‘stimulate demand for direct international air services.’⁶¹

- 3.42 The Indigenous Land Corporation and Voyages Indigenous Tourism Australia similarly explained that developing a calendar of events for Uluru had helped to take the destination ‘from the “bucket list” to “I want to go now”’. Further, the Field of Light Uluru installation and associated events had seen occupancy rates at the Ayers Rock Resort reach ‘record levels’.⁶²

- 3.43 Townsville Enterprise was of the view that a lack of infrastructure, as well as costs associated with travelling to the north, encourages event promoters to overlook Northern Australia as an event destination. Townsville Enterprise stated:

... big promoters — concert promoters — really do overlook the north for concerts and shows due to the additional costs to get there and the infrastructure [there]. However, we know that once an event comes into the

⁵⁶ City of Karratha, *Submission 6*, p. 6.

⁵⁷ Virgin Australia, *Submission 32*, p. 7.

⁵⁸ NT DTC, *Submission 23*, p. 9.

⁵⁹ Queensland Government, *Submission 40*, p. 14.

⁶⁰ North Queensland Airports, *Submission 36*, p. 5.

⁶¹ North Queensland Airports, *Submission 36*, p. 5.

⁶² Indigenous Land Corporation and Voyages Indigenous Tourism Australia, *Submission 66*, p. 4.

region, the economic benefits to the community in overnight visitation and retail precincts are significant.⁶³

Central Calendar of Events

- 3.44 Kakadu Tourism recommended an annual calendar of events in Northern Australia be developed and publicised to attract visitors.⁶⁴ The Australian Caravan Club agreed and proposed that events be planned on a circuit route, so that drive tourists could travel from one event to the next.⁶⁵
- 3.45 Kakadu Tourism added this calendar should include events that 'reflect the local environment, with a strong Indigenous vein, but also adventure and experiential activities.'⁶⁶ The NT DTC stated that 'arts and cultural festivals are a particular opportunity for the north.'⁶⁷

Event Funding and Capacity Building

- 3.46 Recognising the positive impact major events can have on the tourism industry and economy, North Qld Airports proposed that 'funds from the *Northern Australia Infrastructure Facility* or other suitable areas [be] directed towards major international event attraction.'⁶⁸
- 3.47 The NT DTC similarly recommended the Australian Government 'increase Festivals Australia funding and direct strategic catalyst funding to support international market and audience development for arts and cultural festivals and events in the north.'⁶⁹ Kakadu Tourism further advised that Indigenous events needed to 'be expanded and made more professional'.⁷⁰
- 3.48 The Events Industry Association stated that the *Royalties for Regions* program had been 'enormously successful' in providing funding for events in

⁶³ Ms Bridget Woods, Director, Tourism and Events, Townsville Enterprise, *Official Committee Hansard*, Townsville, 5 July 2017, p. 9.

⁶⁴ Kakadu Tourism, *Submission 8*, p. 6.

⁶⁵ Mr Tom Smith, Deputy Chairman, Australian Caravan Club, *Official Committee Hansard*, Canberra, 14 September 2017, p. 1.

⁶⁶ Kakadu Tourism, *Submission 8*, p. 6.

⁶⁷ NT DTC, *Submission 23*, p. 9.

⁶⁸ North Queensland Airports, *Submission 36*, p. 5.

⁶⁹ NT DTC, *Submission 23*, p. 10.

⁷⁰ Kakadu Tourism, *Submission 8*, p. 5.

regional areas, but had since been ‘quite watered down and so there's not the money to put into grassroots and greenfield events.’⁷¹

- 3.49 Tourism Central Australia recommended an event development program be established to assist small community and regional festivals build their capacity and marketing capabilities, in order to attract more visitors. Tourism Central Australia suggested this program be fully funded for at least five years, and that it focus on: event plans and logistics; volunteer recruitment, training and retention; hiring of employees and consultants; attracting sponsorship and grants; capacity development; and marketing.⁷²

Business Events

- 3.50 Business events can have a positive impact on tourism, as attendees may frequent restaurants, hotels and tourist attractions while visiting an area for work.⁷³ The economic contribution of business events to the NT's economy was estimated to be over \$70 million.⁷⁴ The Darwin Convention Centre further stated that:

Business events are recognised as increasing tourism. In 2015, Darwin Convention Centre and Northern Territory Convention Bureau delegate research showed that 58 per cent [of delegates] said they would return in the next three years and 45 per cent would return for a holiday. 71 per cent of these delegates had never been to Darwin before.⁷⁵

- 3.51 Tourism Top End advised that the NT only attracts ‘approximately two to three per cent of all business events across Australia’ and that funds are needed to ‘improve this position.’⁷⁶ The Cairns Convention Centre and the Darwin Convention Centre recommended the creation of a \$5 million international bid fund (Northern Australia Bid Fund) to help attract business events to Northern Australia.⁷⁷

⁷¹ Ms Cassandra Brennan, President, Events Industry Association, *Official Committee Hansard*, Perth, 23 August 2017, p. 17.

⁷² Tourism Central Australia, *Submission 2*, pp 2-3.

⁷³ Tourism Top End, *Submission 9*, p. 5.

⁷⁴ Tourism Top End, *Submission 9*, p. 5.

⁷⁵ Darwin Convention Centre, *Submission 18*, p. 1.

⁷⁶ Tourism Top End, *Submission 9*, p. 5.

⁷⁷ Cairns Convention Centre, *Submission 12*, p. 1, Darwin Convention Centre, *Submission 18*, p. 3.

- 3.52 The Darwin Convention Centre outlined how the fund would operate and stated:

The fund would only be activated if the bid is successful and be based around strong return on investment criteria. It provides a 100 per cent guarantee of return on investment as if the bid is unsuccessful no funds are accessed.⁷⁸

Digital Marketing

- 3.53 Digital marketing of tourist destinations in Northern Australia is critical to the ability of tourist businesses to remain competitive⁷⁹, and helps connect remote tourism businesses to visitor markets across the country and the world. Tourism Council WA, for example, explained that many people who want to visit the Pilbara are from the east coast of Australia and Northern Europe, and without online marketing and booking functionality, 'there's simply no way they're going to find [this destination]'.⁸⁰
- 3.54 Parks Australia further explained the importance of digital technology to the tourism industry and stated that:
- ... technology and social media is a driver in the way consumers research, share and book travel products. Digital is now the primary source of travel inspiration for leisure travellers who use online sources (e.g. YouTube, social media channels, Trip Advisor). Increasingly more travellers are using smart phones throughout the visitor cycle (wishing, planning, booking, experiencing, departing and remembering), and booking via a smart phone is increasing.⁸¹
- 3.55 As a result of this digital usage, Parks Australia stated that digital marketing is a focus for its organisation. Responding to 'solid growth in website traffic', Parks Australia advised it has revamped its website and is using social media to engage potential visitors, reporting that its social media currently reaches over 15 million people.⁸²
- 3.56 The Outback Qld Tourism Association further outlined the role of social media in showcasing remote regions and stated:

⁷⁸ Darwin Convention Centre, *Submission 18*, p. 3.

⁷⁹ Ecotourism Australia, *Submission 13*, p. 8.

⁸⁰ Mr Evan Hall, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 13.

⁸¹ Parks Australia, *Submission 14*, p. 4.

⁸² Parks Australia, *Submission 14*, p. 4.

... social media has opened up a whole new world where people actually want to go to more remote places. They do not want to go on the well-beaten track anymore. They want to have those bragging rights over a dinner table, and social media gives them that.⁸³

- 3.57 Kakadu Tourism similarly highlighted the importance of enabling visitors to document their travels online:

A journalist or 'influencer' being able to communicate with 200 000 followers as they experience one of the world's most inspiring sunsets on Ubirr is a priceless promotional opportunity.⁸⁴

- 3.58 Savannah Way Limited stated that many tourism businesses in Northern Australia struggle to maintain an online presence, due to limited internet and data coverage. Savannah Way Limited stated that it is:

... trying to encourage businesses to manage their TripAdvisor and to upgrade their websites and to get onto Facebook, and [yet] there is a very high percentage of those that cannot even get onto their website because of connectivity, let alone have the continuity of connection that enables them to manage that.⁸⁵

- 3.59 Tourism Central Australia commented that tourism businesses may need assistance with building their online marketing and administrative skills, and stated:

Digital capacity is an ongoing issue for tourism businesses. As the rate of innovation increases in the digital world, businesses, in particular small to medium enterprises in outback areas, struggle to keep up to date with these changes along with day to day business operations.⁸⁶

- 3.60 A number of initiatives are already providing business mentoring to assist with online marketing. For example: Tourism Central Australia's *Digital Integration* program, which mentors tourism businesses for 'social media marketing and web development'⁸⁷; Tourism NT's *Digital Leap Seminars*⁸⁸;

⁸³ Mr Peter William Homan, General Manager, Outback Queensland Tourism Association, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 1.

⁸⁴ Kakadu Tourism, *Submission 8*, p. 4.

⁸⁵ Mr Russell Boswell, Manager, Savannah Way Limited, *Official Committee Hansard*, Cairns, 4 July 2017, p. 10.

⁸⁶ Tourism Central Australia, *Submission 2*, p. 5.

⁸⁷ Tourism Central Australia, *Submission 2*, pp 5-6.

and the Qld Government's *Innovate Queensland* program, which assists tourism operators 'to enhance their online presence and digital capability.'⁸⁹

- 3.61 Ninti One Limited advocated for the 'creation and funding for dedicated digital capacity building programs', including a 'suite of dedicated digital mentoring programs for remote Aboriginal and Torres Strait Islander tourism operators'.⁹⁰

Marketing Promotions and Holiday Packages

- 3.62 Marketing can be used to attract visitors outside of peak tourism periods. Tourism WA explained that this can be achieved through cooperation with airlines, travel agents and wholesalers, to encourage deals and special rates in the shoulder seasons.⁹¹

- 3.63 Holiday packages, which may include attractions, travel, and/or meals, can also serve to promote an area to tourists, and encourage visitors to extend their stay and potentially explore a region more widely.⁹² The Port Douglas Steam Train Company further stated that holiday packages can help individual businesses to promote themselves, as it is unlikely that small businesses with a single product will have 'the capability or capacity to sell their product alone.'⁹³

- 3.64 Tourism Council WA stated that holiday packages may also reduce flight fares and other expenses:

When you fly on a package and the package is distributed through wholesalers and they're able to package up with airfares, accommodation, touring experiences and so on, airlines, hotels and everybody else puts a much lower price into the package because it is hidden from the public view.⁹⁴

⁸⁸ Ecotourism Australia, *Submission 13*, pp 8-9.

⁸⁹ Queensland Government, *Submission 40*, p. 18.

⁹⁰ Ninti One Limited, *Submission 4*, p. 5.

⁹¹ Mrs Louise Scott, Executive Director, Strategy, Brand and Marketing Services, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 6.

⁹² Ms Wendy Morris, Associate, Port Douglas Steam Train Company, *Official Committee Hansard*, Port Douglas, 3 July 2017, pp 28-29.

⁹³ Ms Wendy Morris, Port Douglas Steam Train Company, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 28.

⁹⁴ Mr Evan Hall, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 10.

- 3.65 Tourism Council WA further advised that packages may explain ‘some of the airfare differences’ between Qld and WA, as 69 per cent of leisure visitors flying to a regional destination in Qld will fly on a package, while ‘the same figure for WA would be nine per cent.’⁹⁵

Film and TV Promotion

- 3.66 The 1986 movie *Crocodile Dundee* showcased the Australian outback to a global audience. Kakadu Tourism stated that this film was the ‘single most important promotional event for Kakadu (and NT) tourism’ in the 1980s and 1990s.⁹⁶ The impact of *Crocodile Dundee* on Australian tourism was highlighted by Tourism Australia’s recent \$36 million marketing campaign in the United States of America. This campaign featured an advertisement which initially looked like a trailer for a new *Crocodile Dundee* movie, but then ‘switched into an incredible showcase for Australian tourism.’⁹⁷
- 3.67 Kakadu Tourism further advised that ‘one of the most effective ways of selling a destination to the wider audience is by supporting TV and film producers who can showcase the region as an integral aspect of their film/TV show.’⁹⁸ The NT DTC also highlighted the importance of screen content to the tourism industry and stated:
- Each year around 230 000 international visitors are estimated to visit or extend their stay in Australia as a result of viewing Australian film and television content, representing around \$725 million in estimated tourism expenditure.⁹⁹
- 3.68 The NT DTC recommended funding for Screen Australia be increased to support the screen industry in Northern Australia.¹⁰⁰ The Qld Government recommended that the Australian Government consider permanently increasing film industry incentives, or target incentives to regional areas of Northern Australia.¹⁰¹

⁹⁵ Mr Evan Hall, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 10.

⁹⁶ Kakadu Tourism, *Submission 8*, p. 9.

⁹⁷ Tourism Australia, ‘Crocodile Dundee Inspires New \$36M American Tourism Push’, www.tourism.australia.com/en/news-and-industry-tools/latest-news/crocodile-dundee-inspires-new-american-tourism-push.html, Accessed 12 February 2018.

⁹⁸ Kakadu Tourism, *Submission 8*, p. 9.

⁹⁹ NT DTC, *Submission 23*, p. 9.

¹⁰⁰ NT DTC, *Submission 23*, p. 10.

¹⁰¹ Queensland Government, *Submission 40*, p. 31.

Concluding Comment

Tourism Marketing of Northern Australia

- 3.69 The Committee acknowledges the role that tourism and other agencies across federal, state and territory, and local levels have in the tourism marketing of Northern Australia. The Committee is of the view that marketing efforts could be further enhanced through closer collaboration between these organisations and levels of government. In particular, there may be untapped opportunities to develop marketing products, holiday packages, and events across the north.
- 3.70 Closer collaboration between jurisdictions could present marketing opportunities for areas that have similar or complementary strengths, but are separated by regional or state and territory boundaries. For example, northern Western Australia shares many similarities with the Northern Territory and marketing these areas together could be cost effective and could boost tourist visitation in both regions.
- 3.71 Tourism Australia is tasked with showcasing Australia as a holiday destination to the rest of the world. While Tourism Australia is required to highlight locations across the whole country, the Committee considers there is a need to specifically showcase the strengths of Northern Australia, which include outback and desert experiences, cultural tourism, iconic drive routes, beaches and coral reefs.
- 3.72 This Committee reiterates the recommendation made by its predecessor in *Pivot North: Inquiry into the Development of Northern Australia* (Pivot North). In *Pivot North*, the recommendation was made that a tourism strategy for promoting Northern Australia domestically and internationally be developed, which highlights natural assets and Aboriginal and Torres Strait Islander culture.

Events and Holiday Packages

- 3.73 Events can attract visitors to a region and create tourism opportunities for local businesses. The formulation of a calendar of events across Northern Australia could encourage tourists to stay longer and travel more widely. Attracting more business events, which bring significant capital to a region, may also assist in stimulating tourism in Northern Australia.

- 3.74 The Committee also reiterates and supports the findings and recommendations its predecessor Committee made in *Pivot North* in relation to the significant asset the arts and culture scene is in Northern Australia. In particular, the Committee recommends that the Australian Government increase the profile of, and participation in, artistic and cultural events in Northern Australia, including Aboriginal and Torres Strait Islander arts.
- 3.75 Holiday packages, which bundle up airfares, accommodation and tourist attractions, could be made available more widely throughout Northern Australia to encourage travel to the north and reduce transport and accommodation costs for tourists. Holiday and travel packages may also contribute to lowering airfares in Western Australia.

Digital Marketing

- 3.76 Digital marketing is essential if a tourism operator is initially to reach tourists from the southern states and across the world. Many tourism operators in Northern Australia are small businesses and may require support in developing their digital capacity. In particular, Aboriginal and Torres Strait Islander businesses and others located in remote areas could benefit from mentoring and capacity building initiatives to enable them to capitalise on digital marketing opportunities.

Film and Television Promotion

- 3.77 The Committee acknowledges the impact that films such as *Crocodile Dundee*, *Australia*, and *Priscilla, Queen of the Desert* have had on showcasing Northern Australia. Creating and maintaining incentives for the production of cinema and television content in Northern Australia could present northern destinations to a massive domestic and potentially international audience, far beyond the reach of any individual marketing campaign.

Recommendation 2

- 3.78 The Committee recommends that Tourism Australia work in partnership with the Queensland, Northern Territory, Western Australian and the respective Indian Ocean Territories tourism organisations to:
- Identify areas of tourism marketing and promotional overlap and streamline marketing policies and actions across Northern Australia;

- **Identify opportunities to work in partnership, particularly for the marketing of tourist destinations that cross state and territory borders; and**
- **Develop a digital Northern Australia calendar of events with events scheduled consecutively (where possible) to encourage travel to and between multiple destinations and events.**

Recommendation 3

- 3.79 The Committee recommends that Tourism Australia establish a new, specific and ongoing Northern Australia marketing policy and campaign to increase international awareness, including in Asian visitor markets, of Northern Australian tourism destinations and attractions.**

Recommendation 4

- 3.80 The Committee recommends that the Australian Government provide ongoing financial incentives for film and television productions to take place in Northern Australian locations.**

4. Enabling Access to Northern Australia

Overview

- 4.1 Many towns across Northern Australia are primarily accessed by tourists via road. The progressive sealing and upgrading of roads throughout Northern Australia can make drive journeys safer for tourists, enable the tourist season to be lengthened in areas that would otherwise be inaccessible due to roads being washed out, and improve visitor access to remote Aboriginal and Torres Strait Islander communities. At the same time, maintaining and promoting some unsealed drive routes could boost the adventure tourism market.
- 4.2 While road infrastructure becomes critical once tourists arrive in Northern Australia, the majority of international and a large proportion of domestic tourists will reach Northern Australia by plane. Many regional airports in the north are not equipped to receive international flights, which may impact their ability to attract international tourists. On the other hand, upgrading an airport to international status comes at a considerable cost which may be passed on to passengers.
- 4.3 Developing new air routes from the southern states to the north, from key international airports, and between northern destinations could help to increase the number of visitors to Northern Australia. Reducing the cost of airfares could also stimulate tourism, which could be achieved by introducing low cost carriers, reducing the Passenger Movement Charge and changing cabotage restrictions.

- 4.4 Tourists may also arrive in Northern Australia via cruise ship. The cruise ship industry generates millions of dollars in tourist expenditure in Northern Australia. Coastal destinations across the north are looking to capitalise on this opportunity, but require upgrades to port facilities to accommodate large cruise vessels.
- 4.5 While train travel is utilised less widely in Northern Australia than roads, flights and cruise ships, travel via rail can be a unique and unforgettable tourist experience as well as a means of transport. Improving the affordability and accessibility of rail services could expand the appeal of this tourist experience.

Infrastructure Funding

Northern Australia Infrastructure Facility

- 4.6 The Australian Government's flagship infrastructure program for Northern Australia is the \$5 billion *Northern Australia Infrastructure Facility* (NAIF). The NAIF, which opened on 1 July 2016:
- ... offers finance on concessional terms to encourage and complement private sector investment in economic infrastructure in Northern Australia that otherwise would not be built, or would not be built for some time.¹
- 4.7 The NAIF is open to all industries, including tourism, and examples of eligible infrastructure include 'roads, railways, communications, airport infrastructure and seaport infrastructure such as ports and marinas.'²
- 4.8 A number of submissions recommended expanding the NAIF to include funding opportunities for the tourism sector, particularly for smaller tourism businesses.³ Capricorn Enterprise suggested that dollar-for-dollar grants in the tens and hundreds of thousands may be more appropriate than the millions on offer under the NAIF.⁴ The Australian Conservation Foundation similarly recommended the Australian Government 'revise the investment

¹ Office of Northern Australia, *Submission 39*, p. 7.

² Office of Northern Australia, *Submission 39*, pp 7-8.

³ Tourism Tropical North Queensland (TTNQ), *Submission 15*, p. 5; Capricorn Enterprise, *Submission 22*, p. 3; Townsville Enterprise, *Submission 37*, p. 4.

⁴ Capricorn Enterprise, *Submission 22*, p. 3.

mandate of [the] NAIF and restructure the facility to enable a stronger focus and more accessible scale in support of regional and remote tourism'.⁵

4.9 The Queensland (Qld) Government encouraged the Australian Government to 'consider broadening the scope of the NAIF to include tourism-related infrastructure, or common use infrastructure associated with hotel and resort developments.'⁶

4.10 The Northern Territory Department of Tourism and Culture (NT DTC) recommended the Australian Government:

- 'provide new funding for access infrastructure in Northern Australia particularly for projects which are not eligible for NAIF funding; [and]
- set specific eligibility, selection and assessment criteria for existing funding programs that meet the north Australian context, such as providing funding for project feasibilities.'⁷

4.11 North Qld Airports recommended any remaining NAIF funds be used to attract international airlines to establish direct routes to Northern Australia. North Qld Airports further explained that also using NAIF funding to establish export-building projects and to attract major international events will help ensure any new international flights remain viable.⁸

4.12 The Office of Northern Australia advised that the Indian Ocean Territories are ineligible for NAIF funding, as the NAIF legislation only pertains to mainland Australia and ten nautical miles out to sea. The Office of Northern Australia advised that amending the NAIF legislation to include the Indian Ocean Territories 'would be helpful.'⁹

4.13 In April 2018 the Minister for Resources and Northern Australia, Senator the Hon Matthew Canavan, announced changes to the NAIF's investment mandate and eligibility criteria. These changes included: removing the non-mandatory criteria that a project had to be worth a minimum of \$50 million, and 'allowing the NAIF to lend up to 100 per cent of the debt, for appropriate projects, which removes the 50 per cent cap on NAIF debt

⁵ Australian Conservation Foundation, *Submission 43*, p. 2.

⁶ Queensland Government, *Submission 40*, p. 23.

⁷ Northern Territory Department of Tourism and Culture (NT DTC), *Submission 23*, p. 4.

⁸ North Queensland Airports, *Submission 36*, p. 5.

⁹ Mr Mark Coffey, Head, Office of Northern Australia, *Official Committee Hansard*, Canberra, 25 May 2018, p. 27.

financing.’¹⁰ The Office of Northern Australia added that social infrastructure is now included in ‘the scope of what is economic infrastructure’, which is a ‘good step forward.’¹¹ These changes were welcomed by the Capricorn Enterprise, which stated that it had been lobbying for change.¹² The Office of Northern Australia also welcomed the changes and stated that they ‘open up the opportunities for the tourism sector.’¹³

- 4.14 The Office of Northern Australia further advised that it was working with other departments to ensure businesses that may now be eligible for NAIF funding as a result of these changes are aware of them.¹⁴

Other Federal Infrastructure Funding

- 4.15 Federal programs which fund infrastructure include:

- **Roads Funding:** the Government has committed \$600 million to the *Northern Australia Roads Programme* and \$100 million to the *Northern Australia Beef Roads Programme*.¹⁵
- **National Stronger Regions Fund (NSRF):** while there will be no further funding rounds under the NSRF, there are ten projects receiving over \$55 million in funding which have a ‘strong tourism outcome.’¹⁶
- **Building Better Regions Fund (BBRF):** following the closure of the NSRF, the Australian Government established the BBRF which focuses on projects in regional areas.¹⁷ In the 2018-19 Federal Budget, \$206.5 million was committed over four years to round three of the BBRF,

¹⁰ Northern Australia Infrastructure Facility, ‘NAIF Welcomes Investment Mandate Changes’, <https://naif-gov-au.industry.slicedtech.com.au/wp-content/uploads/2018/04/20180418-NAIF-welcomes-Investment-Mandate-changes-.pdf>, Accessed 3 May 2018.

¹¹ Mr Mark Coffey, Office of Northern Australia, *Official Committee Hansard*, Canberra, 25 May 2018, p. 26.

¹² Ms Mary Carroll, Chief Executive Officer (CEO), Capricorn Enterprise, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 17.

¹³ Mr Mark Coffey, Office of Northern Australia, *Official Committee Hansard*, Canberra, 25 May 2018, p. 26.

¹⁴ Mr Mark Coffey, Office of Northern Australia, *Official Committee Hansard*, Canberra, 25 May 2018, p. 26.

¹⁵ Department of Infrastructure, Regional Development and Cities (DIRDC), *Submission 47*, p. 2.

¹⁶ DIRDC, *Submission 47*, p. 2.

¹⁷ DIRDC, *Submission 47*, p. 3.

which included \$45 million to ‘improve tourism-related infrastructure’. The Government stated that this increased total funding under the BBRF to \$641.6 million.¹⁸

- **Regional Jobs and Investment Packages:** funding packages in Northern Australia include the Cairns Jobs and Investment Package (\$20 million) and the Bowen Basin Jobs and Investment Package (\$30 million).¹⁹
- **Community Development Grants:** there are six projects with a ‘strong tourism outcome’ in Northern Australia receiving almost \$9 million in funding under this program.²⁰
- **Regional Growth Fund:** this fund provides ‘grants of \$10 million or more for major transformational projects which support long-term economic growth and create jobs in regions undergoing structural adjustment’.²¹ Applications for the *Regional Growth Fund* closed in April 2018, and the Livingstone Shire Council stated it had applied for funding in relation to the development of Great Keppel Island.²²

Travel by Road

Funding of Roads for Tourism

4.16 The Department of Infrastructure, Regional Development and Cities (DIRDC)²³ stated that 38 projects were announced under the *Northern Australia Roads Programme* and *Northern Australia Beef Roads Programme* in 2016. Road funding for projects which have flow on benefits for tourism are:

- over \$88 million for four projects on the Great Northern Highway, Western Australia (WA);
- approximately \$62 million to upgrade the Adelaide River Floodplain on the Arnhem Highway, Northern Territory (NT); and

¹⁸ Australian Government, ‘Budget Measures 2018-19 – Part 2: Expense Measures’, www.budget.gov.au/2018-19/content/bp2/download/bp2_combined.pdf, Accessed 9 May 2018.

¹⁹ DIRDC, *Submission 47*, p. 4.

²⁰ DIRDC, *Submission 47*, p. 4.

²¹ DIRDC, ‘Regional Growth Fund’, <http://regional.gov.au/regional/programs/regional-growth-fund.aspx>, Accessed 15 May 2018.

²² Councillor Frederick (Bill) Ludwig, Mayor, Livingstone Shire Council, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 1.

²³ At the time of giving evidence, this department was named the Department of Infrastructure and Regional Development.

- almost \$60 million for works on the Capricorn Highway, Qld.²⁴
- 4.17 The Qld Government stated that Qld roads have received \$350 million of state and federal funding under the *Northern Australia Roads Programme* and the *Northern Australia Beef Roads Programme*. The Qld Government further advised that a number of other road projects which have not attracted federal funding ‘remain priorities that would provide significant benefit to tourism in Northern Australia if funded.’²⁵
- 4.18 A project funded jointly by the WA and Federal governments under the *Northern Australia Roads Programme* is the sealing of the Cape Leveque Road. Tourism WA advised that the sealing of this road may create tourism opportunities for Aboriginal communities on the Dampier Peninsula.²⁶ This is explored further in Box 4.2.
- 4.19 The NT DTC welcomed federal funding provided for roads in the NT, but called for ongoing support to ensure the roads are maintained. The NT DTC stated that:
- Funding provided in the Northern Australia Roads Package will make a real difference to critical routes to some tourism sites. However a mechanism is now needed to deliver annual funding for maintenance, staged upgrades and new road projects to deliver a reliable road network that supports sustainable year-round tourism businesses.²⁷
- 4.20 The Federal and Qld Governments are also providing \$260.5 million (on an 80:20 basis) to fund the *Cape York Region Package*. The *Cape York Region Package* funds the sealing of roads to Cape York, which will improve access to Aboriginal and Torres Strait Islander communities and create business development opportunities.²⁸
- 4.21 The Australian Government is also providing \$330 million to upgrade ‘key sections of the Outback Way’, which links Laverton, WA to Winton, Qld, via

²⁴ DIRDC, *Submission 47*, p. 2.

²⁵ Queensland Government, *Submission 40*, p. 20.

²⁶ Ms Derryn Belford, Executive Director, Destination Development, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 4.

²⁷ NT DTC, *Submission 23*, p. 3.

²⁸ Queensland Government, *Submission 40*, pp 20-21.

Alice Springs, NT. This will be delivered in partnership with state and territory governments and relative local councils.²⁹

Road Funding Opportunities

4.22 Road travel was described as ‘critical’ to tourism in the north.³⁰ Despite this, the Shire of Halls Creek advised that it can be challenging to attract road infrastructure funding based solely on tourism factors, especially in remote areas.³¹ The Shire of Halls Creek further stated that ‘a number of roads which have the potential to increase tourism travel cross over state boundaries’, meaning federal, state, territory and/or local governments have to be in agreement for upgrading to commence.³²

4.23 The Northern Regional Development Australia Alliance (Northern RDA Alliance) recommended that the Australian Government develop a tourism roads program, which could be based on the current *Northern Australia Beef Roads Programme*. The Northern RDA Alliance stated that it would:

... highly recommend consideration of developing a beef roads equivalent for the tourism industry – a tourism roads program. Rural and regional tourism relies heavily on drive tourism, with tourists either driving into the region or flying and then hiring a car ... [grey nomads] are certainly a very significant part of the drive tourism market in the north and provide significant opportunities for further growth.³³

Box 4.1 Inland Queensland Roads Action Plan

In 2016, 33 local governments, eight regional road groups and five RDA committees from across Qld developed the *Inland Queensland Roads Action Plan* (IQ-RAP). IQ-RAP was described as ‘a well-researched, evidence-

²⁹ DIRDC, ‘Outback Way’, http://investment.infrastructure.gov.au/infrastructure_investment/outback_way.aspx, Accessed 14 May 2018.

³⁰ NT DTC, *Submission 23*, p. 3.

³¹ Shire of Halls Creek, *Submission 29*, p. 4.

³² Shire of Halls Creek, *Submission 29*, p. 4.

³³ Ms Glenys Schuntner, Northern RDA Alliance and CEO, RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 29.

based planning tool to inform future road network planning, programming and investment.’³⁴

IQ-RAP reviewed 16 000 kilometres of inland roads in Qld and identified that 3000 kilometres of roads and 300 bridges required upgrading. IQ-RAP then outlined the investment priorities and a plan for staged upgrades over an 18 year period.

The IQ-RAP Working Group advised that ‘since the IQ-RAP was launched, nearly \$300 million has been committed to Northern Australia roads within IQ-RAP through the Northern Australia Roads and Beef Roads Programmes’ while ‘approximately \$530 million has been committed through the *Queensland Transport and Roads Investment Program*.’³⁵

The IQ-RAP is currently seeking \$2 million in funding to ‘undertake wider economic and social benefit analysis to inform future programs and investment’ over two years.³⁶ Part of this analysis would consider the impact of an improved road network on drive tourism opportunities for inland Qld.³⁷

³⁴ Inland Queensland Roads Action Plan (IQ-RAP), ‘Better Roads for Regional Development: IQ-RAP Working Group Pre-Budget Submission’, www.rdanwq.org.au/files/IQ-RAP/Better%20Roads%20for%20Regional%20Development%20-%20IQ-RAP%20WG%20submission%20171214.pdf, Accessed 8 May 2018.

³⁵ IQ-RAP, ‘Better Roads for Regional Development: IQ-RAP Working Group Pre-Budget Submission’, <http://www.rdanwq.org.au/files/IQ-RAP/Better%20Roads%20for%20Regional%20Development%20-%20IQ-RAP%20WG%20submission%20171214.pdf>, Accessed 8 May 2018.

³⁶ IQ-RAP, ‘Better Roads for Regional Development: IQ-RAP Working Group Pre-Budget Submission’, <http://www.rdanwq.org.au/files/IQ-RAP/Better%20Roads%20for%20Regional%20Development%20-%20IQ-RAP%20WG%20submission%20171214.pdf>, Accessed 8 May 2018.

³⁷ Ms Glenys Schuntner, Secretariat, IQ-RAP Working Group and CEO, RDA Townsville and North West Queensland, *Official Committee Hansard*, Canberra, 8 February 2018, p. 2.

Tourism and Roads

Improving Access and Safety for Tourists

- 4.24 Tourism Tropical North Qld (TTNQ) explained that the sealing of roads in Northern Australia would allow greater access for visitors and stated that:

Increased investment in roads would make more destinations and entire sub-routes available for more vehicles for more of the year. In every instance the sealing of roads in Northern Australia has increased visitation as caravans and two-wheel drive vehicles bring new market segments. Road investment adds more confidence to advance holiday planning as well as supporting all other industries and community functions.³⁸

- 4.25 The TTNQ further explained that sealing of roads encourages dispersal of tourists, which ‘improves the yield for the region’, as more places benefit from tourist visits.³⁹ Tourism Top End identified the sealing of roads as a high priority for the NT, where only 25 per cent of roads are bitumen.⁴⁰
- 4.26 Creating fully sealed circuit routes that link a number of tourist sites could create new business opportunities for tour companies and tourism ventures along the route, increase visitation to destinations along a route⁴¹ and encourage visitors to extend their stay.⁴²
- 4.27 Improved road surfaces can also help ensure the safety of residents and visitors.⁴³ The Shire of Halls Creek stated that ‘unsealed roads are perceived to be, and are in fact, a significant risk to vehicles and personal safety.’⁴⁴ The Northern RDA Alliance also highlighted a need for the addition of passing lanes on high traffic roads, particularly those with road trains.⁴⁵

³⁸ TTNQ, *Submission 15*, p. 4.

³⁹ Ms Wendy Morris, Board Member, TTNQ, *Official Committee Hansard*, Cairns, 4 July 2017, p. 5.

⁴⁰ Tourism Top End, *Submission 9*, p. 3.

⁴¹ Shire of Halls Creek, *Submission 29*, p. 6.

⁴² Darwin Convention Centre, *Submission 18*, p. 5.

⁴³ Queensland Government, *Submission 40*, p. 21.

⁴⁴ Shire of Halls Creek, *Submission 29*, p. 6.

⁴⁵ Ms Glenys Schuntner, Northern RDA Alliance and RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 31.

- 4.28 The Northern RDA Alliance advised that most hire vehicle insurance companies do not allow for driving on dirt roads. Sealing roads could therefore enable tourists with hire cars to reach more destinations.⁴⁶

Extending the Tourist Season

- 4.29 Rainfall and seasonality can impede road access to tourist sites.⁴⁷ The Office of Northern Australia provided examples of seasonality impacting on tourist areas in Northern Australia, such as:
- Following heavy rains in Alice Springs and surrounds in December 2016, tourist sites including the Uluru-Kata Tjuta National Park became inaccessible;⁴⁸
 - As at 13 February 2017, there were more than 170 restrictions on NT Government controlled roads, including access points for tourism areas such as Litchfield National Park and Shady Camp;⁴⁹ and
 - Unsealed roads in tourist areas including Cape York in north Qld, the Kimberley region of WA and between Broome and the Dampier Peninsula, WA are ‘all similarly impacted by the effects of the wet season.’⁵⁰
- 4.30 Kakadu Tourism advised that if ground infrastructure was more developed, the length of the tourist season could be doubled from the four month dry season to eight months.⁵¹ Cape York Sustainable Futures (CYSF) cautioned that as roads are progressively sealed, and tourism numbers increase, extending the tourism season will become critical in order to ‘ease the burden on the resources’ of tourist towns (such as water, sewerage and power).⁵²

⁴⁶ Ms Glenys Schuntner, Northern RDA Alliance and RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 31.

⁴⁷ Kakadu Tourism, *Submission 8*, p. 3.

⁴⁸ Office of Northern Australia, *Submission 39*, p. 6.

⁴⁹ Office of Northern Australia, *Submission 39*, p. 6.

⁵⁰ Office of Northern Australia, *Submission 39*, p. 6.

⁵¹ Kakadu Tourism, *Submission 8*, p. 3.

⁵² Ms Kathryn Ann (Kate) Sutcliffe, Member, Tourism and Regional Development Advisory Committee, Cape York Sustainable Futures (CYSF), *Official Committee Hansard*, Cairns, 4 July 2017, pp 18-19.

Connecting Aboriginal and Torres Strait Islander Communities to Tourism

- 4.31 While cultural tourism can be a drawcard for tourists,⁵³ remoteness and unsealed roads can make some Aboriginal communities difficult to access.⁵⁴ Remoteness and infrastructure issues have also been identified as limiting the capacity of Indigenous businesses to develop.⁵⁵ Indigenous Business Australia stated that ‘the time taken to access remote locations because of poor transport infrastructure will make a tourism product less attractive for the time-poor tourist.’⁵⁶
- 4.32 The Shire of Halls Creek stated that in addition to creating opportunities for cultural tourism, the sealing of major roads in remote areas (such as the Tanami Road) would ‘open up service opportunities such as fuel and accommodation’, which would ‘present excellent opportunities for Indigenous enterprise’.⁵⁷
- 4.33 The Cook Shire Council described how some Indigenous communities in the far north Qld region had worked to gain ‘RV (Recreational Vehicle) friendly’ status to stimulate road tourism, and that Cooktown had been recognised as Australia’s RV friendliest town. The Cook Shire Council explained that RV tourists were looking for authentic Indigenous experiences and that becoming RV friendly was a ‘massive opportunity’ for cultural tourism.⁵⁸

Box 4.2 Aboriginal Communities on the Dampier Peninsula

The Cape Leveque Road, which runs from Broome to Cape Leveque on the Dampier Peninsula in northern WA, is currently in the process of being sealed. The Dampier Peninsula has the ‘highest density of Aboriginal-owned tourism ventures in the country’⁵⁹ and the road sealing is expected to increase the number of tourists that visit the area. Environs Kimberley stated that the sealing of Cape Leveque Road will bring

⁵³ NT DTC, *Submission 23*, p. 5.

⁵⁴ Shire of Halls Creek, *Submission 29*, p. 3.

⁵⁵ Office of Northern Australia, *Submission 39*, p. 10.

⁵⁶ Indigenous Business Australia, *Submission 55*, p. 3.

⁵⁷ Shire of Halls Creek, *Submission 29*, p. 2.

⁵⁸ Councillor Peter Scott, Mayor, Cook Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 43.

⁵⁹ Mr Andrew Martin Pritchard, Director, Environs Kimberley, *Official Committee Hansard*, Broome, 22 August 2017, p. 8.

tourism opportunities but also ‘significant threats’ to the environment, infrastructure and local communities.⁶⁰

Environs Kimberley recommended the development of a ‘social, environmental, cultural and economic impact assessment’ for the Dampier Peninsula, with the involvement of the community, to manage the opportunities and challenges associated with the sealing of Cape Leveque Road.⁶¹

Kooljaman (a wilderness camp in Cape Leveque) and Goombaragin Eco Retreat made a number of suggestions to manage the expected influx of tourists following the sealing of Cape Leveque Road. These included:

- rangers being given the authority to issue fines, or to make tourists move on, when they are camping or parking in prohibited areas;⁶²
- clear signage stating there is no free camping on the Peninsula;⁶³
- an access point, with a gate and rangers, to control the number of cars coming into the area (as accommodation and camping areas are limited);⁶⁴
- the development of a tourist map to clearly show which roads and areas are accessible for tourists;⁶⁵ and
- a toll (for road, sea and air access), which would create employment for local people, with the takings to be invested into the local area.⁶⁶

Maintaining Adventure Routes

4.34 While in many cases the sealing of roads in Northern Australia can boost tourist numbers, some tourists travel to the north to drive on adventure

⁶⁰ Mr Andrew Martin Pritchard, Environs Kimberley, *Official Committee Hansard*, Broome, 22 August 2017, p. 8.

⁶¹ Mr Andrew Martin Pritchard, Environs Kimberley, *Official Committee Hansard*, Broome, 22 August 2017, p. 8.

⁶² Mr John McLennan, Owner and Operator, Goombaragin Eco Retreat, *Official Committee Hansard*, Broome, 22 August 2017, p. 20.

⁶³ Mr Brian Lee, Director, Kooljaman, *Official Committee Hansard*, Broome, 22 August 2017, p. 20.

⁶⁴ Mr Brian Lee, Kooljaman, *Official Committee Hansard*, Broome, 22 August 2017, pp 20-21.

⁶⁵ Mr John McLennan, Goombaragin Eco Retreat, *Official Committee Hansard*, Broome, 22 August 2017, p. 21.

⁶⁶ Ms Kathleen Cox, Owner and Operator, Goombaragin Eco Retreat, *Official Committee Hansard*, Broome, 22 August 2017, p. 21.

routes.⁶⁷ Australia's North West Tourism stated that 'the Gibb River Road is renowned as one of Australia's great drive adventures ... [and] the sealing of this road would take away that adventure experience'.⁶⁸

- 4.35 The CYSF explained that Cape York has been 'known for its four-wheel drive experience', but that this will be reduced following the sealing of the Peninsula Development Road. To retain the adventure drive market, CYSF identified a 'loop road network', which encourages tourists to venture off the main (sealed) road and onto less developed roads, and so visit a wider array of communities.⁶⁹

Road Upgrade Priorities for Tourism

- 4.36 Tourist roads which need sealing and upgrading are the:

- **Tanami Road**, which runs across the Tanami Desert between Alice Springs, NT and Halls Creek, WA.⁷⁰
- **Outback Way**, which is the main east-west highway spanning WA, the NT and Qld.⁷¹
- **Savannah Way**, including the Hann Highway and the Gulf Development Road between Normanton and Burketown and Borroloola to Burketown sector.⁷²
- **Bloomfield Track** between Cape Tribulation and Wujal Wujal in Qld, to create a tourism drive loop⁷³ and potentially a cultural tourism loop.⁷⁴ Tourism Port Douglas and Daintree, however, stated that there has been 'broad opposition from within the Douglas Shire' to the sealing of this track.⁷⁵

⁶⁷ TTNQ, *Submission 15*, p. 4.

⁶⁸ Australia's North West Tourism, *Submission 30*, p. 7.

⁶⁹ Ms Kathryn Ann (Kate) Sutcliffe, CYSF, *Official Committee Hansard*, Cairns, 4 July 2017, pp 17-18.

⁷⁰ Shire of Halls Creek, *Submission 29*, p. 1.

⁷¹ Tourism Central Australia, *Submission 2*, pp 8-9.

⁷² TTNQ, *Submission 15*, p. 4.

⁷³ Cook Shire Council, *Submission 28*, p. 2.

⁷⁴ Councillor Peter Scott, Mayor, Cook Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, pp 44-45.

⁷⁵ Tourism Port Douglas and Daintree, *Submission 50*, Attachment A, p. 3.

- Roads to and within *Karijini, Millstream Chichester*⁷⁶ *Murujuga*⁷⁷ and *Mitchell River*⁷⁸ *National Parks* in WA.
- *Peninsula Development Road, Qld.*⁷⁹ The Cook Shire Council advised that the *Cape York Infrastructure Package* will ‘get [a traveller] two-thirds of the way to Weipa’, and that additional funding to complete the road had been set aside by the Australian Government, but not yet been released.⁸⁰
- *Major drive-tourism routes in North Qld*, including the Overlanders Way, Matilda Way, Capricorn Way and the Great Inland Way/Great Tropical Drive.⁸¹
- *Major drive-tourism routes in northern WA*, including the Gibb River Road, the Canning Stock Route, the Warlu Way, Kalumburu Road, Cape Leveque Road, Marble Bar to Nullagine and Newman, and Mount Augustus to Paraburdoo.⁸² Australia’s North West Tourism, however, recommended maintaining Gibb River Road as an ‘unsealed 4WD adventure route.’⁸³
- Upgrading roads to key attractions within *Kakadu National Park*.⁸⁴ Parks Australia advised it is ‘preparing plans’ for the Parks’ roads.⁸⁵
- Extending the National Highway to include the *Captain Cook Highway* from Cairns to Cooktown.⁸⁶
- *Bruce Highway, Qld*, at points vulnerable to flooding, including Hamilton Plains.⁸⁷

⁷⁶ Australia’s North West Tourism, *Submission 30*, p. 7.

⁷⁷ City of Karratha, *Submission 6*, p. 5, 8.

⁷⁸ Tourism WA, *Submission 63*, p. 3.

⁷⁹ Northern RDA Alliance, *Submission 46*, p. 6.

⁸⁰ Councillor Peter Scott, Mayor, Cook Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 42.

⁸¹ Queensland Government, *Submission 40*, p. 21.

⁸² Mrs Louise Scott, Executive Director, Strategy, Brand and Marketing Services, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 2; Tourism WA, *Submission 63*, p. 3.

⁸³ Australia’s North West Tourism, *Submission 30*, p. 7.

⁸⁴ Kakadu Tourism, *Submission 8*, p. 3.

⁸⁵ Mr Geoff Bailey, Assistant Secretary, Parks Australia, *Official Committee Hansard*, Darwin, 27 July 2017, p. 54.

⁸⁶ TTNQ, *Submission 15*, p. 5.

- Upgrading of road infrastructure at *Coral Bay, WA*.⁸⁸

Travel by Air

Airport Infrastructure

- 4.37 A number of inquiry participants recommended the upgrading of airport infrastructure across Northern Australia. This included upgrading and expanding some airports to facilitate international flights.⁸⁹ The CYSF advised that upgrading airport infrastructure could also ‘facilitate fly in/fly out itineraries and extend the tourism season beyond the “dry” season.’⁹⁰
- 4.38 In contrast, the Tourism Council WA stated that government policy has focussed too much on airport upgrades, and not enough on developing flight routes. The Tourism Council WA further commented that ‘no amount of laying down tarmac or building control towers is going to increase the number of leisure visitors.’⁹¹
- 4.39 Qantas also cautioned that investment in airport infrastructure can lead to higher airport charges, which can increase the cost of airfares for consumers.⁹² Qantas further highlighted that some Northern Australian airports are expensive, stating that in the 2017 financial year, ‘11 of the top 15 most expensive airports for the [Qantas] Group were located in Northern Australia’, and that ‘airport costs in some ports in Northern Australia are more than five times the cost of the major airports in the southern states.’⁹³
- 4.40 Qantas recommended any airport infrastructure investment should be ‘fit for purpose’ and stated that:

Communities should not be burdened with infrastructure they may not need, for example, building international airports in areas where there is little

⁸⁷ Mr Craig Turner, CEO, Tourism Whitsundays, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 5.

⁸⁸ Mr Tony Pickworth, Executive General Manager, Brand and Tourism, Royal Automobile Club of WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 29.

⁸⁹ Queensland Government, *Submission 40*, p. 24.

⁹⁰ CYSF, *Submission 19*, p. 5.

⁹¹ Mr Evan Hall, CEO, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 10.

⁹² Qantas Airways Limited, *Submission 60*, p. 5.

⁹³ Qantas Airways Limited, *Submission 60*, p. 4.

demand for such a service, as the cost of building such infrastructure is often passed directly on to airlines and their customers utilising these ports.⁹⁴

4.41 NT Airports put forward a different view and stated:

[It has been] suggested ... that airports are providing infrastructure that is not fit for purpose and that airlines have no capacity to resist such actions and the charges that flow from such investment. This is not the case. It should be understood that for smaller airports, what makes infrastructure "fit for purpose" is largely determined by aviation safety standards (administered by [the Civil Aviation Safety Authority]), security standards (administered by the Office of Transport Security) and building standards determined by the relevant Commonwealth or State legislation. Communities also have reasonable expectations as to the amenity of terminal buildings and indeed the International Air Transport Association produces standards for passenger terminal design ... changes to these standards, especially in relation to security, have created unavoidable cost increases that [are] being passed onto airlines.⁹⁵

4.42 Broome International Airport similarly stated that, while flights from Broome can be expensive, only a small proportion of that cost is due to airport fees.⁹⁶ Broome International Airport further stated that it is 'very difficult for an airport to influence airfares.'⁹⁷

4.43 The NT DTC stated that Darwin International Airport and Alice Springs Airport have high security costs and charges, which 'negatively impacts on the price competitiveness' of these airports and 'acts as an impediment to the wider economic development in Northern Australia.'⁹⁸

4.44 The NT DTC further stated that for Alice Springs Airport, high security costs 'are a direct result of its proximity to the Joint Defence Facility at Pine Gap, which raises questions about why Alice Springs residents and visitors are paying for costs associated with this facility.'⁹⁹

⁹⁴ Qantas Airways Limited, *Submission 60*, p. 5.

⁹⁵ NT Airports, *Submission 10.1*, p. 1.

⁹⁶ Mr Paul McSweeney, CEO, Broome International Airport, *Official Committee Hansard*, Broome, 22 August 2017, p. 2.

⁹⁷ Mr Paul McSweeney, Broome International Airport, *Official Committee Hansard*, Broome, 22 August 2017, p. 2.

⁹⁸ NT DTC, *Submission 23.1*, p. 1.

⁹⁹ NT DTC, *Submission 23.1*, p. 2.

Airport Infrastructure Priorities for Tourism

- **Minimise Airport Security Costs:** Virgin Australia recommended the Australian Government consider amending regulations to allow for the use of risk assessment processes for determining security requirements at regional airports, to minimise security costs while still maintaining appropriate security.¹⁰⁰ The NT DTC advocated for 'a new way of allocating security costs across Northern Australia, such as:
 - an equalised pricing structure across the national aviation network with costs borne fairly by travellers irrespective of their airport of origin or destination (i.e. network pricing); or
 - direct funding assistance from the Commonwealth Government for airports in Northern Australia with high security costs.'¹⁰¹
- **Maintain 24 Hour Capabilities of Northern Australian Airports:** Virgin Australia advised that this will ensure airports can be used to their maximum capacity, and that land use planning in the vicinity of airports and flights paths should reflect the 24 hour capability of airports.¹⁰²
- **Regional Airports:** the NT DTC recommended the Australian Government develop a plan to 'address safety and security cost disparities that disadvantage the north and improve the Regional Aviation Access Programme to more effectively support airports in regional areas.'¹⁰³
- **Upgrade Rockhampton Regional Airport, Qld:** The Livingstone Shire Council stated that upgrading Rockhampton Regional Airport to full international status would 'facilitate and grow tourism.'¹⁰⁴
- **Upgrade Jabiru and Cooina Airports in Kakadu, NT:** Kakadu Tourism recommend upgrading the runways and facilities at these airports so they can cater to medium sized jet aircraft, enabling flights from major airports to travel directly to Kakadu National Park.¹⁰⁵

¹⁰⁰ Virgin Australia, *Submission 32*, p. 10.

¹⁰¹ NT DTC, *Submission 23.1*, p. 2.

¹⁰² Virgin Australia, *Submission 32*, p. 9.

¹⁰³ NT DTC, *Submission 23*, p. 4.

¹⁰⁴ Livingstone Shire Council, *Submission 89*, p. 7.

¹⁰⁵ Kakadu Tourism, *Submission 8*, p. 3.

- ***Upgrade Townsville Airport, Qld:*** Townsville City Council advocated for an upgrade to Townsville airport, to facilitate more flights to the region.¹⁰⁶
- ***Upgrade the Runway at Connellan Airport, NT:*** Voyages Indigenous Tourism Australia, which operates the Connellan airport, stated that it had requested funding from the NT and Federal Governments to assist with runway upgrades, but had not received any commitment.¹⁰⁷
- ***Expand Cooktown Airport, Qld:*** the Cook Shire Council advised it is considering expanding Cooktown airport to allow for more flights and operators, and is looking for federal support for the project (the Council and State Government are also providing funding).¹⁰⁸
- ***Relocate the Helicopter Base at Broome International Airport, WA:*** Environs Kimberley stated that helicopters taking off from the airport are causing ‘visual and noise pollution’ that is ‘beginning to affect the Broome brand and tourism.’¹⁰⁹ Broome International Airport advised that it would ‘like to gradually move some of the helicopter traffic out of town’ and that ‘a site has been quarantined for planning purposes about 13 kilometres out of town.’¹¹⁰
- ***Upgrade the Monkey Mia runway, WA:*** the Gascoyne Development Commission advised that this runway needs to be upgraded to attract larger aircraft, specifically carriers that are part of the Global Distribution System.¹¹¹

Flight Routes

Current Arrangements

4.45 The DIRDC advised that Australia’s domestic aviation industry is largely deregulated, and that the Australian Government does not restrict foreign

¹⁰⁶ Councillor Les Walker, Deputy Mayor, Townsville City Council, *Official Committee Hansard*, Townsville, 5 July 2017, p. 47.

¹⁰⁷ Indigenous Land Corporation and Voyages Indigenous Tourism Australia, *Submission 66*, p. 11.

¹⁰⁸ Ms Sally Eales, Team Leader Tourism and Community Services and Councillor Peter Scott, Mayor, Cook Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, pp 47-48.

¹⁰⁹ Mr Andrew Martin Pritchard, Environs Kimberley, *Official Committee Hansard*, Broome, 22 August 2017, p. 7.

¹¹⁰ Mr Paul McSweeney, Broome International Airport, *Official Committee Hansard*, Broome, 22 August 2017, p. 5.

¹¹¹ Gascoyne Development Commission, *Submission 53*, p. 8.

investment in domestic airlines other than Qantas,¹¹² or regulate which routes airlines can fly.¹¹³ As a result, the DIRDC stated that ‘airline businesses are able to operate domestic services that reflect the level of commercial demand in Northern Australia.’¹¹⁴ The DIRDC further advised that ‘international airline access to Northern Australia is largely unrestricted.’¹¹⁵

- 4.46 To encourage flight routes outside of major Australian cities, the Australian Government has sought to include the ‘Regional Package’ in its bilateral air services arrangements, which ‘means unrestricted capacity is available for international air services to destinations other than ... Sydney, Melbourne, Brisbane and Perth.’¹¹⁶ Australia also has an open aviation agreement with China, which removes capacity restrictions from the air services arrangements between the two countries.¹¹⁷
- 4.47 The DIRDC stated that ‘this policy framework has supported solid growth in Northern Australia aviation.’¹¹⁸
- 4.48 Following the Australian Government’s *White Paper on Developing Northern Australia*, a Business Stakeholder Group was established, chaired by the Minister for Infrastructure and Transport, ‘to assist the Government in preparing a plan for improving aviation and surface transport connections to Northern Australia’.¹¹⁹

Attracting New Services and Routes

- 4.49 Financial and other incentives are sometimes provided to attract airlines to a particular area. The Qld Government’s *Attracting Aviation Investment Fund*,

¹¹² Although relevant Foreign Investment Review Board requirements must be met.

¹¹³ ‘Although WA and Queensland provide subsidies and restrict competition on some intra-state routes to protect services of marginal viability’, DIRDC, *Submission 47*, p. 6.

¹¹⁴ DIRDC, *Submission 47*, p. 6.

¹¹⁵ DIRDC, *Submission 47*, p. 6.

¹¹⁶ DIRDC, *Submission 47*, pp. 6-7.

¹¹⁷ Former Minister for Infrastructure and Transport, the Hon Darren Chester MP, http://minister.infrastructure.gov.au/chester/releases/2016/December/dc209_2016.aspx, Accessed 22 May 2018.

¹¹⁸ DIRDC, *Submission 47*, p. 7.

¹¹⁹ DIRDC, *Submission 47*, p. 7.

for example, is ‘used to secure new aviation business and routes into Qld from identified priority markets and to enhance existing partnerships.’¹²⁰

- 4.50 The NT Airports also advised that it works with the NT Government to provide incentives to airlines, particularly to attract new international and domestic routes. The NT Airports advised, for example, that it was working with the NT Government to attract new services from Hong Kong and China.¹²¹ The NT Airports also stated that Tourism NT worked with airlines on marketing and promotional initiatives, but that its budget for this was much smaller than that of other Australian jurisdictions.¹²²
- 4.51 The WA Government has a *State Aviation Strategy*, which is ‘designed to provide a sound framework for policy setting, and future planning and investment in WA international and domestic air services and airport infrastructure.’¹²³ Australia’s North West Tourism advocated for the implementation of the outcomes of this Strategy.¹²⁴
- 4.52 When describing its involvement in supporting air route development to northern WA, Tourism WA stated that it is ‘pitching the destinations and where opportunities lie [to the airlines], though at the moment we haven’t managed to crack that egg.’¹²⁵ Tourism WA and Broome International Airport advised they were working towards establishing a route from Singapore to Broome.¹²⁶
- 4.53 Tourism Australia advised that some international air routes to Northern Australia have been secured on a seasonal basis, in order to test out the viability of the route.¹²⁷ For example, Jin Air, a low cost Korean carrier, established a twice weekly flight from Seoul, South Korea to Cairns,

¹²⁰ Queensland Government, *Submission 40*, p. 24.

¹²¹ Mr Chris Bigg, Policy Adviser, NT Airports, *Official Committee Hansard*, Darwin, 27 July 2017, p. 39.

¹²² Mr Chris Bigg, NT Airports, *Official Committee Hansard*, Darwin, 27 July 2017, p. 39.

¹²³ WA Department of Transport, ‘State Aviation Strategy’, www.transport.wa.gov.au/aviation/state-aviation-strategy.asp, Accessed 22 May 2018.

¹²⁴ Australia’s North West Tourism, *Submission 30*, p. 6.

¹²⁵ Ms Derryn Belford, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 7.

¹²⁶ Mrs Louise Scott, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, pp 7-8; Mr Paul McSweeney, Broome International Airport, *Official Committee Hansard*, Broome, 22 August 2018, p. 2.

¹²⁷ Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry, Tourism Australia, *Official Committee Hansard*, Canberra, 17 February 2017, p. 30.

Australia which ran over a four month period. Tourism Australia advised it partnered with Qld tourism organisations to advertise Cairns and stimulate demand in Seoul, in order to ‘make it worthwhile for Jin Air to come, and to make them consider broadening the season.’¹²⁸ Rockhampton Regional Council also announced it would trial international flights over a six month period in 2018.¹²⁹

- 4.54 In March 2018, Qantas began operating direct flights between Perth, Australia and London, UK.¹³⁰ Professor Ross Dowling OAM, a Foundation Professor of Tourism at Edith Cowan University, advised that there were ‘kangaroo extras’ attached to this route, allowing passengers to add-on low-cost flights to destinations including Exmouth and Broome.¹³¹ The Shire of Exmouth described this flight and the add-on fares as ‘a game changer for our destination.’¹³²

Challenges and Suggested Improvements

- 4.55 Voyages Indigenous Tourism Australia stated that a lack of direct routes to the north is a significant barrier to future growth in the tourism industry.¹³³ The Tourism Council WA raised similar concerns, stating that aviation access is the number one issue for tourism in northern WA, and that governments have not had enough of a focus on route development.¹³⁴

¹²⁸ Ms Karen Halbert, Tourism Australia, *Official Committee Hansard*, Canberra, 17 February 2017, p. 30.

¹²⁹ Rockhampton Regional Council, ‘Rockhampton Airport to Spread its Wings and Test International Waters’, www.rockhamptonregion.qld.gov.au/AboutCouncil/News-and-announcements/Latest-News/Rockhampton-Airport-to-spread-its-wings-and-test-international-waters, Accessed 19 October 2017.

¹³⁰ Qantas, ‘Qantas starts history-making flight direct to London’, www.qantasnewsroom.com.au/media-releases/qantas-starts-history-making-flight-direct-to-london/, Accessed 22 May 2018.

¹³¹ Professor Ross Dowling OAM, Foundation Professor of Tourism, Edith Cowan University, *Official Committee Hansard*, Perth, 23 August 2017, p. 44.

¹³² Mr Cameron Woods, CEO, Shire of Exmouth, *Official Committee Hansard*, Canberra, 19 October 2017, p. 9.

¹³³ Mr Andrew Williams, CEO, Voyages Indigenous Tourism Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 2.

¹³⁴ Mr Evan Hall, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 10.

- 4.56 Concerns were also raised regarding the difficulty of flying between tourist destinations within Northern Australia.¹³⁵ The Office for Northern Australia stated that, for example, ‘flying between Broome and Exmouth (two popular tourism destinations) means flying via Perth’.¹³⁶ The Darwin Convention Centre commented that ‘28 per cent of [its] delegates had to take two or more flights to get to Darwin.’¹³⁷ The Northern RDA Alliance also stated that flying from Broome to Cairns may involve two stopovers.¹³⁸
- 4.57 Australia’s North West Tourism was of the view that federal and state governments should take a ‘more active role’ in developing new routes in Northern Australia, as ‘airlines are no longer in the business of route development on their own’.¹³⁹ The Northern RDA Alliance recommended the federal, state and territory governments work together to develop new air routes, and commit financial incentives for the development of new routes to, and within, the north.¹⁴⁰
- 4.58 Recognising the need to stimulate demand for Northern Australian flights, Ninti One Limited suggested developing a tourism campaign focussed on increasing regional air travel demand, and the development of tourist packages that involve air travel from Northern Australia.¹⁴¹ The Tourism Council WA raised a similar proposition, recommending the development of new interstate and international routes to northern WA and the use of marketing to stimulate passenger demand.¹⁴²
- 4.59 In contrast to calls for direct international routes to regional airports, Virgin Australia stated that most international visitors are likely to arrive in Australia via a major capital city airport. As such, Virgin Australia advised that ‘the continued existence of strong local carriers, providing safe, reliable

¹³⁵ Ms Glenys Schuntner, Northern RDA Alliance and RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 29.

¹³⁶ Office of Northern Australia, *Submission 39*, p. 6.

¹³⁷ Ms Janet Hamilton, General Manager, Darwin Convention Centre, *Official Committee Hansard*, Darwin, 27 July 2017, p. 33.

¹³⁸ Ms Glenys Schuntner, Northern RDA Alliance and RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 29.

¹³⁹ Australia’s North West Tourism, *Submission 30*, p. 6.

¹⁴⁰ Northern RDA Alliance, *Submission 46*, p. 7.

¹⁴¹ Ninti One Limited, *Submission 4*, p. 5.

¹⁴² Mr Evan Hall, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, pp 9-10.

and competitive domestic air connections to/from the major capitals, is therefore integral to the Northern Australia tourism industry.’¹⁴³

4.60 Flight routes that could benefit the tourism industry in Northern Australia include:

- ***International and Domestic Flights to Darwin:*** Nearly half a billion people are located within four hours’ flying time of Darwin,¹⁴⁴ giving Darwin Airport ‘the potential to be a major international gateway airport.’¹⁴⁵ Specific international flights to Darwin raised included non-stop European flights¹⁴⁶ and direct flights from New Zealand.¹⁴⁷ To attract more flights to Darwin, Kakadu Tourism suggested the Australian Government offer favourable landing charges, underwrite the expansion of peak season services and use marketing to stimulate demand.¹⁴⁸
- ***International and Domestic Routes from Townsville Airport:*** Townsville Enterprise stated that flights from Townsville to Bali and Port Moresby with connections to Hong Kong have been established, and it would now like to see connections to New Zealand and Singapore, and more domestic connections with capital cities.¹⁴⁹
- ***Flights from South-East Asia to Broome:*** Australia’s North West Tourism advised that a flight from Singapore to Broome, which would take less than four hours, would bring tourists from Asia and also connect to Europe and the United Kingdom of Great Britain (UK).¹⁵⁰ The Broome Shire Council recommended the development of a Melbourne – Sydney – Broome – South-East Asia route, which could potentially

¹⁴³ Virgin Australia, *Submission 32*, p. 4.

¹⁴⁴ Office of Northern Australia, *Submission 39*, p. 3.

¹⁴⁵ Tourism Central Australia, *Submission 2*, p. 8.

¹⁴⁶ Tourism Central Australia, *Submission 2*, p. 8.

¹⁴⁷ Darwin Convention Centre, *Submission 18*, p. 2.

¹⁴⁸ Kakadu Tourism, *Submission 8*, p. 3.

¹⁴⁹ Ms Bridget Woods, Director, Tourism and Events, Townsville Enterprise, *Official Committee Hansard*, Townsville, 5 July 2017, p. 16.

¹⁵⁰ Australia’s North West Tourism, *Submission 30*, pp 6-7.

reduce airfares on flights into Broome and enable international access to the Kimberley region.¹⁵¹

- ***Direct Flights from Melbourne to Kununurra:*** The East Kimberley Marketing Group advised that it is in discussions with an airline and potential distribution partners about this route.¹⁵²
- ***Routes from the UK and Germany:*** the Western Australian Indigenous Tourism Operators Council advised that tourists from these countries have high levels of interest in Aboriginal tourism products.¹⁵³
- ***International Routes to Alice Springs:*** Tourism Central Australia stated that following any potential expansion of Darwin airport, international routes direct to Alice Springs would be ‘required to continue visitation growth to the outback’.¹⁵⁴
- ***Year-round international flights to Cairns:*** North Qld Airports stated that it had secured a year-round flight from mainland China, and would look to expand this to flights from other cities in China, such as Shanghai, other cities in Asia, such as Seoul, as well as Taiwan, the Middle East and North America.¹⁵⁵

Cost and Availability of Flights

4.61 The high cost of air travel was described as being an impediment to growing tourism in some regions of Northern Australia¹⁵⁶, with Kakadu Tourism describing flights to Darwin as having been ‘prohibitively expensive for leisure visitors’.¹⁵⁷ As Australia’s North West Tourism explained, one reason for the high cost of flights in WA and the NT is that the flights are utilised by the resources sector. Australia’s North West Tourism stated:

¹⁵¹ Mr Harold Tracey, Deputy President, Broome Shire Council, *Official Committee Hansard*, Broome, 21 August 2017, p. 1.

¹⁵² Mr Michael McConachy, Chair, East Kimberley Marketing Group, *Official Committee Hansard*, Broome, 21 August 2017, p. 28.

¹⁵³ WA Indigenous Tourism Operators Council, *Submission 45*, p. 9.

¹⁵⁴ Tourism Central Australia, *Submission 2*, p. 8.

¹⁵⁵ Mrs Helen Laird, Corporate Communications Manager, North Queensland Airports, *Official Committee Hansard*, Cairns, 4 July 2017, p. 28.

¹⁵⁶ Australia’s North West Tourism, *Submission 30*, p. 5.

¹⁵⁷ Kakadu Tourism, *Submission 8*, p. 1.

... on the Pilbara routes from Perth during periods of peak resource sector activity, airfares are often very high for leisure travellers who are competing with a high volume of corporate travellers for available seats.¹⁵⁸

- 4.62 The expense of flights to Northern Australia may also make it challenging to attract domestic tourists from southern states, as flights to overseas destinations may be more affordable.¹⁵⁹ To illustrate, Voyages Indigenous Tourism Australia stated that 'it's cheaper for people in Sydney and Melbourne to get to London or New York than it is to get to Kununurra.'¹⁶⁰
- 4.63 In contrast, Qantas advised that 'Qantas and Jetstar have maintained very competitive fares on regional routes and especially in Northern Australia', and that 'data on domestic airfares confirms that, in real terms, all fare categories are lower than they were in 2003.'¹⁶¹
- 4.64 Broome Tourism Leadership Group explained there is a perception that Broome is expensive to get to, but in reality there are some more affordable flights (such as \$450 return from Perth to Broome). The Broome Tourism Leadership Group recommended the implementation of initiatives addressing 'consumer perception issues around the cost and time' of flights, such as a Broome flight scanner.¹⁶² In contrast, the Broome Shire Council stated that flights from Perth to Broome can be 50 to 100 per cent more expensive than Sydney or Melbourne to Cairns, despite being a shorter distance to travel.¹⁶³
- 4.65 Australia's North West Tourism commented that while the Government cannot set flight prices, it can encourage competition between carriers which could serve to drive prices down, particularly if low cost carriers had a greater presence in Northern Australia.¹⁶⁴

¹⁵⁸ Australia's North West Tourism, *Submission 30*, p. 5.

¹⁵⁹ Office of Northern Australia, *Submission 39*, p. 6.

¹⁶⁰ Mr Andrew Williams, Voyages Indigenous Tourism Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 6.

¹⁶¹ Qantas, *Submission 60*, p. 4.

¹⁶² Mr James Brown, Chairman, Broome Tourism Leadership Group, *Official Committee Hansard*, Broome, 21 August 2017, pp 18-19.

¹⁶³ Ms Kirsten Wood, Manager, Planning and Building, Broome Shire Council, *Official Committee Hansard*, Broome, 21 August 2017, p. 4.

¹⁶⁴ Australia's North West Tourism, *Submission 30*, p. 6.

- 4.66 Tourism WA similarly stated that introducing a low-cost carrier would ‘open up the whole of Western Australia, including the north.’ Tourism WA further advised that this was a priority for the agency, and that it has regular meetings with all air carriers.¹⁶⁵
- 4.67 Broome International Airport, however, pointed out difficulties associated with attracting a low-cost carrier to Broome:
- ... for a low-cost carrier to work ... you need either a population base at either end of the flight of 100 000 or more or an airport at either end of the flight doing a million passengers or more ... Broome is well short of the 100 000 base it needs, and the airport is well short of the million passengers it needs ... It certainly will never work on a year-round basis. Perhaps on a seasonal basis it may, but we're yet to see that come to fruition.¹⁶⁶
- 4.68 Specific destinations that were put forward for lower priced airfares in Northern Australia included:
- **Christmas Island:** The Christmas Island Tourism Association advised that ‘increasing the supply of lower priced airfares in shoulder and off peak times’ could stimulate tourism.¹⁶⁷
 - **Alice Springs:** Tourism Central Australia stated that a ‘discount domestic carrier into Alice Springs Airport is essential to visitor growth.’¹⁶⁸
 - **Regional WA:** The Royal Automobile Club of WA recommended the Government ‘consider opportunities to reduce the high costs of airfares to regional Western Australian destinations.’¹⁶⁹
 - **Townsville, Qld:** Townsville Enterprise stated lower cost flights from capital cities would support tourism in the region.¹⁷⁰

¹⁶⁵ Ms Derryn Belford, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 6.

¹⁶⁶ Mr Paul McSweeney, Broome International Airport, *Official Committee Hansard*, Broome, 22 August 2017, p. 2.

¹⁶⁷ Christmas Island Tourism Association, *Submission 21*, p. 2.

¹⁶⁸ Tourism Central Australia, *Submission 2*, p. 8.

¹⁶⁹ Royal Automobile Club of WA, *Submission 38*, p. 7.

¹⁷⁰ Ms Bridget Woods, Townsville Enterprise, *Official Committee Hansard*, Cairns, 5 July 2017, p. 17.

Passenger Movement Charge

- 4.69 The Passenger Movement Charge (PMC) is a \$60 impost for a person's departure from Australia to another country. The PMC is administered by the Federal Department of Home Affairs.¹⁷¹
- 4.70 The NT Airports described the PMC as 'an inequitable tax which has an impact on international tourism'. The NT Airports further stated that the PMC is the second highest charge of this kind in the world, and being a flat rate charge has the greatest impact on short haul and discount fares.¹⁷² North Qld Airports also outlined the impact the PMC may be having on international tourism, stating that 'there is the perception that it is expensive to fly to Australia or to leave Australia' and that the PMC is 'seen as an impost on tourists.'¹⁷³ Darwin Major Business Group (DMBG) stated that the PMC was particularly detrimental to Northern Australia.¹⁷⁴
- 4.71 The NT Airports and the DMBG advised that the PMC was introduced in order to 'cover the cost of the border agencies' at airports, but that it now generates revenue above what is required for cost recovery.¹⁷⁵ As such, the NT Airports and the DMBG recommended the PMC be reduced to around \$15, which would meet security costs.¹⁷⁶ Recognising the budgetary impact of this proposal, the NT Airports and the DMBG made an alternative recommendation: that passengers leaving from Northern Australian airports be exempt from paying the PMC.¹⁷⁷ This would 'make Northern Australia more competitive for international tourism' and 'should not impact on budget repair'.¹⁷⁸
- 4.72 North Qld made an alternative recommendation and stated that any profit generated by the PMC should 'be invested in growing tourism and

¹⁷¹ Department of Home Affairs, 'Passenger Movement Charge', [www.border.gov.au/Trav/Ente/GoIn/Departing/Passenger-Movement-Charge-\(PMC\)](http://www.border.gov.au/Trav/Ente/GoIn/Departing/Passenger-Movement-Charge-(PMC)), Accessed 21 May 2018.

¹⁷² NT Airports, *Submission 10*, p. 1.

¹⁷³ Mrs Helen Laird, North Queensland Airports, *Official Committee Hansard*, Cairns, 4 July 2017, p. 26.

¹⁷⁴ Darwin Major Business Group (DMBG), *Submission 11*, p. 2.

¹⁷⁵ NT Airports, *Submission 10*, p. 1 and DMBG, *Submission 11*, p. 2.

¹⁷⁶ NT Airports, *Submission 10*, p. 1 and DMBG, *Submission 11*, p. 2.

¹⁷⁷ NT Airports, *Submission 10*, p. 1 and DMBG, *Submission 11*, p. 2.

¹⁷⁸ NT Airports, *Submission 10*, p. 1.

international trade in the region'.¹⁷⁹ The NT DTC recommended the PMC be reduced to a 'genuine cost recovery levy', or that the profits be used to 'reduce airport security and safety costs in Northern Australia.'¹⁸⁰

Cabotage

4.73 Cabotage refers to 'the right for foreign carriers to operate on domestic routes.'¹⁸¹ Virgin Australia explained that currently, foreign airlines are not permitted to practice 'consecutive cabotage' in Australia, meaning foreign airlines cannot pick up domestic passengers and/or freight at one Australian airport and carry them to another.¹⁸² Qantas advised that it was 'strongly opposed to any change to the restrictions on aviation cabotage,' and that any relaxing of restrictions may have negative regulatory, employment, economic and strategic impacts on Australia.¹⁸³

4.74 In contrast, Broome International Airport stated that 'cabotage is another form of competition, which would be welcomed.'¹⁸⁴ Similar sentiments were expressed by the Broome Shire Council, which recommended the Australian Government 'investigate opportunities for cabotage to be allowed ... between Australian regional international airports and the four primary international airports in Australia.' The Broome Shire Council further stated that a limited allowance of cabotage was needed to attract flights from South-East Asia and Hong Kong to Broome and Perth, as well as the eastern states.¹⁸⁵ The Broome Shire Council explained that it was:

... not advocating full cabotage. It really is just to have flights from those locations such as South-East Asia through to your primary Northern Australian international airports—so, Broome, Darwin and Cairns—and then

¹⁷⁹ North Queensland Airports, *Submission* 36, p. 4.

¹⁸⁰ NT DTC, *Submission* 23, p. 3.

¹⁸¹ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, pp 140.

¹⁸² With the exception of New Zealand. Virgin Australia, *Submission* 32, p. 4.

¹⁸³ Qantas Airways Limited, *Submission* 60, p. 6.

¹⁸⁴ Mr Paul McSweeney, Broome International Airport, *Official Committee Hansard*, Broome, 22 August 2017, p. 4.

¹⁸⁵ Mr Harold Tracey, Broome Shire Council, *Official Committee Hansard*, Broome, 21 August 2017, p. 2.

onto the major international airports within Australia. We're not advocating complete deregulation in that area.¹⁸⁶

- 4.75 The DIRDC advised that the Government did not have any 'immediate plans to make any changes to the cabotage arrangements.'¹⁸⁷

Box 4.3 WA Inquiry into Regional Airfares

On 30 November 2017 the WA Economics and Industry Standing Committee tabled its report *Perceptions and Realities of Regional Airfare Prices in Western Australia* (the WA Report).

The WA Report examined whether regional airfares in WA were high, what factors contributed to flight prices, the impact of flight prices on regional communities, and steps that the industry and government could take to address concerns and reduce airfares.¹⁸⁸

The WA Economics and Industry Standing Committee made 48 findings and 13 recommendations. In relation to tourism, the WA Report stated that high regional airfares can have a 'debilitating effect' on tourism operators, and that high airfares in, and to, WA may contribute to a tourist's decision to holiday elsewhere.¹⁸⁹ The WA Report also considered it unlikely that WA would attract a low-cost airline to service tourists on regional routes in the near future.¹⁹⁰

The WA Report stated that some communities, including Karratha, Broome and Kununurra, had 'innovated to improve the attractiveness of

¹⁸⁶ Ms Aletta Nugent, Director, Development and Community, Broome Shire Council, *Official Committee Hansard*, Broome, 21 August 2017, p. 6.

¹⁸⁷ Mr Stephen Borthwick, Acting Executive Director, DIRDC, *Official Committee Hansard*, Canberra, 20 October 2017, p. 16.

¹⁸⁸ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, p. 1.

¹⁸⁹ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, p. iv.

¹⁹⁰ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, p. vii.

their tourism product (with differing degrees of success) and have experienced varying levels of engagement with airlines.’¹⁹¹

As well as considering local and state government responsibilities, the WA Report discussed the role of the Australian Government and stated that ‘there are very few mechanisms that the Australian Government can implement to lower actual airfares in regional WA’.¹⁹² Nevertheless, potential Australian Government impacts on the price of airfares included:

- Cabotage restrictions;¹⁹³
- Security screening services at airports, which can add a ‘significant cost [to] each passenger fare;’¹⁹⁴ and
- Exemptions from the Fringe Benefit Tax for flights for fly-in-fly-out workers in the resources sector, which may make airlines less price sensitive.¹⁹⁵

Travel by Sea

4.76 The cruise ship industry is one of the fastest growing tourism sectors in Australia.¹⁹⁶ In Northern Australia in 2014-2015, passengers spent 265 000 days in port and contributed \$116 million in direct expenditure to the economy.¹⁹⁷

4.77 A challenge for the cruise industry is ‘limitations on the size of cruise vessels that can access a number of ports in Northern Australia’. Another challenge presented by cruise ships is ‘the shock-load of intermittent visits and the

¹⁹¹ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, pp 105-106.

¹⁹² WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, pp 138-139.

¹⁹³ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, p. x.

¹⁹⁴ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, p 87.

¹⁹⁵ WA Economics and Industry Standing Committee, *Report No. 2: Perceptions and Realities of Regional Airfare Prices in Western Australia*, November 2017, pp 66-67.

¹⁹⁶ Northern RDA Alliance, *Submission 46*, p. 8.

¹⁹⁷ Office of Northern Australia, *Submission 39*, p. 6.

impact these can have on local infrastructure and services'.¹⁹⁸ The Port of Townsville agreed and stated that it is 'an ongoing battle to try to produce new product, and product that can take the volumes that cruise ships require.'¹⁹⁹

- 4.78 The Port of Townsville also stated that there was a need for a 'central resource to help destinations develop their cruise ship market.' The Port of Townsville explained that currently:

... there is no strategy. There is nowhere you can go online and say, 'Right, I'm Timbuktu and we want a cruise ship to come next year to see how we go. How do I make that happen? Who can I talk to? Who can I speak to that has connectivity with the cruise lines?'... That would be hugely helpful – a resource on how we make this work.²⁰⁰

Port Infrastructure

Develop Darwin into a Cruise Ship Home Port

- 4.79 The DMBG recommended Darwin become a home port for cruise ships, particularly for smaller expedition-type cruise ships with fewer than 100 passengers. To facilitate this, the DMBG recommended the Australian Government extend the exemption which allows large international cruise ships (over 5000 tonnes) with international crews to operate in Australia to smaller expedition type international cruise vessels (over 500 tonnes), as long as they operate in Northern Australia.²⁰¹
- 4.80 The NT DTC also supported Darwin becoming a cruise ship home port, and stated that the private sector lessee of the Darwin Cruise Ship Terminal had proposed a \$25 million investment for improvements to the terminal. The NT DTC recommended the Australian Government provide funding for terminal improvements and the wharf extension, and also 'scale up border security services to meet demand coming from increased cruise ship traffic'.²⁰²

¹⁹⁸ Office of Northern Australia, *Submission 39*, p. 7.

¹⁹⁹ Ms Sharon Hoops, Manager, Corporate Affairs, Port of Townsville Ltd, *Official Committee Hansard*, Townsville, 5 July 2017, p. 4.

²⁰⁰ Ms Sharon Hoops, Port of Townsville Ltd, *Official Committee Hansard*, Townsville, 5 July 2017, p. 4.

²⁰¹ Darwin Major Business Group, *Submission 11*, pp 1-2.

²⁰² NT DTC, *Submission 23*, p. 4.

Upgrade Ports in Broome and Exmouth, WA

- 4.81 The Gascoyne Development Commission stated that ‘both Exmouth and Broome are currently considered unreliable port destinations.’²⁰³ In Broome, cruise ship berthing times are tidally constrained, due to a large rock located in the port channel.²⁰⁴ In Exmouth, cruise ships have to anchor offshore and transit passengers to the Exmouth Boat Harbour, but strong wind conditions often make it unsafe for passengers to disembark. Tourism WA explained that as a result, many cruise ships have been forced to abort their visit to Exmouth and some cruise ship itineraries ‘exclude Exmouth to avoid passenger disappointment.’²⁰⁵
- 4.82 The Gascoyne Development Commission stated that Carnival Australia, a major cruise ship operator, had advised that 2017 was to be its last home-porting season until Broome and Exmouth were ‘able to provide reliable berthing.’²⁰⁶ On 8 October 2017, the WA Government announced it would dredge the Broome Port in 2018, to allow cruise ships to access Broome in all tides. As a result of this commitment, Carnival Australia confirmed it would return to WA in 2018.²⁰⁷
- 4.83 Professor Dowling stated that a short-term solution in Exmouth would be a floating pontoon.²⁰⁸ The Exmouth Shire Council advised this would have a cost of \$35 million²⁰⁹ and the Gascoyne Development Commission recommended the Australian Government provide funding for this project.²¹⁰ Over the long term, the Gascoyne Development Commission

²⁰³ Gascoyne Development Commission, *Submission 53*, p. 8.

²⁰⁴ Kimberley Ports Authority, *Submission 33*, p. 1.

²⁰⁵ Tourism WA, *Submission 63*, p. 5.

²⁰⁶ Gascoyne Development Commission, *Submission 53*, p. 9.

²⁰⁷ Government of WA, ‘Media Statement: McGowan Government Lures Cruise Ships and Jobs back to WA’ www.mediastatements.wa.gov.au/Pages/McGowan/2017/10/McGowan-Government-lures-cruise-ships-and-jobs-back-to-WA.aspx, Accessed 12 October 2017.

²⁰⁸ Professor Ross Dowling OAM, Edith Cowan University, *Official Committee Hansard*, Perth, 23 August 2017, p. 42.

²⁰⁹ Mr Cameron Woods, Shire of Exmouth, *Official Committee Hansard*, Canberra, 19 October 2017, p. 12.

²¹⁰ Gascoyne Development Commission, *Submission 53*, p. 9.

recommended that a land-backed deep water wharf be constructed. Professor Dowling estimated that this would cost over \$100 million.²¹¹

- 4.84 The Exmouth Shire Council stated that a deep water port was its preferred option. While building a new deep water port would be costly, the Exmouth Shire Council stated that there is an existing Navy pier in the area which could be used for cruise ships. The Exmouth Shire Council stated that this asset is ‘hardly ever used’ by Defence, but that Defence had been resistant to this proposal in the past.²¹²

Other Port and Marina Upgrades

- 4.85 In addition to Darwin, Broome and Exmouth, a number of other ports and marinas in Northern Australia need to be upgraded or established to support tourism. These include:

- **Cairns and Townsville, Qld:** Sealink recommended these ports be upgraded to support the cruise ship industry in the region.²¹³
 - The TTNQ supported ‘the *Cairns Shipping Development Project* to expand the Port of Cairns shipping channel to accommodate “mega class” cruise ships whilst concurrently protecting the health of the Great Barrier Reef’.²¹⁴
 - The Port of Townsville advised that the Qld Government recently allocated \$75 million to upgrade the Port of Townsville to accommodate ships up to 300 meters in length.²¹⁵
- **Dampier, WA:** The City of Karratha recommended construction of a new marina at Dampier and suggested Dampier be added to cruise ship routes on the west coast, so visitors could:
 - ... cruise in through the islands of the Dampier Archipelago, witness and learn about the industries that operate from the area and the rich

²¹¹ Professor Ross Dowling OAM, Edith Cowan University, *Official Committee Hansard*, Perth, 23 August 2017, p. 42.

²¹² Mr Cameron Woods, Shire of Exmouth, *Official Committee Hansard*, Canberra, 19 October 2017, p. 12.

²¹³ SeaLink, *Submission 3*, p. 4.

²¹⁴ TTNQ, *Submission 15*, p. 5.

²¹⁵ Ms Sharon Hoops, Port of Townsville Ltd, *Official Committee Hansard*, Townsville, 5 July 2017, pp 1-2.

European heritage, and experience the strong Aboriginal culture of the area.²¹⁶

- **Cooktown, Qld:** Ninti One Limited recommended steps be taken to ‘ensure Cooktown can provide consistently accessible berthing for cruise ships’, to increase visitor numbers and support local businesses, including Aboriginal tourism operators.²¹⁷ The Cook Shire Council stated that ‘there is a major need for the harbour to be dredged on a regular basis.’²¹⁸
- **Weipa, Qld:** The CYSF recommended the establishment of a port at Weipa to boost tourism in the region.²¹⁹
- **Ports near Aboriginal and Torres Strait Islander Communities:** Sealink stated that the cruise ship market is seeking unique cultural tourism experiences, which could be provided by communities in the Tiwi Islands, the Kimberley Coast, Broome, East Arnhem and North Queensland.²²⁰
- **The Torres Strait:** Ninti One Limited stated that the development of port infrastructure in key remote coastal areas, including the Torres Strait, could ‘support tourism operators to diversify markets and increase visitor numbers in remote areas.’²²¹
- **Port Douglas, Qld:** The Port Douglas Steam Train Company stated that ‘port infrastructure, maintenance, dredging and harbour clearance are badly needed.’²²²
- **Broome, WA:** The Broome Marina Limited stated it was ‘the proponent and the facilitator of a project to establish a privately owned and operated world-class locked-gate marina in Broome’²²³ and recommended the Australian Government support this project,

²¹⁶ City of Karratha, *Submission 6*, p. 8.

²¹⁷ Ninti One Limited, *Submission 4*, pp 4-5.

²¹⁸ Cook Shire Council, *Submission 28*, p. 3.

²¹⁹ CYSF, *Submission 19*, p. 5.

²²⁰ Sealink, *Submission 3.1*, p. 4.

²²¹ Ninti One Limited, *Submission 4*, pp 4-5.

²²² Mr John Morris, Director, Port Douglas Steam Train Company, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 27.

²²³ Broome Marina Ltd, *Submission 72*, p. 2.

potentially through the NAIF, and that the WA government facilitate access to land that is needed.²²⁴

- **Shute Harbour, Whitsunday Region:** Managed by the Whitsunday Regional Council, Shute Harbour was described by Whitsunday Island Camping Connection as having been in 'a state of absolute decay for years', despite being critical to some tourism operations in the Whitsundays.²²⁵

Adventure Cruising

- 4.86 True North Adventure Cruises commented that large international cruise ships, with international crews, were entering the smaller adventure cruise market in the shoulder season and undercutting local tourism operators.²²⁶ To address this issue, True North Adventure Cruises stated that regulations regarding adventure tourism and small cruise businesses need to be separated from regulations regarding larger marine transport operations.²²⁷
- 4.87 Tourism WA considered that there was a need to support both the cruise and micro-cruise industries and stated:

It is always a juggling act, but for us to open up the north to adventure cruising and open up that opportunity for a broader sector is a priority of our cruise-shipping area. We recognise that you have to be able to co-exist, so where there are issues we'd look to address them. It's not about closing a market down but opening up more markets.²²⁸

Travel by Rail

- 4.88 Tourists choose to travel by train in Northern Australia not only as a means of transport, but as a tourism experience in its own right. Qld Rail, for example, stated that people will drive thousands of miles for the experience

²²⁴ Mr Anthony Edwards Proctor, Principal, PB Advisors Pty Ltd, *Official Committee Hansard*, Canberra, 20 October 2017, p. 27.

²²⁵ Mrs Sandra Pavey, Co-owner and Director, Whitsunday Island Camping Connection, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 19.

²²⁶ Mr Chad Avenell, General Manager, True North Adventure Cruises, *Official Committee Hansard*, Broome, 22 August 2017, pp 36-37.

²²⁷ Mr Chad Avenell, True North Adventure Cruises, *Official Committee Hansard*, Broome, 22 August 2017, p. 38.

²²⁸ Ms Derryn Belford, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 8.

of travelling on the Gulflander, known as ‘the train to nowhere’, in North Qld.²²⁹ The Northern RDA Alliance advocated for the continued support of existing tourism rail experiences, including the Ghan, the Gulflander, the Savannahlander, Spirit of the Outback and the Inlander.²³⁰

- 4.89 Beyond these rail experiences, the Northern RDA Alliance advised that rail transport for tourists is ‘limited to only a few key routes in Northern Australia’.²³¹ The Outback Qld Tourism Association stated that it sees the ‘maintenance and growth of rail capacity to increase the experience of tourism by rail’ as a priority for regional Australia.²³²

Rail Priorities for Tourism

- ***Affordable Train Travel*** - Tourism Central Australia drew attention to the removal of the more affordable sit-up service on the Ghan and recommended that ‘subsidies should be provided to ensure this crucial train service is accessible for all people’.²³³
- ***Mount Isa to Tennant Creek Rail Line*** - the Northern RDA Alliance suggested the feasibility study into this rail line should consider the potential opportunities for tourism that would arise through linking Qld and the NT via rail.²³⁴
- ***High Speed Rail from Perth to Northern WA*** - the City of Karratha stated that this would increase the accessibility of the north-west.²³⁵
- ***Rail Connections into Darwin*** - Sealink advised that rail connections from cities into Darwin ‘must be supported and built upon’, and that improving the arrival experience into Darwin should be prioritised.²³⁶

²²⁹ Mr Martin Ryan, Executive General Manager, Travel and Tourism, Queensland Rail, *Official Committee Hansard*, Cairns, 4 July 2017, p. 45.

²³⁰ Northern RDA Alliance, *Submission 46*, p. 8.

²³¹ Northern RDA Alliance, *Submission 46*, p. 7.

²³² Outback Queensland Tourism Association, *Submission 20*, p. 5.

²³³ Tourism Central Australia, *Submission 2*, p. 9.

²³⁴ Northern RDA Alliance, *Submission 46*, p. 8.

²³⁵ City of Karratha, *Submission 6*, p. 8.

²³⁶ Sealink, *Submission 3.1*, p. 4.

Concluding Comment

- 4.90 In order for tourist visitation in Northern Australia to increase, visitors must be able to reach Northern Australia in a timely, affordable and reliable manner. Across Northern Australia, upgrading air, road, sea and rail transport is a major requirement of stimulating growth in the tourism industry.
- 4.91 The Joint Select Committee on Northern Australia's report *Pivot North: Inquiry into the Development of Northern Australia* (Pivot North) outlined key infrastructure projects to stimulate the north. While work has begun on some of these projects, others have yet to commence. The Committee strongly reiterates the recommendations of the *Pivot North* report regarding infrastructure, particularly those which directly support the tourism industry.

Roads

- 4.92 Improving road infrastructure is an essential part of stimulating the tourism industry in Northern Australia and connecting areas of tourism interest. As more roads are sealed and upgraded, more opportunities will become available for towns and regions to access the tourism market, including remote communities. Further, improving road infrastructure and enabling access for tourists will create sustained employment and support the economies of remote locations. Creating sealed circuit loops will also encourage tourists to visit a number of tourist destinations by road and potentially extend their stay.
- 4.93 *Pivot North* outlined a number of priority road upgrades to facilitate the development of Northern Australia. Of these, a number were subsequently put forward during this inquiry as still needing investment. These are the: Bruce Highway, Hann Highway, Peninsula Development Road, Tanami Road and Outback Way.

Air

- 4.94 The majority of international tourists, and many domestic tourists from the east coast, will reach Northern Australia by air. Improving the affordability and accessibility of flights to Northern Australia may assist in attracting a greater number of visitors to the north. Another opportunity for tourism is

to enable tourists to fly between northern destinations without needing to transit through a capital city.

- 4.95 The Committee was pleased to see that some tourist destinations, such as Cairns, have secured international routes and low cost flights from domestic capital cities. In contrast, other tourist regions, such as Broome in Western Australia, may be viewed as unaffordable and time consuming to reach.
- 4.96 This Committee reiterates and supports the recommendation put forward by its predecessor Committee in *Pivot North*, for the Australian Government to consider how to cost-effectively provide customs, quarantine and immigration services at airports. This included recommending the Passenger Movement Charge be reduced. These reforms have the potential to stimulate tourism in Northern Australia by reducing airfares and consequently increasing passenger demand.
- 4.97 The Committee considers that cabotage restrictions may be inhibiting tourism in Northern Australia, and that consideration of the impact of these restrictions in the Northern Australian context may be needed. Cabotage restrictions in relation to the Indian Ocean Territories is discussed in Chapter 6.

Sea

- 4.98 The cruise ship industry presents a major economic opportunity for coastal areas of Northern Australia. Cruise ships annually bring hundreds of tourists to a destination. In addition, the cruise ship industry is already generating millions of dollars in tourism expenditure in Northern Australia.
- 4.99 The Committee was pleased to hear that the port in Broome will be dredged in 2018, allowing all-tide access for cruise ships. The Committee is concerned, however, that many other coastal areas which could be attracting cruise ships or increasing the number of cruise ship visits are unable to do so due to insufficient port infrastructure. The Committee also reiterates the recommendation in *Pivot North* that the Australian Government consider upgrading the port in Darwin.

Rail

- 4.100 Northern Australia is home to some iconic and scenic rail routes which showcase Australia's outback. There may be opportunities to expand the rail experiences on offer for tourists in Northern Australia, and there is an

opportunity to improve existing rail journeys in order to attract more passengers.

Recommendation 5

- 4.101 The Committee recommends that legislation regarding the Northern Australia Infrastructure Facility be amended to allow for participation of the Indian Ocean Territories.**

Recommendation 6

- 4.102 The Committee recommends the Australian Government prioritise funding for roads which support the tourism industry, by sealing and/or upgrading the:**

- **Tanami Road**
- **Outback Way**
- **Bloomfield Track**
- **Roads to and within national parks (including Karijini, Millstream Chichester, Murujuga and Mitchell River National Parks in Western Australia, and Kakadu National Park in the Northern Territory)**
- **Hann Highway and the Gulf Development Road**
- **Peninsula Development Road to Seisa**
- **Drive tourism routes in Queensland including the Overlanders Way, Matilda Way, Capricorn Way, Great Inland Way/Great Tropical Drive, the Western Queensland Inland Way, Peak Downs Highway, Dawson Highway, and the Savannah Way (which also extends through the Northern Territory)**
- **Drive tourism routes in northern WA including the Gibb River Road, the Canning Stock Route, the Warlu Way, Kalumburu Road, Cape Leveque Road, Marble Bar to Nullagine and Newman, and Mount Augustus to Paraburdoo**

- Extension of the National Highway to the Smithfield Roundabout, which then connects onto the Kennedy and Cook Highways
- Bruce Highway
- Road infrastructure at Coral Bay.

Recommendation 7

4.103 The Committee recommends the Australian Government work with state and territory governments to implement measures to reduce security costs at regional airports.

Recommendation 8

4.104 The Committee recommends the Australian Government as a matter of urgency, in partnership with the relevant state or territory government, provide funding to expeditiously upgrade the:

- Jabiru and Cooinda Airports in Kakadu
- Townsville Airport
- Connellan (Ayers Rock) Airport
- Cooktown Airport
- Rockhampton Regional Airport
- Christmas Island and the Cocos (Keeling) Islands Airports
- Monkey Mia Runway.

Recommendation 9

4.105 The Committee recommends the Australian Government conduct a cost-benefit analysis of the impact of current cabotage arrangements on Northern Australian airfares, flight routes, and the tourism industry.

Recommendation 10

- 4.106 The Committee recommends the Australian Government work with state and territory governments to upgrade ports in Cairns, Darwin, Broome, Exmouth, Dampier, Cooktown, Port Douglas, Christmas Island, and the Cocos (Keeling) Islands (including Home Island) to facilitate access (including for cruise ships where possible).**

5. Developing the Tourism Industry

Overview

- 5.1 Multiple agencies and levels of government have a part in attracting investment, and planning for and developing the Northern Australian tourism industry. While this ensures that all levels of government are committed to the success of the tourism industry, there is a lesser commitment to ensuring coordination and non-duplication of marketing and planning efforts across jurisdictions. Further, a large proportion of government efforts are focussed on tourism marketing, as opposed to the development of tourism destinations and products on the ground.
- 5.2 The tourism industry in Northern Australia consists mainly of small to medium sized businesses (often family owned and operated). These businesses may access government programs such as the Australian Government's *Northern Australian Tourism Initiative* (NATI), although eligibility requirements may prevent some smaller tourism operators, including Aboriginal and Torres Strait Islander tourism businesses, from accessing some of the programs under the NATI. Grant funding is also provided (although not always on an ongoing basis) by the Federal and State and Territory Governments to support tourism businesses and tourism regions more broadly.
- 5.3 The costs of doing business in Northern Australia can be significant. These costs can include government regulation and red tape, insurance, and accessing land, marine areas and/or national parks. Additional challenges

for tourism businesses, particularly in regional and remote areas, include shortages of labour, skills and staff accommodation, and accessing quality and reliable telecommunications services.

- 5.4 Tourism businesses rely on visitor information centres, basic amenities, and tourism infrastructure to support visitors to their region. Investment in these facilities, particularly in remote and regional areas, may make an area more ‘tourist friendly’ and attract increased visitation.

Planning and Investment

Coordination across Northern Australia

- 5.5 Government responsibility for the development of tourism in Northern Australia is shared between multiple government agencies and jurisdictions. Sealink explained that this can lead to duplication and a ‘lack of expertise and local feel for key initiatives’ in Northern Australia.¹ The Northern Regional Development Australia (RDA) Alliance advised that state, regional and local tourism organisations are ‘often competing with each other to attract tourists, events and investment’, which can impede collaboration across the north.²
- 5.6 Sealink recommended a single agency be tasked with developing tourism in the north and stated:

Without the single focussed agency (or part thereof) Northern Australia will continue to compete with Australia’s urban southern centres and will continue to not realise investment, co-ordinate cross border strategy, grow its product and develop its regional strengths.³

- 5.7 Sealink advised that functions of this agency should include:
- coordinating major tourism projects across the north;
 - attracting public and private investment into tourism projects;
 - facilitating a grants and concessions scheme for investment;
 - working with government and non-government stakeholders on infrastructure projects;

¹ Sealink, *Submission 3.1*, p. 5.

² Northern Regional Development Australia (RDA) Alliance, *Submission 46*, p. 4.

³ Sealink, *Submission 3.1*, p. 6.

- strengthening Aboriginal and Torres Strait Islander tourism products and capacity;
 - working with marketing bodies to develop a marketing strategy for Northern Australia; and
 - working with national parks to enable private sector investment, resolve land tenure and management issues and improve public access.⁴
- 5.8 The Northern RDA Alliance recommended the formation of a Northern Australia Tourism Advisory Group (NATAG), which would ‘provide strategic advice [to the government] on the development of tourism in the north.’⁵ The NATAG would be made up of tourism operators (including an Aboriginal and/or Torres Strait Islander operator) and other relevant stakeholders, as well as Tourism Australia, state, territory and regional tourism organisations, and the Northern RDA Alliance.⁶
- 5.9 Wildlife Management International expressed similar sentiments and stated that the formation of a Northern Australia tourism council or ‘think tank’ could promote tourism across state and territory borders in the north, and also ‘keep Northern Australia on the tourist agenda at all levels.’⁷

Data Collection

- 5.10 Visitor survey data can be used by government agencies, tourism bodies and tourism operators to better target their marketing campaigns and inform planning and investment decisions.⁸ Wildlife Management International stated that tourism data and analysis is needed to support growth of the tourism industry in Northern Australia, but that relevant data is not available. Wildlife Management International stated:

A fundamental requirement for stimulating tourism in Northern Australia is greatly improved capacity to monitor, analyse and assess the local tourism industry objectively. In the “Top End” of the Northern Territory the tourist industry is in crisis now, and it needs stimulation. But for a variety of reasons,

⁴ Sealink, *Submission 3.1*, p. 7.

⁵ Northern RDA Alliance, *Submission 46*, p. 4.

⁶ Northern RDA Alliance, *Submission 46*, p. 9.

⁷ Wildlife Management International, *Submission 62*, p. 3.

⁸ Townsville Enterprise, *Submission 37*, p. 3.

the data needed to assess trends objectively are neither collected by Government nor available through other sources.⁹

- 5.11 Savannah Way Limited agreed and stated that visitor data for Northern Australia is generally ‘very limited and extrapolated from such unreliable samples that it is virtually useless.’¹⁰
- 5.12 The Northern RDA Alliance recommended that Tourism Research Australia work with relevant industry and government stakeholders to increase and improve current data collection and analysis, in order to inform product development and marketing.¹¹ The Queensland (Qld) Tourism Industry Council (QTIC) similarly advocated for investment in a visitor research program for Northern Australia.¹² Charles Darwin University (CDU) advised it had the capabilities to assist with developing and collecting independent, credible and detailed tourism data for the Northern Territory (NT).¹³

Tourism Operators and Entrepreneurs

Accessing Australian Government Support

- 5.13 Tourism operators looking to expand their business, or entrepreneurs looking to enter Northern Australia’s tourism market, may access government initiatives to support their operations. The NATI and Australian Government grant programs, which provided assistance to tourism operators and projects across Northern Australia, are outlined below.

The Northern Australia Tourism Initiative

- 5.14 The \$13.6 million NATI was launched following the Australian Government’s *White Paper on Developing Northern Australia*. The NATI extends the *Entrepreneurs’ Programme* and the *Australian Small Business Advisory Services* (ASBAS) to the Northern Australian context.¹⁴

⁹ Wildlife Management International, *Submission 62*, p. 3.

¹⁰ Savannah Way Limited, *Submission 5*, p. 2.

¹¹ Northern RDA Alliance, *Submission 46*, p. 2.

¹² Queensland Tourism Industry Council (QTIC), *Submission 41*, p. 27.

¹³ Charles Darwin University (CDU), *Submission 24*, pp 4-5.

¹⁴ Office of Northern Australia, *Submission 39*, p. 4.

- 5.15 A number of inquiry participants stated that they were unaware of the NATI, or the programs available as part of it.¹⁵ The Livingstone Shire Council, for example, was supportive of the ASBAS but stated that it needed to be advertised more widely as ‘many tourism-based businesses have not heard of this program.’¹⁶
- 5.16 One of the eligibility requirements for accessing the *Entrepreneurs’ Programme* is that a business must have an annual turnover or operating expenditure of between \$750 000 and \$100 million.¹⁷ This amount was considered by some inquiry participants to be prohibitive to Northern Australian tourism businesses, many of which are small businesses.¹⁸
- 5.17 Tourism Tropical North Qld (TTNQ) explained that the \$750 000 eligibility threshold means that government assistance is being directed to established businesses that are already performing strongly.¹⁹ Ecotourism Australia agreed and stated:
- If you are already turning over \$750 000, you have got a pretty well-functioning business. Tourism, certainly in regional areas, a lot of times is small businesses that are delivering really good products, but to turn over a million bucks is a big deal ... and you probably don't need the hand up. The ones that do are well below that.²⁰
- 5.18 The Office of Northern Australia advised that approximately 100 tourism businesses would be able to access the *Entrepreneurs’ Programme* each year under current eligibility requirements, and those who were ineligible could

¹⁵ Mr Martin Tranter, Vice President, Douglas Chamber of Commerce, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 17; Mr Peter William Homan, General Manager, Outback Queensland Tourism Association, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 6; Mr Daniel Gschwind, Chief Executive, QTIC, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 12.

¹⁶ Livingstone Shire Council, *Submission* 89, p. 9.

¹⁷ Office of Northern Australia, *Submission* 39, p. 4.

¹⁸ Mr Russell Boswell, Manager, Savannah Way Limited, *Official Committee Hansard*, Cairns, 4 July 2017, p. 11; Mr Kevin Byrne, Chief Executive, Advance Cairns, *Official Committee Hansard*, Cairns, 4 July 2017, p. 15.

¹⁹ Ms Wendy Morris, Board Member, Tourism Tropical North Queensland (TTNQ), *Official Committee Hansard*, Cairns, 4 July 2017, p. 7.

²⁰ Mr Roderick John Hillman, Chief Executive, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 30.

utilise the ASBAS.²¹ The Office of Northern Australia also stated, however, that the needs of small businesses should be further considered:

Small businesses in regional and remote areas across the north are often the most disadvantaged while also being the least economically resilient.

Consideration should be given to ensuring eligibility criteria for government programs, including the *Entrepreneurs' Programme*, do not restrict access for these small tourism operators.²²

- 5.19 The Livingstone Shire Council recommended the threshold be 'reduced to around \$250 000 to \$300 000' in order to 'provide opportunities for smaller regional tourism businesses'.²³
- 5.20 The Outback Highway Development Council (OHDC) observed that councils, individuals, and people or businesses working in partnerships, are ineligible for the *Entrepreneurs' Programme* under the NATI, even if these groups have invested heavily in tourism.²⁴ The TTNQ expressed similar sentiments and suggested that small tourism businesses should be able to partner together and create a tourism package, and if this package is valued over \$750 000, access the NATI. The TTNQ further explained that allowing for business partnerships would assist in increasing the range of tourism products available in an area.²⁵
- 5.21 The Department of Industry, Innovation and Science (DIIS) advised that 'there could be merit in tweaking' the eligibility criteria for the *Entrepreneurs' Programme* in order to enable the participation of more Aboriginal and Torres Strait Islanders who have successful businesses in other sectors and are looking at expanding into tourism. The DIIS explained there were many Indigenous businesses in sectors such as agriculture that would have a turnover of more than \$750 000 and would like to enter the tourism

²¹ Office of Northern Australia, *Submission 39*, p. 4.

²² Mr Mark Coffey, Head, Office of Northern Australia, Department of Industry, Innovation and Science (DIIS), *Official Committee Hansard*, Canberra, 17 February 2017, p. 9.

²³ Livingstone Shire Council, *Submission 89*, p. 8.

²⁴ Mrs Helen Lewis, General Manager, Outback Highway Development Council (OHDC), *Official Committee Hansard*, Brisbane, 6 July 2017, p. 33.

²⁵ Ms Wendy Morris, TTNQ, *Official Committee Hansard*, Cairns, 4 July 2017, p. 7.

industry, 'but at the moment they do not fit the criteria' for the *Entrepreneurs' Programme*.²⁶

- 5.22 The DIIS also advised that currently, to be eligible for the *Entrepreneurs' Programme* you must be incorporated under the *Corporations Act 2001 (Cth)* and have an Australian Company Number (ACN). As such, Aboriginal and Torres Strait Islander businesses that are registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006* and have an Indigenous Corporation Number (ICN) are excluded. Further, not-for-profits, incorporated associations and clubs which do not have an ACN are also ineligible. To illustrate, the DIIS stated that 'the Royal Flying Doctor Service in the Northern Territory runs a leading tourist activity, but is excluded from *Entrepreneurs' Programme* services on the basis of not having an ACN.'²⁷
- 5.23 To address this, the DIIS stated that 'consideration could be given to removing the requirement for applicants to have an ACN', and that the *Entrepreneurs' Programme* accept applicants with an ICN.²⁸
- 5.24 The Northern RDA Alliance stated that there is a gap in government support for tourism start-ups.²⁹ The Remote Area Planning and Development Board agreed and advised that there was a need for a fund with an entry threshold of closer to \$50 000.³⁰ The DIIS advised that there are parts of the *Entrepreneurs' Programme* that assist start-ups, but that these parts are not available under the NATI.³¹
- 5.25 The DIIS also suggested that the scope of the NATI could be expanded to include the Australian Government's *Innovation Connections* initiative,³² which 'provides small and medium sized businesses with access to expert technology advice' and provides matched grant funding to support

²⁶ Mr Campbell Charlton, Sector Director for the *Entrepreneurs' Programme* for Northern Australia, AusIndustry, DIIS, *Official Committee Hansard*, Canberra, 17 February 2017, p. 3.

²⁷ DIIS, *Submission 39.1*, p. 1.

²⁸ DIIS, *Submission 39.1*, p. 1.

²⁹ Ms Glenys Schuntner, Northern RDA Alliance and Chief Executive Officer (CEO), RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 31.

³⁰ Councillor Andrew Martin, Remote Area Planning and Development Board, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 23.

³¹ Mr Campbell Charlton, DIIS, *Official Committee Hansard*, Canberra, 17 February 2017, p. 4.

³² DIIS, *Submission 39.1*, p. 2.

collaboration between researchers and businesses. Currently, *Innovation Connections* does not list tourism as an eligible sector.³³

Tourism Grant Funding

- 5.26 The Office of Northern Australia stated that federal, state and territory grant programs for tourism have tended to overlap, which can create confusion in the tourism industry. As such, the Office of Northern Australia advised that ‘developing a shared understanding of priorities and coordinating efforts across the four Northern Australian jurisdictions would provide both government and industry with opportunities to leverage investments and to improve outcomes.’³⁴
- 5.27 Capricorn Enterprise stated that the abolition of some federal tourism grants, including the *T-QUAL Grants Programme* and the *Tourism Industry Regional Development Fund Grants Programme*, ‘destroyed incredibly successful programs and opportunities to grow tourism in regional Australia.’³⁵ Capricorn Enterprise therefore recommended a grant program for tourism product development be re-established, with dollar-for-dollar grants for small to medium enterprises. Capricorn Enterprise explained that this is necessary as ‘lending from banking institutions for tourism expansion, particularly in regional Australia, is widely known to be futile.’³⁶
- 5.28 The Australian Government currently provides funding for the *Tourism Demand-Driver Infrastructure* (TDDI) programme, in order for states and territories to ‘drive demand, improve quality and increase tourism expenditure.’ The TDDI is expected to terminate on 30 June 2018.³⁷ The NT Department of Tourism and Culture (DTC) recommended the Australian Government fund the TDDI programme for a further four years and ‘allocate a significant portion specifically for Northern Australia.’³⁸

³³ DIIS, ‘Innovation Connections’, www.business.gov.au/assistance/entrepreneurs-programme/innovation-connections, Accessed 5 June 2018.

³⁴ Mr Mark Coffey, DIIS, *Official Committee Hansard*, Canberra, 17 February 2017, p. 9.

³⁵ Capricorn Enterprise, *Submission 22*, p. 3.

³⁶ Capricorn Enterprise, *Submission 22*, p. 4.

³⁷ Austrade, ‘Tourism Demand Driver Infrastructure’, www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/Infrastructure-and-Investment/tourism-demand-driver-infrastructure-program, Accessed 16 April 2018.

³⁸ Northern Territory Department of Tourism and Culture (NT DTC), *Submission 23*, p. 4.

- 5.29 The Northern RDA Alliance suggested that new product development could be supported through the continuation of the TDDI programme, 'but with adjustments to suit a coordinated Northern Australia approach.'³⁹

Investment and Development

- 5.30 The Qld Tourism Operators Council observed that the majority of Tourism Australia and state government funding for tourism relates to marketing of existing tourism sites, while there is little funding for capacity building or product development.⁴⁰ Ecotourism Australia agreed and suggested a greater focus was needed on destination and product development.⁴¹ Australia's North West Tourism (ANWT) similarly stated that product development was 'lacking in terms of investment'.⁴²
- 5.31 The ANWT also advised that the Pilbara was a region that would benefit from tourism development and strategic planning. The ANWT explained that the Pilbara's economy was changing, from having a singular focus on mining and construction, to embracing tourism. To capitalise on this, the ANWT recommended incentives be provided to tourism operators to 'develop new product in the Pilbara and help establish this region as a tourism destination of renown.'⁴³
- 5.32 The Whitsunday region was also highlighted as needing investment. Tourism Whitsundays advised that, despite a number of investors being interested in establishing tourism operations in the region, government support has been lacking. Tourism Whitsundays stated that 'the Whitsundays is seen as this natural icon and as a result of that you find that the government is risk averse when it comes to investing or supporting investment in such an area.'⁴⁴
- 5.33 In order to improve and increase the development of tourism destinations across the north, the CDU recommended a review of notable tourist

³⁹ Northern RDA Alliance, *Submission 46*, p. 3.

⁴⁰ Mr Daniel Gschwind, QTIC, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 12.

⁴¹ Mr Roderick John Hillman, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 29.

⁴² Australia's North West Tourism, *Submission 30*, p. 5.

⁴³ Australia's North West Tourism, *Submission 30*, p. 4.

⁴⁴ Mr Craig Turner, CEO, Tourism Whitsundays, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 4.

attractions and infrastructure be undertaken, along with ‘consideration of incentives for private/complementary investment for assets which are deteriorating and the development of investment ready precincts.’⁴⁵ The CDU advised that this would help ensure that private investment in the tourism industry is coordinated with the development of supporting public infrastructure.⁴⁶

5.34 Tax incentives were also put forward as a way to encourage private sector investment in the north. The Douglas Chamber of Commerce recommended ‘a reduction in the corporate taxation rate for companies that have 90 per cent of their operations above the Tropic of Capricorn.’⁴⁷

5.35 Ecotourism Australia put forward a tax proposal based on a program operating in Malaysia and stated:

Malaysia has a program that designates zones that require development. They allow investors to go into those areas, invest and build businesses, and their tax does not kick in until they have got their capital investment back; but then they tax at normal rates after that. So if you are looking for a fast way of getting investors to move in, that is an easy way and it is at no risk to government.⁴⁸

5.36 Tourism Australia advised that the Australian Government’s *Regional Tourism Infrastructure Investment Attraction Strategy 2016-2021* will assist with attracting investment to its pilot regions. The pilot regions under this program which are located in Northern Australia are Katherine, NT and the Whitsundays, Qld. Tourism Australia explained that this strategy will:

... get the federal government, the state governments and also the local governments focused on a region to look at everything that can be done, whether it be trying to reduce red tape or run events or things that can really be done to promote a region to make it attractive for investment. [Tourism Australia operates] in that international sphere, so looking at attracting international investment. It's a lot harder in regional Australia. But, if we all

⁴⁵ CDU, *Submission 24*, p. 6.

⁴⁶ Professor Simon Maddocks, Vice-Chancellor and President, CDU, *Official Committee Hansard*, Darwin, 27 July 2017, p. 44.

⁴⁷ Mr Wade Greasley, President, Douglas Chamber of Commerce, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 12.

⁴⁸ Mr Roderick John Hillman, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 30.

work together to make changes in a region, hopefully there will be domestic investment as well, and the tide might rise.⁴⁹

Costs of Doing Business

Regulatory Requirements

- 5.37 Some tourism businesses expressed frustration at regulatory processes associated with establishing and operating tourism businesses in Northern Australia. Tourism Top End drew attention to a 2016 Deloitte report which found that the cost of government red tape for the tourism and hospitality sector in the NT was \$29 million per year.⁵⁰
- 5.38 Of particular concern was the need to address regulatory issues at the local, state or territory, and federal levels, and often with multiple agencies within each jurisdiction.⁵¹ This was seen as particularly burdensome for small businesses⁵² and new entrants to the industry, who may have difficulty identifying all necessary regulatory requirements.⁵³
- 5.39 Daydream Island Resort and Spa, for example, described having to 'jump through hoops three or four times, whether it be with local council, state government and then federal government, to get things done.'⁵⁴ The Royal Automobile Club (RAC) of Western Australia (WA) similarly stated that the multijurisdictional approvals that were required presented a 'challenge in managing the cost and delivery timeframe' for development projects.⁵⁵
- 5.40 A concern raised by the Port Douglas Steam Train Company (PDSTC) was the length of time it can take to obtain a permit to establish or expand a tourism business. The PDSTC stated that:

⁴⁹ Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry, Tourism Australia, *Official Committee Hansard*, Canberra, 25 May 2018, p. 23.

⁵⁰ Deloitte for the NT Tourism Advisory Council, Exhibit 10: *Get Out of Your Own Way: Unleashing Productivity in the Tourism and Hospitality Sector*, p. 3.

⁵¹ Tourism Top End, *Submission 9*, p. 3.

⁵² Mr John Morris, Director, Port Douglas Steam Train Company (PDSTC), *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 26.

⁵³ Australia's North West Tourism, *Submission 30*, p. 4.

⁵⁴ Mr Warren McCorriston, Director of Operations, Daydream Island Resort and Spa, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 10.

⁵⁵ Royal Automobile Club of WA (RAC), *Submission 38*, p. 6.

... it is not so much the cost of the permit, it is the time it takes to get it from there to approval. There are builders and a whole bunch of people waiting and sometimes the interest rates move up or the banks decide that it is not viable at this point and they pull out. There are many people ... who say, "It is all too hard," or "We'll go to New Zealand," or "We'll go elsewhere."⁵⁶

5.41 To address this issue, the PDSTC recommended the establishment of a 'regionally based one-stop-shop' for major investments in the north. This one-stop-shop would streamline and expedite the approvals process for entrepreneurs and potential investors.⁵⁷

5.42 The TTNQ similarly recommended the establishment of a single approval point within a local region and stated:

... we need to have a central place where ... you are able to go through a fairly clear process so that you understand in advance exactly which permits, which processes and which regulations you must adhere to. At the moment, there is a multitude of different departments that you need to work through. Quite often, one of the problems is that you need to get a tick-off on one permit before you can proceed to the next process. That builds time, and time is money when you are developing a business.⁵⁸

5.43 Tourism Top End and the RAC further recommended regulatory processes be reviewed and streamlined. Tourism Top End recommended governments take a 'customer centric service delivery approach'⁵⁹ to regulation, while the RAC suggested a 'timely and outcomes focussed approach.'⁶⁰

Insurance

5.44 Insurance costs for homes, contents and businesses in Northern Australia have risen over recent years, and are generally higher than insurance costs in southern cities. This is primarily due to the heightened risk to homes and businesses from extreme weather events.⁶¹

⁵⁶ Mr John Morris, PDSTC, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 28.

⁵⁷ Mr John Morris, PDSTC, *Official Committee Hansard*, Port Douglas, 3 July 2017, pp 26-27.

⁵⁸ Ms Wendy Morris, TTNQ, *Official Committee Hansard*, Cairns, 4 July 2017, p. 5.

⁵⁹ Tourism Top End, *Submission 9*, p. 3.

⁶⁰ RAC, *Submission 38*, p. 7.

⁶¹ Office of Northern Australia, *Submission 39*, p. 7.

- 5.45 The City of Karratha described the cost of insurance in the north as ‘exorbitant’, which ‘scares off investment in the north.’⁶² Palm Bay Corporation, based in the Whitsundays, described its experience of trying to obtain insurance and stated:

... when we tried to get insurance, it was so prohibitive, so expensive that we made a decision not to get it. In fact, we were really struggling to get anyone to say that they would insure us.⁶³

- 5.46 Tourism Port Douglas and Daintree (TPDD) advised that, as well as affordability issues, the limited number of insurance providers in the region has posed a challenge for businesses.⁶⁴ Having seen the price of insurance rise over recent years, the Douglas Chamber of Commerce stated that it suspected insurance companies were deliberately pricing themselves out of the market.⁶⁵
- 5.47 To reduce the financial burden of insurance premiums, the Accommodation Association of Australia (AAA) recommended a reinsurance pool for Northern Australia be established. The AAA explained that this was a recommendation of the *Northern Australia Insurance Premiums Taskforce*, which was established by the Australian Government, and had released its final report in 2016.⁶⁶

Public Liability Insurance

- 5.48 Ecotourism Australia raised the issue of public liability insurance and stated that ‘one of the biggest risks to businesses, certainly in the nature game and adventure tourism, is public liability.’⁶⁷ Whitsunday Segway Tours outlined its experience of managing public liability insurance claims and stated:

⁶² Mr Chris Adams, CEO, City of Karratha, *Official Committee Hansard*, Canberra, 20 October 2017, p. 24.

⁶³ Ms Helen Scott, Director, Palm Bay Corporation, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 15.

⁶⁴ Ms Tara Bennet, Executive Officer, Tourism Port Douglas and Daintree, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 23.

⁶⁵ Mr Martin Tranter, Douglas Chamber of Commerce, *Official Committee Hansard*, Port Douglas, 25 June 2017, p. 17.

⁶⁶ Accommodation Association of Australia, *Submission 70*, p. 2, 7.

⁶⁷ Mr Roderick John Hillman, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 30.

Last year we had two—how should I say it—questionable public liability claims ... They have just been resolved, both in our favour. But when we came to renewal, which was last November, our insurance, which previously was \$4000, went up to \$50 000 ... Then we got more brokers involved, and ... we got one for \$12 000. But the thing is that in those claims we were found to be ... at no fault.⁶⁸

- 5.49 Whitsunday Segway Tours further explained that these claims came from ‘no win, no fee’ law firms, and as such the claimants ‘had nothing to lose’ by attempting to claim for insurance.⁶⁹ Ecotourism Australia suggested Australia look to New Zealand, which has a ‘no-fault’ insurance system to support its large adventure tourism market.⁷⁰

Access to Land, National Parks and Marine Areas

- 5.50 A large proportion of Northern Australia is covered by native title or other land tenure arrangements, pastoral leases, and/or national parks. As such, establishing a tourism business in Northern Australia may require obtaining permits, permissions from traditional owners and/or national parks, and approvals from multiple jurisdictions.

Access to Land

Land Tenure

- 5.51 The City of Karratha stated that ‘Northern Australia has proportionately more determined native title, more Indigenous land and more pastoral leases than Southern Australia.’⁷¹ Tourism WA stated that 94 per cent of the land mass in northern WA is subject to native title claim or determination⁷², while the NT DTC stated that ‘50 per cent of the Territory’s land mass and 80 per cent of its coastline is subject to the tenure arrangements of the *Aboriginal*

⁶⁸ Mr Zac Kelly, Co-owner, Whitsunday Segway Tours, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 15.

⁶⁹ Mr Zac Kelly, Whitsunday Segway Tours, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 15.

⁷⁰ Mr Roderick John Hillman, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 30.

⁷¹ City of Karratha, *Submission 6*, p. 9.

⁷² Tourism WA, *Submission 63*, p. 8.

Land Rights (Northern Territory) Act 1976, with a large proportion of the remaining land likely to be subject to native title.⁷³

- 5.52 The Qld Government advised these land arrangements present a ‘significant opportunity for Aboriginal and Torres Strait Islander landholders and land managers to participate in tourism development.’⁷⁴ Tourism Top End, however, highlighted challenges associated with establishing a tourism business on land subject to tenure arrangements. To illustrate, Tourism Top End stated that one Indigenous family had been ‘waiting for eight years for land tenure to be finalised, so they [could] start up an Indigenous tourism business.’⁷⁵
- 5.53 Tourism WA stated that ‘issues of tenure and land ownership impact on development timeframes and investment opportunities’, particularly for the development of eco-accommodation.⁷⁶ Cape York Sustainable Futures (CYSF) also advised that ‘serious investment in tourism development cannot be expected until an investor can be satisfied their investment is secure and that land title uncertainties do not pose a risk.’⁷⁷
- 5.54 The Northern Land Council stated that it takes a minimum of six months for it to process expression of interest proposals from third parties wishing to start up a business on Aboriginal land. The Northern Land Council outlined reasons for the processing time and stated:
- Typical reasons why proposals take an extended time to process are that: proponents fail to provide relevant information in a timely manner; we have difficulty finalising negotiations with proponents; traditional owner groups are unable to make decisions; there are funding limitations to hold meetings; there are resource issues; and we sometimes have delays in obtaining signatures from land trust members to complete agreements.⁷⁸
- 5.55 The Kimberley Land Council (KLC) commented that land subject to native title may not be able to be used as collateral in order to secure a bank loan

⁷³ NT DTC, *Submission 23*, p. 5.

⁷⁴ Queensland Government, *Submission 40*, p. 31.

⁷⁵ Tourism Top End, *Submission 9*, p. 2.

⁷⁶ Tourism WA, *Submission 63*, p. 8.

⁷⁷ Cape York Sustainable Futures, *Submission 19*, p. 3.

⁷⁸ Mr Jonathan McLeod, Manager, Regional Development Unit, Northern Land Council, *Official Committee Hansard*, Darwin, 27 July 2017, p. 11.

and that this was a barrier to Indigenous tourism development. The KLC further commented that it may be difficult to lease native title land.⁷⁹

- 5.56 The difficulty of financing a tourism business on native title land was illustrated by the Kooljaman wilderness camp on the Dampier Peninsula. The manager of Kooljaman stated:

The land that our business is on is native title, and we don't have the normal ways of going about getting financing. We don't have assets that we can finance things against et cetera. We have very old infrastructure, and we have very little cash in the bank ... We need to keep operating as a successful tourism venture, because we do contribute so much to the local community, and we want to be the flagship for Indigenous tourism on the Dampier Peninsula. But we are going to need support to do that effectively.⁸⁰

- 5.57 The KLC stated that land tenure arrangements in Qld allowed for Aboriginal groups to secure finance:

... there's usually a different form of tenure—Aboriginal freehold—that operates in Qld that enables Aboriginal groups to use their tenure to access capital to either lease back or draw from a bank. If they do foreclose, there is an avenue for that tenure to remain with the Traditional Owners, so it's not lost per se.⁸¹

- 5.58 The Western Australian Indigenous Tourism Operators Council recommended the Australian Government streamline its processes regarding accessing land for tourism purposes.⁸² The CYSF similarly stated that the state and federal governments needed to resolve land tenure and ownership issues as a priority.⁸³ The ANWT stated that providing 'clarity, assistance and a more streamlined approach' to approval processes would 'enable private sector investment in tourism.'⁸⁴ The ANWT further recommended that the government:

⁷⁹ Mr Tyrone Garstone, Kimberley Land Council (KLC), *Official Committee Hansard*, Broome, 21 August 2017, p. 34.

⁸⁰ Ms Erica Thompson, Manager, Kooljaman, *Official Committee Hansard*, Broome, 22 August 2017, p. 19.

⁸¹ Mr Tyrone Garstone, KLC, *Official Committee Hansard*, Broome, 21 August 2017, p. 34.

⁸² Western Australian Indigenous Tourism Operators Council, *Submission 45*, p. 6.

⁸³ Cape York Sustainable Futures, *Submission 19*, p. 4.

⁸⁴ Australia's North West Tourism, *Submission 30*, p. 4.

Alleviate the complexities of land tenure that currently do not support landholders who do not have freehold title, including Aboriginal people and pastoralists, and are looking to develop tourism product on their leases.⁸⁵

- 5.59 The Office of Northern Australia stated that work was underway at the federal level to improve native title regulation:

Work is also being progressed through the White Paper to develop innovative ways to use exclusive native title rights for commercial purposes including tourism. The aim is to assist Indigenous landowners and businesses to create, on a voluntary basis, transferable and bankable interests (that is, instruments that can be used as collateral for commercial loans) without extinguishing native title ... Austrade is also working with the Department of the Prime Minister and Cabinet to deliver networking opportunities for international investors and Indigenous land holders, and a register of investment opportunities on Indigenous land, endorsed by Indigenous land holders.⁸⁶

- 5.60 Tourism WA was supportive of the pilot programs proposed under the Australian Government's *White Paper on Developing Northern Australia*, which aim to create more efficient processes regarding native title claims.⁸⁷ The NT DTC agreed that these pilots are an 'excellent start', but that so far 'little has been realised from these commitments that specifically relates to increased tourism investment.'⁸⁸

- 5.61 The NT DTC therefore recommended the Australian Government 'investigate the effectiveness of the *Northern Australia White Paper* initiatives to deliver simpler and more secure land arrangements in northern Australia.'⁸⁹

- 5.62 The NT DTC also recommended the Australian Government:

- 'continue to work with key stakeholders, including the Land Councils and NT Government to implement the recommendations of the [Council of Australian Government] *Investigation into Indigenous Land Administration and Use*; [and]

⁸⁵ Australia's North West Tourism, *Submission 30*, p. 4.

⁸⁶ Office of Northern Australia, *Submission 39*, p. 10.

⁸⁷ Tourism WA, *Submission 63*, p. 8.

⁸⁸ NT DTC, *Submission 23*, p. 5.

⁸⁹ NT DTC, *Submission 23*, p. 7.

- fund positions within the Land Councils for the purpose of facilitating the progress of tourism related opportunities on Aboriginal land and land subject to native title.⁹⁰

Fees for Accessing Land

5.63 Kimberley Quest, a marine tourism operator in northern WA, stated that a major concern for its business was the possibility of fees for accessing Aboriginal land along the coast being increased with little notice. The Kimberley Quest stated:

... the biggest concern, I suppose, is accessing the land: the fees. That's not a concern in that we understand it needs to happen but in how it's handled. There are five groups, I believe, along the coastline, so there is a fee to pay to each group. If it's a fee ... where you're paying \$20 per head, that's an affordable fee to pay between five groups. But the northern group are implying around \$250 per head, so if each of the five groups were to imply that fee we would need at least two years notice so that we could build it into our price structure.⁹¹

5.64 True North Adventure Cruises expressed similar sentiments, and stated that it hoped for a consistent fee from all traditional owner groups.⁹²

5.65 The Wunambal Gaambera Aboriginal Corporation in northern WA stated that it is looking at developing an online visitor pass for tourists to access the native title land. Wunambal Gaambera Aboriginal Corporation further advised that some of the revenue raised through the visitors pass will be used to develop a cultural tourism product.⁹³

Pastoral Leases

5.66 The Office of Northern Australia stated that 56 per cent of north Qld, 45 per cent of the NT and 38 per cent of northern WA was held under pastoral lease. This type of lease generally restricts land use to grazing activities,

⁹⁰ NT DTC, *Submission 23*, p. 7.

⁹¹ Ms Clare Marquis, General Manager, Kimberley Quest, *Official Committee Hansard*, Broome, 22 August 2017, pp 15-16.

⁹² Mr Chad Avenell, General Manager, True North Adventure Cruises, *Official Committee Hansard*, Broome, 22 August 2017, p. 40.

⁹³ Mr Bevan James Stott, General Manager, Wunambal Gaambera Aboriginal Corporation, *Official Committee Hansard*, Broome, 22 August 2017, pp 26-27.

which prevents leaseholders from using the land for other business opportunities such as tourism.⁹⁴

5.67 Consequently, Tourism WA stated that pastoral leases, which can sometimes coexist with native title, inhibit tourism development opportunities. Tourism WA further stated that it had been advocating for reform to pastoral leases at the state level for a number of years.⁹⁵

5.68 The Office of Northern Australia stated that the Australian Government:

... supports northern jurisdictions removing unnecessary restrictions on pastoral leases. This will make the land tenure system simpler for all leaseholders and investors. Pastoral leases that provide longer tenure and broader forms of economic activity will attract more investment to the north and create a more resilient and diversified northern economy.⁹⁶

Access to National Parks

5.69 Northern Australia is home to a number of national parks and world heritage areas. Some national parks, such as Kakadu, Uluru-Kata Tjuta, Christmas Island, and Pulu Keeling, are managed at the federal level. Other national parks are managed by the states and territories. Traditional owners also have joint management arrangements with governments for some national parks.

5.70 Tourism Top End stated that permit arrangements in some national parks can prevent a business from securing finance, and may lead to uncertainty for the industry. Tourism Top End explained that:

The maximum licence or permit to operate in a Park is five years ... [however] a minimum land tenure/leasehold/permit of 25 years would be required before a bank would consider funding a commercial operation. So clearly, the rules and regulations make our industry commercially unviable, yet we expect tourism operators to invest in delivering experiences, invest in new facilities and equipment, invest in marketing and promotion in the hope a licence or permit will be renewed.⁹⁷

⁹⁴ Office of Northern Australia, *Submission 39*, p. 10.

⁹⁵ Tourism WA, *Submission 63*, p. 8.

⁹⁶ Office of Northern Australia, *Submission 39*, p. 10.

⁹⁷ Tourism Top End, *Submission 9*, p. 2.

- 5.71 In response to Tourism Top End's evidence, Parks Australia stated that in the case of Kakadu National Park 'there is not a set time for a licence or lease.' Parks Australia further stated that it sets licence and lease lengths based on factors including the nature of the private investment, what return on investment is required, and the investors 'track record.'⁹⁸
- 5.72 Townsville Enterprise confirmed that an impediment to tourism in Northern Australia is restrictions related to national parks that prevent tourism operators from operating within national parks or protected areas. Townsville Enterprise raised the example of Hinchinbrook Island National Park⁹⁹ and stated that under the current management plan 'you cannot obtain a permit to operate a commercial business on Hinchinbrook Island.'¹⁰⁰ Townsville Enterprise further explained that:

If you want to take tourism to the next level, we should have a commercial operator [on Hinchinbrook Island] doing guided tours and showing people. They would also obviously contribute to the maintenance of the island and be able to report back to national parks. So currently that is not allowed.¹⁰¹

- 5.73 The Ngurratjuta/Pmara Ntjarra Aboriginal Corporation presented an 'example of a struggle in Indigenous tourism' related to national parks. Mr Ratara, Director of the Ngurratjuta/Pmara Ntjarra Aboriginal Corporation, stated that he had been in discussions for years about obtaining a lease to run a tourism business in a national park that is jointly managed by traditional owners (of which he is one) and the NT government.¹⁰² The Ngurratjuta/Pmara Ntjarra Aboriginal Corporation stated:

The sticking point is Mr Ratara has been working formally for over three years now, and the lease on that property is still not finalised. Mr Ratara's comment

⁹⁸ Ms Sally Barnes, Director of National Parks, Parks Australia, Department of the Environment and Energy, *Official Committee Hansard*, Canberra, 17 February 2017, p. 28.

⁹⁹ Hinchinbrook Island National Park is managed by the Queensland Government.

¹⁰⁰ Ms Bridget Woods, Director, Tourism and Events, Townsville Enterprise, *Official Committee Hansard*, Townsville, 5 July 2017, p. 11.

¹⁰¹ Ms Bridget Woods, Townsville Enterprise, *Official Committee Hansard*, Townsville, 5 July 2017, p. 12.

¹⁰² Mr Conrad Ratara, Director, Ngurratjuta/Pmara Ntjarra Aboriginal Corporation, Alice Springs, *Official Committee Hansard*, 24 July 2017, pp 37-38.

this morning is he is tired. We are into the tourist season. We are halfway through it now. When this comes on we will have to wait until next year.¹⁰³

- 5.74 In response to concerns about the time taken for a lease within a national park to be approved, the NT DTC stated:

We're really keen to unlock some of those things. I've been speaking to the Northern Land Council, and will have similar discussions with the Central Land Council, about outposting a Department of Tourism and Culture officer into each of those land councils to help work through those issues and see what we can do to expedite some of those approvals.¹⁰⁴

- 5.75 Parks Australia also stated that it was working on improving its systems so that stakeholders 'are not encumbered by processes that aren't necessary or take too long.'¹⁰⁵ At the same time, Parks Australia advised that investors needed to consider challenges associated with establishing a business in a national park that is jointly managed with traditional owners, and build this into their business plan. Parks Australia stated:

Getting agreement from Traditional Owners and all relevant Aboriginals can take time. Involvement of Land Councils, extensive consultation periods and Board of Management approvals can prolong the time needed to secure new business opportunities. Commercial partners need to understand cultural responsibilities and custodianship requirement of Traditional Owners in using their land and include these set requirements into their planning and investment strategies.¹⁰⁶

Access to Marine Areas - Great Barrier Reef Marine Park Authority

- 5.76 The Great Barrier Reef Marine Park Authority (GBRMPA) is responsible for the management and protection of the Great Barrier Reef.¹⁰⁷ Commercial activities and operations, including tourism, may require a permit from the GBRMPA to operate in the Great Barrier Reef Marine Park.

¹⁰³ Mr Cameron Miller, CEO, Ngurratjuta/Pmara Ntjarra Aboriginal Corporation, Alice Springs, *Official Committee Hansard*, 24 July 2017, pp 37-38.

¹⁰⁴ Mr Alastair Shields, CEO, NT DTC, *Official Committee Hansard*, Darwin, 27 July 2017, p. 6.

¹⁰⁵ Mr Geoff Bailey, Assistant Secretary, Parks Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 11.

¹⁰⁶ Parks Australia, *Submission 14*, p. 7.

¹⁰⁷ Great Barrier Reef Marine Park Authority, 'How the Reef is Managed', www.gbrmpa.gov.au/managing-the-reef/how-the-reefs-managed, Accessed 25 May 2018.

Permits

- 5.77 Tourism Whitsundays stated that the GBRMPA's priority is the protection of the Great Barrier Reef, not tourism, which can make it 'inflexible' and 'bureaucratic'.¹⁰⁸ Projects Global agreed and stated that common complaints from marine park tourism operators included 'the time taken to process permits, including renewals, unintended consequences of decisions and poor decisions made by the [GBRMPA].'¹⁰⁹
- 5.78 Renegade Fishing Charters similarly stated that the major hurdle for its business and potential expansion was the GBRMPA and issues with the granting of permits.¹¹⁰
- 5.79 The GBRMPA advised that it had developed an online client portal and application system for permits which, once released, would 'save businesses, individuals and communities more than \$3 million every year by reducing the regulatory burden.'¹¹¹
- 5.80 The Whitsunday Island Camping Connections recommended GBRMPA be given discretionary powers to ensure 'common sense' solutions can be found, 'instead of just getting bogged down with boxes to be ticked and time, money, stress and energy spent in unproductive ways.'¹¹² The Douglas Shire Council similarly stated that the GBRMPA needed 'greater flexibility to allow these permits adapt to changing conditions and circumstances', particularly for low-impact activities.¹¹³
- 5.81 The GBRMPA stated that it recognised 'the need to modernise [its] management arrangements in relation to tourism activities.'¹¹⁴

¹⁰⁸ Mr Craig Turner, Tourism Whitsundays, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 3.

¹⁰⁹ Mr Steven Moon, Managing Director, Projects Global, and AMSA representative for the Association of Marine Park Tourism Operators, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 51.

¹¹⁰ Mr Luke Griffiths, Owner and Director, Renegade Fishing Charters, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 26.

¹¹¹ GBRMPA, *Submission 59*, p. 6.

¹¹² Mrs Sandra Pavey, Co-owner and Director, Whitsunday Island Camping Connections, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 22.

¹¹³ Councillor Julia Leu, Mayor, Douglas Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, pp 2-3.

¹¹⁴ GBRMPA, *Submission 59*, p. 8.

- 5.82 The Douglas Shire Council also stated that ‘the Cairns marine park plan ... absolutely needs to be reviewed.’¹¹⁵ While the TPDD agreed, it also considered that the GBRMPA had made ‘some great inroads with [its] permitting,’ particularly for larger operators who had achieved eco-accreditation and were consequently granted an extension on their permit timeframe.¹¹⁶

Latency

- 5.83 Explore Group Hamilton Island stated that there are ‘a huge number of permits out there’ that are not being used, and recommended the government consider recalling these permits.¹¹⁷ Tourism Whitsundays agreed and raised the option of having permit operate on a ‘use-it-or-lose-it’ basis.¹¹⁸
- 5.84 The GBRMPA advised that its policy requires permittees to use permits at least 50 days per vessel per year, averaged over the life of the permit. If this criterion is not met, when the permittee comes to renew (usually after six years) the GBRMPA can reallocate the permit. The GBRMPA further advised that a review of this policy had commenced to determine ‘if the level of use and the period over which the use is reviewed is appropriate for the current situation in the planning areas.’¹¹⁹

Bonds

- 5.85 The GBRMPA may also require tourism operators to pay bonds, either in the form of a cash payment or bank guarantee.¹²⁰ The GBRMPA described the purpose of bonds and stated:

Bonds are a financial security that allows the [GBRMPA] ready access to funds to prevent, minimise or rehabilitate environmental harm caused by a

¹¹⁵ Mayor Julia Leu, Douglas Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 9.

¹¹⁶ Ms Tara Bennett, TPDD, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 23.

¹¹⁷ Mr David Rose, General Manager, Explore Group Hamilton Island, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 27.

¹¹⁸ Mr Craig Turner, Tourism Whitsundays, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 3.

¹¹⁹ GBRMPA, *Submission 59*, p. 5.

¹²⁰ Mr Tony Baker, Managing Director, Quicksilver Group, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 33.

permitted activity. The bond minimises risk to the Australian taxpayer so that public monies are not used to cover these costs, should they occur.¹²¹

- 5.86 The Quicksilver Group, which has bank guarantees with the GBRMPA of almost \$2 million, stated that raising bonds is a challenge, as its business is also required to purchase insurance for ‘exactly the same issues.’¹²² Projects Global expressed similar sentiments and stated that the high bonds were unnecessary, as ‘over the last 40 years GBRMPA has only required a \$100 000 payment out of any bond.’¹²³
- 5.87 The Quicksilver Group recommended bond amounts be reduced for larger businesses. For smaller businesses, the Quicksilver Group suggested the Association of Marine Park Tourism Operators (AMPTO) could operate an industry based bond facility.¹²⁴ The GBRMPA advised it had ‘responded to industry’s call’ for an industry led fund, and that AMPTO is leading work on exploring this issue.¹²⁵

Labour Availability

- 5.88 Access to labour was described as ‘a critical issue’ for tourism businesses in Northern Australia.¹²⁶ Hamilton Island Enterprises advised that there are workforce shortages across many aspects of the tourism and hospitality workforce, particularly in regional areas.¹²⁷
- 5.89 Many tourism and hospitality businesses in Northern Australia rely on international workers, particularly in peak seasons. The training of local workers is also central to the sustainability of the tourism industry. Accommodation for staff, particularly in remote areas, is another consideration for tourism operators and entrepreneurs.

¹²¹ GBRMPA, *Submission 59*, p. 6.

¹²² Mr Tony Baker, Quicksilver Group, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 33.

¹²³ Mr Steven Moon, Projects Global, and AMSA representative for the Association of Marine Park Tourism Operators, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 53.

¹²⁴ Mr Tony Baker, Quicksilver Group, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 33.

¹²⁵ GBRMPA, *Submission 59*, p. 6.

¹²⁶ Tourism Central Australia, *Submission 2*, p. 9.

¹²⁷ Hamilton Island Enterprises, *Submission 48.1*, p. 2.

International Workforce

- 5.90 Kakadu Tourism observed that ‘the seasonality of Northern Australia tourism means that the region will always rely (to a large extent) on seasonal and temporary workers’¹²⁸, including young adults from overseas who are visiting Australia as part of the Working Holiday Maker (WHM) program.¹²⁹
- 5.91 The Office of Northern Australia drew attention to visa reforms introduced in 2015 and 2016 to encourage WHMs to work in the Northern Australian tourism industry.¹³⁰ The Northern RDA Alliance was supportive of these measures¹³¹, while the NT DTC recommended ‘better implementation’ of WHM initiatives.¹³²
- 5.92 The Qld Government drew attention to a Australian Government tourism pilot programme in Northern Australia, operating under the *Seasonal Workers Programme*, where ‘seasonal workers from nine Pacific nations and Timor-Leste can undertake a range of low and unskilled work in the tourism industry’.¹³³ The Qld Government was supportive of this pilot, while also being mindful of ‘protecting and promoting local jobs where possible.’¹³⁴
- 5.93 Tourism Central Australia (TCA) stated that there are obstacles to hiring international workers and that there has been a ‘declining number of visa approvals for people who want to work and travel since 2011’.¹³⁵
- 5.94 A number of inquiry participants made recommendations in order to encourage backpackers and other seasonal workers to work in the Northern Australian tourism industry. These included:
- **Workforce strategy:** Kakadu Tourism recommended a whole of government employment strategy be developed to encourage more

¹²⁸ Kakadu Tourism, *Submission 8*, p. 7.

¹²⁹ Tourism Top End, *Submission 9*, p. 2.

¹³⁰ Office of Northern Australia, *Submission 39*, p. 9.

¹³¹ Northern RDA Alliance, *Submission 46*, p. 3.

¹³² NT DTC, *Submission 23*, p. 8.

¹³³ Office of Northern Australia, *Submission 39*, p. 9.

¹³⁴ Queensland Government, *Submission 40*, p. 30.

¹³⁵ Tourism Central Australia, *Submission 2*, p. 9.

temporary and long term workers, both international and domestic to work in Northern Australia's tourism industry.¹³⁶

- **Tax incentives:** The Outback Qld Tourism Association recommended that backpackers working in remote Australia be made tax exempt¹³⁷, while Rockhampton Regional Council advocated for a tax incentive for WHMs who work in Northern Australia.¹³⁸ The TCA recommended overseas workers be taxed in the same manner as Australian workers.¹³⁹
- **Period of Stay:** The TTNQ recommended the Australian Government extend the allowable period of stay for WHMs working in remote locations.¹⁴⁰ The Qld Government advised that 'increasing the time period visa holders can stay with employers may give employers access to more skilled staff.'¹⁴¹
- **Training:** the CDU suggested training provisions for backpackers could be used to address seasonal skill shortages.¹⁴²
- **University Students:** Tourism Top End proposed resetting the university study calendar so students have a break over the peak tourist season of June to August, and can fill workforce gaps.¹⁴³
- **Visas:** The TCA recommended the process of applying for and obtaining a visa for WHMs should be made easier.¹⁴⁴ The NT DTC advocated for the creation of a visa for Northern Australia that would meet Northern Australia's 'unique workforce needs.' The NT DTC also recommended the age limit for WHMs be increased to 35 years, and that the tourism/hospitality sector be included as an eligible industry for the 'second Working Holiday visa (Subclass 417).'¹⁴⁵
- **Changes to visa conditions:** Daydream Island Resort and Spa raised concerns relating to proposed changes to the permanent residency visa

¹³⁶ Kakadu Tourism, *Submission 8*, p. 7.

¹³⁷ Outback Queensland Tourism Association, *Submission 20*, p. 4.

¹³⁸ Rockhampton Regional Council, *Submission 26*, p. 5.

¹³⁹ Tourism Central Australia, *Submission 2*, p. 9.

¹⁴⁰ TTNQ, *Submission 15*, p. 3.

¹⁴¹ Queensland Government, *Submission 40*, p. 30.

¹⁴² CDU, *Submission 24*, p. 5.

¹⁴³ Tourism Top End, *Submission 9*, pp. 2-3.

¹⁴⁴ Tourism Central Australia, *Submission 2*, p. 9.

¹⁴⁵ NT DTC, *Submission 23*, p. 8.

eligibility and conditions under the *Regional Skilled Migration Scheme*. The Daydream Island Resort and Spa advised that the proposed changes would reduce the number of occupations that can be sponsored, make it harder for candidates to meet the new requirements, and create extra costs for business. As such, Daydream Island Resort and Spa urged the government to reconsider any changes that would impact on the viability of tourism and hospitality businesses in Northern Australia.¹⁴⁶

Training

- 5.95 The Australian Hotels Association (NT Branch) advised that, while overseas workers have a role in supporting the tourism and hospitality industries, the first priority should be to ‘train and employ locals.’¹⁴⁷ The Darwin Convention Centre also stated that ‘relying on backpackers as the primary source of labour is unsustainable in the long term’, and that it ‘would like to see long term incentives to encourage people to live and work in the NT’.¹⁴⁸
- 5.96 Some inquiry participants observed that the tourism and hospitality industry was not generally viewed as a ‘serious career’ by young Australians.¹⁴⁹ The TTNQ outlined how important changing this perception is to attracting young people to careers in tourism and that there was a need to:
- ... get to the youngest group of people and create a perception—that is in fact the reality—that tourism is not just a job; it really can be a career. There are some huge opportunities and really exciting roles for people now involved in the tourism industry ... if that can start at an early stage in a school curriculum, then it helps it permeate the entire region.¹⁵⁰
- 5.97 The Australian Regional Tourism Network (ARTN) drew attention to its *Young Tourism Professional* program, which provides training, mentoring and board experience annually to a ‘young tourism professional’ winner. The ARTN advocated for Australian Government support to expand and enhance this program.¹⁵¹

¹⁴⁶ Daydream Island Resort and Spa, *Submission 51*, pp 4-5.

¹⁴⁷ Australian Hotels Association (NT Branch), *Submission 56*, p. 4.

¹⁴⁸ Darwin Convention Centre, *Submission 18*, p. 4.

¹⁴⁹ Hamilton Island Enterprises, *Submission 48.1*, p. 2.

¹⁵⁰ Ms Wendy Morris, TTNQ, *Official Committee Hansard*, Cairns, 4 July 2017, pp 5-6.

¹⁵¹ Australian Regional Tourism Network, *Submission 17*, p. 4.

- 5.98 Suggestions put forward to encourage young people to adopt careers in tourism included: highlighting role models, career opportunities and lifestyle benefits of working in tourism; the development of tourism work experience opportunities for school children;¹⁵² access to student loans for tourism programs; and the development of entrepreneurial programs and training packages.¹⁵³
- 5.99 The QTIC supported measures that would ‘assist in creating long-term careers in the tourism industry’, such as programs that upskill workers, the provision of funding for tourism educational programs and developing new industry specific curriculum in Northern Australia.¹⁵⁴
- 5.100 The CDU stated that the development of industry standards for training could help to ensure quality across the sector. In addition, the CDU advised that there was a need to educate tourism business owners about the skill sets they could use to maximise their tourism opportunities.¹⁵⁵
- 5.101 The OHDC stated that funding was needed to build tourism skills in regional areas, including through vocational education and training and apprenticeships.¹⁵⁶ The need for customer service training was identified by the TCA and Ecotourism Australia.¹⁵⁷
- 5.102 While workers are in high demand in the peak tourism season, in the out-of-season some workers may have difficulty sourcing employment. As such, the CDU explained that there is a need for collaboration across industries to maintain employment of local people throughout the year. The CDU explained:

... there is a large resident population of Territorians that might be better engaged if we could line them up [to work in tourism] rather than relying on visiting European backpackers to fill the niche ... we would need to strategically think about 'What do you do with people in the offseason?' If we can bring industry cohorts together so that during the dry season they are

¹⁵² Australian Hotels Association (NT Branch), *Submission 56*, p. 4.

¹⁵³ QTIC, *Submission 41*, p. 31.

¹⁵⁴ QTIC, *Submission 41*, p. 31.

¹⁵⁵ Professor Simon Maddocks, CDU, *Official Committee Hansard*, Darwin, 27 July 2017, p. 41.

¹⁵⁶ Mrs Helen Lewis, OHDC, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 36.

¹⁵⁷ Ecotourism Australia, *Submission 13*, p. 4; Tourism Central Australia, *Submission 2*, p. 6.

focused on tourism enterprises and in the offseason they are focused on some other enterprises then we are keeping employment linked to communities.¹⁵⁸

Tourism Employment Plans

- 5.103 In 2011, Tourism Ministers announced an intention to deliver *Tourism Employment Plans* (TEPs) in eight regions across Australia. The TEPs were three year 'action-oriented' plans to address labour and skill issues associated with the tourism and hospitality industries. Three of the TEPs were located in Northern Australia: Broome, WA, the Red Centre, NT (which began in 2013), and Tropical North Qld (which began in 2014).¹⁵⁹
- 5.104 The Northern RDA Alliance supported the TEPs in Northern Australia and recommended the initiative be expanded to every region in the north. The Northern RDA Alliance further suggested TEPs be linked to the Closing the Gap employment target for Aboriginal and Torres Strait Islander people.¹⁶⁰ The CDU recommended TEPs be developed for the Top End and Katherine regions, to encourage young people to adopt careers in tourism.¹⁶¹
- 5.105 Tourism WA also supported the TEPs, but stated that ongoing funding was needed if employment outcomes were to be sustained.¹⁶² Tourism WA further advised that, for the Broome TEP, there were too many priority and actions to implement. Instead, Tourism WA suggested that 'a more sustainable approach would have been to identify a smaller number (say five) key strategies and actions and progress these accordingly.'¹⁶³

Staff Housing

- 5.106 A shortage of staff housing was raised as a concern in a number of tourism areas, including Yulara (NT)¹⁶⁴, Coral Bay (WA)¹⁶⁵ and the Dampier

¹⁵⁸ Professor Simon Maddocks, CDU, *Official Committee Hansard*, Darwin, 27 July 2017, p. 46.

¹⁵⁹ Austrade, 'Tourism Employment Plans', www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/Labour-and-Skills/tourism-employment-plans, Accessed 10 May 2018.

¹⁶⁰ Northern RDA Alliance, *Submission 46*, p. 4.

¹⁶¹ CDU, *Submission 24*, p. 6.

¹⁶² Ms Derryn Belford, Executive Director, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 7.

¹⁶³ Tourism WA, *Submission 63*, p. 11.

¹⁶⁴ Mr Nick Kelly, Area Manager, NT, Professional Helicopter Services and Mr Ian Wallace, Base Manager, Ayers Rock Helicopters, *Official Committee Hansard*, Yulara, 23 July 2017, p. 13.

Peninsula (WA)¹⁶⁶. The RAC stated that until workers' accommodation and road infrastructure was improved in Coral Bay, it would not be able to invest in and develop the resort it owned in the area.¹⁶⁷ Professional Helicopter Services and Ayers Rock Helicopters faced similar constraints and stated that the shortage of staff housing in Yulara has impacted on their ability to operate and expand their businesses.¹⁶⁸

5.107 Voyages Indigenous Tourism Australia further advised that tourism businesses operating in remote regions often have to build their own staff housing, which it described as a 'significant barrier to entry particularly for small operators.'¹⁶⁹

5.108 Parks Australia advised that increasing staff accommodation in regional or remote areas may need to be accompanied by upgrading basic services. Parks Australia stated that in the case of Uluru:

The big limitation on any growth in visitation or the addition of any new tourist experience is ... the lack of staff housing. Related to that are services — electricity, water, sewer and those sorts of things. There is a limitation on the introduction of new staff housing because of the availability of services, so these are all interconnected.¹⁷⁰

Telecommunications

5.109 Mobile coverage is patchy throughout Northern Australia and generally confined to towns,¹⁷¹ with some key tourism areas having no mobile phone coverage at all.¹⁷² Internet coverage is unavailable in some remote locations, and 'slow and intermittent' in major centres such as Alice Springs.¹⁷³

¹⁶⁵ Mr Tony Pickworth, RAC, *Official Committee Hansard*, Perth, 23 August 2017, p. 29.

¹⁶⁶ Ms Erica Thompson, Kooljaman, *Official Committee Hansard*, Broome, 22 August 2017, p. 23.

¹⁶⁷ Mr Tony Pickworth, RAC, *Official Committee Hansard*, Perth, 23 August 2017, p. 29.

¹⁶⁸ Mr Nick Kelly, Professional Helicopter Services and Mr Ian Wallace, Ayers Rock Helicopters, *Official Committee Hansard*, Yulara, 23 July 2017, p. 13.

¹⁶⁹ Mr Andrew Williams, CEO, Voyages Indigenous Tourism Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 2.

¹⁷⁰ Mr Geoff Bailey, Parks Australia, *Official Committee Hansard*, 23 July 2017, p. 12.

¹⁷¹ Savannah Way, *Submission 5*, p. 1.

¹⁷² NT DTC, *Submission 23*, p. 4.

¹⁷³ Tourism Central Australia, *Submission 2*, p. 7.

5.110 The Outback Qld Tourism Association explained that tourists ‘simply expect full mobile and data coverage throughout Australia.’¹⁷⁴ As well as wanting telecommunication access during their travels, tourists engage with tourism businesses online to research, book, and review their trip.¹⁷⁵ Tourist businesses therefore need reliable internet to manage this usage, however, the Cook Shire Council advised that this is not always possible in Northern Australia. The Cook Shire Council stated:

Unreliable or non-existent internet access in remote areas is hampering tourism businesses to be able to improve and expand their business through online promotions and booking systems that so many visitors expect in a world of technology.¹⁷⁶

5.111 Tourism Top End agreed and stated that the NT has ‘too many’ mobile black spots, which is ‘inhibiting engagement and business growth’.¹⁷⁷ Similar issues were raised in relation to Port Douglas, and the Douglas Shire Council stated that:

The biggest impediments causing lost opportunities are poor digital connectivity, a lack of reliable high speed internet with realistic data allowances and unreliable mobile and phone services ... the internet is absolutely vital in helping small tourism businesses understand their markets better, extend their reach and serve their customers more effectively.¹⁷⁸

5.112 The TTNQ explained that poor digital connectivity in regional and remote locations also ‘amplifies risks to residents and visitors due to a lack of real time information on road closures and alternate routes.’¹⁷⁹ Having unreliable communications also ‘portrays a negative message’ that a tourist area may not be safe for visitors.¹⁸⁰

5.113 Parks Australia outlined the positive impact online services can have on revenue, through ‘improved distribution and ease of transaction’. At

¹⁷⁴ Outback Queensland Tourism Association, *Submission 20*, p. 5.

¹⁷⁵ Australian Conservation Foundation, *Submission 43*, p. 5.

¹⁷⁶ Cook Shire Council, *Submission 28*, p. 3.

¹⁷⁷ Tourism Top End, *Submission 9*, pp 3-4.

¹⁷⁸ Mayor Julia Leu, Douglas Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 1.

¹⁷⁹ TTNQ, *Submission 15*, p. 4.

¹⁸⁰ Cook Shire Council, *Submission 28*, p. 3.

Kakadu National Park, moving to online park passes resulted in a 14 per cent increase in pass sales, and an additional \$500 000 in revenue.¹⁸¹

Telecommunications Priorities for Tourism

5.114 The Australian Government, in partnership with state and territory governments and telecommunication companies, is providing funding for the Mobile Black Spot Program, which aims to improve mobile phone coverage across regional and remote Australia.¹⁸² Telstra advised that:

Once work on Round 1 of the Mobile Black Spots Program is complete, Northern Australia will enjoy the benefits of an additional 39 base stations, seven of which are already on air. A further 21 sites are planned for installation across Northern Australia in Round 2.¹⁸³

5.115 Telstra also stated that ‘over the last ten years, approximately 15 per cent of our investment in the mobile network has gone to provide services to the most remote two per cent of the population.’¹⁸⁴ Telstra further outlined a number of its projects aimed at improving telecommunications in Northern Australia, including:

- ‘The Regional Mobile Communications Project, completed in September 2014, saw 41 new base stations built in the Kimberly and Pilbara regions in Western Australia.’
- ‘[Telstra has] collaborated with the NT Government through a \$30 million Infrastructure and Sustainability Co-Investment Agreement to improve the levels of digital inclusion ... to remote Territory communities.’
- ‘[Telstra] completed the Aurukun to Weipa Optical Fibre project in December 2016. This project delivered 4G mobile services to Aurukun residents for the first time’.¹⁸⁵

5.116 Telstra recommended current policy and regulatory settings be maintained to ‘incentivise ongoing investment in telecommunications infrastructure,

¹⁸¹ Parks Australia, *Submission 14*, p. 4.

¹⁸² Federal Department of Communications and the Arts, ‘Mobile Black Spot Program’, www.communications.gov.au/what-we-do/phone/mobile-services-and-coverage/mobile-black-spot-program, Accessed 16 October 2017.

¹⁸³ Telstra, *Submission 31*, p. 3.

¹⁸⁴ Telstra, *Submission 31*, p. 3.

¹⁸⁵ Telstra, *Submission 31*, p. 3.

particularly mobile infrastructure, and particularly in regional, rural and remote areas.’¹⁸⁶

5.117 In addition to advocating for stable and fast mobile and data connectivity across Northern Australia overall¹⁸⁷, priority telecommunication projects put forward by inquiry participants included:

- ***Full mobile and data coverage on major highways***¹⁸⁸ — the Douglas Shire Council referenced the need to improve emergency and mobile communications on the Captain Cook Highway, as it is considered ‘one of the most dangerous roads in the country.’¹⁸⁹
- ***Continued focus on the NT under the Mobile Black Spot Program***, particularly those locations without Telstra or Optus coverage;¹⁹⁰
- ***NBN connectivity*** in major population centres¹⁹¹;
- ***Public Wi-Fi*** access at major tourism facilities and locations¹⁹², including by subsidising tourism operators to be able to provide affordable or free internet access in tourism areas;¹⁹³ and
- ***Prioritising telecommunication upgrades in remote areas*** that are reliant on tourism including Christmas Island¹⁹⁴, Kakadu National Park¹⁹⁵ and Cape York.¹⁹⁶

Social Infrastructure

Facilities for Tourists

5.118 The City of Karratha stated that outside of major townships, visitor amenities in Northern WA are ‘almost non-existent’.¹⁹⁷ The TTNQ advised

¹⁸⁶ Telstra, *Submission 31*, p. 5.

¹⁸⁷ Dr Liz Hanna and Mr Clem Davis, *Submission 35*, p. 8.

¹⁸⁸ Dr Liz Hanna and Mr Clem Davis, *Submission 35*, p. 8 and Ninti One Limited, *Submission 4*, p. 4.

¹⁸⁹ Mayor Julia Leu, Douglas Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 1.

¹⁹⁰ NT DTC, *Submission 23*, p. 4.

¹⁹¹ Dr Liz Hanna and Mr Clem Davis, *Submission 35*, p. 8.

¹⁹² Queensland Government, *Submission 40*, p. 18.

¹⁹³ Kakadu Tourism, *Submission 8*, p. 4.

¹⁹⁴ Christmas Island Tourism Association, *Submission 21*, p. 4.

¹⁹⁵ Parks Australia, *Submission 14*, p. 9.

¹⁹⁶ Ms Kathryn Ann (Kate) Sutcliffe, CYSF, *Official Committee Hansard*, Cairns, 4 July 2017, p. 19.

that improving amenities such as toilets, camping grounds, rest areas, signage and waste management in remote areas can serve to boost the drive tourist market.¹⁹⁸

- 5.119 The Australian Caravan Club agreed and signalled a need for facilities to support self-contained Recreational Vehicle (RV) travellers, including dump points, access to amenities and camp grounds, and parking spaces that allow RV travellers to rest and explore a local area.¹⁹⁹ The Australian Caravan Club also advised that planning for roads, rest areas and camping areas needed to be better coordinated to facilitate safe travelling distances.²⁰⁰
- 5.120 The Australian Caravan Club further advised that ‘if there are facilities there [the user] should put a donation towards it’, to cover the cost of upkeep.²⁰¹ In contrast, Big4 Holiday Parks of Australia cautioned that areas paid for by donation will ‘hold Northern Australia back for years and years and years because no one will invest.’²⁰²
- 5.121 The CYSF stated that, as more roads are sealed and tourist numbers increase in the Cape York region, basic facilities will need to be upgraded. These include town services, water, sewerage, waste disposal and power.²⁰³ Similar issues were raised by Indigenous businesses at Cape Leveque, WA, who are planning for the sealing of Cape Leveque Road. Kooljaman commented that ‘we can see that [the sealing of the road] can bring local people in the business a lot of benefit, but we can also see that we have a huge management issue’.²⁰⁴
- 5.122 The TPDD also outlined the need for upgraded facilities in north Qld and stated that ‘the outdated and inefficient power systems north of the Daintree

¹⁹⁷ City of Karratha, *Submission 6*, p. 9.

¹⁹⁸ TTNQ, *Submission 15*, p. 4.

¹⁹⁹ Australian Caravan Club, *Submission 69*, p. 4.

²⁰⁰ Australian Caravan Club, *Submission 69*, p. 3.

²⁰¹ Mr Tom Smith, Deputy Chairman, Australian Caravan Club, *Official Committee Hansard*, Canberra, 14 September 2017, p. 4.

²⁰² Mr Theo Whitmont, Director, BIG4 Holiday Parks of Australia, *Official Committee Hansard*, Canberra, 14 September 2017, p. 8.

²⁰³ Ms Kathryn Ann (Kate) Sutcliffe, CYSF, *Official Committee Hansard*, Cairns, 4 July 2017, pp 18-19.

²⁰⁴ Ms Erica Thompson, Kooljaman, *Official Committee Hansard*, Broome, 22 August 2017, pp 19-20.

are a serious impediment to operators in that region, as is the access to sustainable water and utilities through the Douglas Shire.’²⁰⁵

5.123 Access to health services was also raised as an issue in tourism areas.

Voyages Indigenous Tourism Australia stated that health services in Yulara were lacking, and there is only one full time and one part time doctor, which can lead to delays in patients receiving treatment.²⁰⁶ The Port Douglas Shire Council also explained that adventure tourism operators, who are often located in remote areas and carry risk of injury, need to be better supported by ‘regional medical emergency services and health services.’²⁰⁷

5.124 Recommended upgrades to facilities included:

- **Kakadu National Park:** as road access to the Park improves, facilities including camping grounds and toilet facilities should be upgraded.²⁰⁸
- **Cape York region:** provision of amenities including toilets, rubbish removal and quality accommodation.²⁰⁹
- **Monkey Mia Reserve, Shark Bay and Coral Bay:** The RAC recommended the Australian Government provide funding for tourism infrastructure at the Monkey Mia reserve, tourism attractions and facilities throughout Shark Bay, and town infrastructure at Coral Bay, to support private investment.²¹⁰
- **Remote areas:** Ninti One Limited recommended increasing tourism infrastructure in remote areas, including ‘building new camping grounds, designated dumping points, additional bush trails [and] hiking opportunities’.²¹¹ Ninti One Limited also recommended Aboriginal and Torres Strait Islander people be supported to develop tourist services and infrastructure.²¹²
- **East MacDonnell Ranges, NT:** The TCA recommended an investment and grants program for ‘businesses, organisations and government

²⁰⁵ Ms Tara Bennet, TPDD, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 19.

²⁰⁶ Mr Andrew Williams, Voyages Indigenous Tourism Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 15.

²⁰⁷ Mayor Julia Leu, Douglas Shire Council, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 1.

²⁰⁸ Kakadu Tourism, *Submission 8*, p. 4.

²⁰⁹ CYSF, *Submission 19*, p. 4.

²¹⁰ RAC, *Submission 38*, p. 7.

²¹¹ Ninti One Limited, *Submission 4*, p. 4.

²¹² Ninti One Limited, *Submission 4*, p. 2.

departments wishing to install or upgrade new and existing facilities in the region'.²¹³

Visitor Information Centres

5.125 Broome Visitor Centre explained that visitor centres provide a critical service to the tourism industry by informing tourists of the range of activities available in an area.²¹⁴ The City of Karratha in WA, which funds a Visitor Information Centre, stated that the Centres were originally established 'to provide visitors with information about the place', but are now 'the "shop window" for the place and its local tourism industry'.²¹⁵

5.126 Recommendations put forward regarding Visitor Information Centres included:

- ***Establishing an accredited Visitor Information Centre at the Uluru/Kata Tjuta National Park Cultural Centre or in the Voyages Resort Precinct:*** The TCA stated that information about areas outside Yulara is difficult to find in the Yulara precinct, and a Visitor Information Centre would have 'positive effects on Northern Australian tourism'.²¹⁶
 - Parks Australia stated that the Cultural Centre in Uluru-Kata Tjuta National Park 'needs to become a hub of visitor information', and advised that an Asset Revitalisation Strategy is being developed.²¹⁷
- ***Build the National Indigenous Cultural Centre and relocate the Alice Springs Visitor Information Centre:*** Building the National Indigenous Cultural Centre was a 2016 election commitment of the NT government. The TCA stated that co-location of the Cultural Centre with the Alice Springs Visitor Information Centre would 'boost visitation for both facilities'.²¹⁸
- ***Consistent provision of information across visitor centres in a region:*** Environs Kimberley recommended support be provided to the Broome, Derby, Fitzroy and Kununurra Visitor Centres, to enable them to

²¹³ Tourism Central Australia, *Submission 2*, p. 3.

²¹⁴ Ms Gail Gower, Board Member, Broome Visitor Centre, *Official Committee Hansard*, Broome, 21 August 2017, p. 43.

²¹⁵ City of Karratha, *Submission 6*, p. 7.

²¹⁶ Tourism Central Australia, *Submission 2*, p. 4.

²¹⁷ Parks Australia, *Submission 14*, p. 8.

²¹⁸ Tourism Central Australia, *Submission 2*, pp 4-5.

provide consistent and complementary information of tourism offerings across the region, and to avoid duplication.²¹⁹

- *Additional sources of income for visitor centres:* The East Kimberley Marketing Group commented that 'creating a visitor centre that is attached to venues that can provide it with steady income ... would be of significant benefit to gateway visitor centres.'²²⁰

Concluding Comment

Planning and Investment

5.127 A large proportion of government support for tourism in Northern Australia is focussed on marketing, while less is spent on destination planning and developing tourism products and supporting infrastructure. Increasing or reprioritising funding towards strategic planning and product development could increase the appeal of Northern Australia as a tourism destination, identify linkages and tourist routes across state and territory borders, and diversify tourism offerings across the north.

5.128 Further, improving tourism data collection in Northern Australia would ensure investment and planning decisions are made based on quality information and analysis.

Accessing Government Support

5.129 The *Northern Australia Tourism Initiative* (NATI) was implemented following the Australian Government's *White Paper on Developing Northern Australia*. The NATI aimed to target the existing *Entrepreneurs' Programme* and *Australian Small Business Advisory Services* to the needs of Northern Australian tourism businesses. This included lowering the financial threshold for Northern Australian businesses to access the *Entrepreneurs' Programme* from \$1.5 million to \$750 000.

5.130 While the Committee acknowledges the potential for the NATI to stimulate tourism, the Committee found that further adjustments need to be made to better enable access for small Northern Australian businesses (with turnover of less than \$750 000 per annum).

²¹⁹ Mr Andrew Martin Pritchard, Environs Kimberley, *Official Committee Hansard*, Broome, 22 August 2017, p. 8.

²²⁰ East Kimberley Marketing Group, *Submission 27*, p. 2.

- 5.131 The Committee considers that currently, the *Entrepreneurs' Programme* under the NATI is ineffective as the small businesses that would greatly benefit from its services are ineligible. As such, the Committee is of the view that amending the eligibility criteria to enable greater access for small business tourism operators, Aboriginal and Torres Strait Islander businesses, and businesses working in partnership (to provide a tourism package), would have a noticeable positive impact on Northern Australian tourism.
- 5.132 In addition, expanding the eligibility criteria for the *Entrepreneurs' Programme* has the potential to stimulate more economic activity by making funding and assistance available to businesses with a smaller turnover. Further, it would serve to diversify the tourism products and experiences available into the future.
- 5.133 The Committee recognises the importance of grant funding in supporting the tourism industry in Northern Australia, and understands that the *Tourism Demand-Driver Infrastructure* programme is due to terminate on 30 June 2018. The Committee considers that this programme, or a similar form of federal grant funding, should continue, to enable a solid financial base to be established for small business. This would better assist and stimulate new and sustainable growth in existing tourism enterprises in Northern Australia.

Cost of Doing Business

- 5.134 The Committee is concerned about the range of regulatory hurdles facing tourism operators, and potential tourism investors, in Northern Australia. Having to gain approvals from numerous agencies across multiple jurisdictions can be expensive, time consuming, and usually causes investors to look elsewhere. Enhancing coordination between government agencies and identifying opportunities to simplify regulatory processes for businesses will ensure continued and increased investment in the north's tourism industry.
- 5.135 The cost and availability of insurance was identified as an impediment to development in the Joint Select Committee on Northern Australia's report *Pivot North: Inquiry into the Development of Northern Australia* (Pivot North). Since *Pivot North* was released, insurance costs in the north have risen even further, largely due to the Northern Territory Government's decision to privatise the Territory Insurance Office. The continued unaffordability of insurance in the north (a situation which is only worsening) is a clear sign of

failure in the insurance market. This signals a need for the Australian Government to intervene in this area of market failure.

- 5.136 Limited insurance coverage for businesses and residential properties located on the Indian Ocean Territories is also a significant impediment to the establishment of tourism businesses.
- 5.137 Implementing a 'no-fault' insurance system, similar to New Zealand, could stimulate the adventure tourism market. The Committee considers this approach is worthy of further investigation.
- 5.138 *Pivot North* stated that simplifying and harmonising land tenure arrangements in Northern Australia is critical to enabling development. Despite recent government action to streamline and improve regulation regarding land tenure in Northern Australia, the Committee heard that access to land continues to be an impediment to the development of the tourism industry. Continuing to improve regulation regarding land tenure arrangements could stimulate opportunities for traditional owners to establish cultural tourism ventures on their land.
- 5.139 Large areas in Northern Australia are also under pastoral leases, which restricts the type of activities that can be undertaken on the land. The Committee considers that reform to pastoral leases to allow for tourism activity would create tourism opportunities in the north.
- 5.140 The Committee also considers that state, territory and federal agencies responsible for the management of national parks should establish an agreed and streamlined approach to the consideration of tourism investment in national parks, to facilitate the development of ecotourism in national parks.
- 5.141 The predecessor Committee's report entitled *Scaling Up: Inquiry into Opportunities for Expanding Aquaculture in Northern Australia* found that regulation of the Great Barrier Reef and aquaculture was impeding industry development. The Committee considers that this issue also applies to the tourism industry. In particular, the Great Barrier Reef Marine Park Authority's (GBRMPA) permit system may be overly bureaucratic and inhibiting tourism investment. Further, bonds that businesses are required to pay to GBRMPA may be unnecessarily burdensome.

Labour Availability

- 5.142 Attracting workers to the tourism industry in Northern Australia can be challenging. Ensuring that tourism operators have access to a reliable and

committed workforce, particularly during the peak tourist season, was a priority for many tourism businesses. International students and backpackers are often employed by such businesses.

- 5.143 Training of workers is essential to the establishment and sustainability of a permanent, local tourism workforce. A potential barrier to establishing a local workforce may be that the tourism industry is not seen as long-term career option by young people.

Telecommunications

- 5.144 Most tourists expect telecommunication access when they travel. Tourism businesses also require phone and internet access to market their products and compete with other tourist operators and destinations. Improving internet and phone coverage in many areas of Northern Australia would ensure tourists can document their travels online and enable tourism businesses to have a greater online presence, meet customer expectations and increase their market reach.

Social Infrastructure

- 5.145 If visitor numbers are to increase across Northern Australia, basic infrastructure, amenities and services may need to be upgraded and improved to meet the heightened demand. In particular, facilities for drive tourists, such as waste services, clear signage, and rest stops, may stimulate the drive market in Northern Australia.
- 5.146 The Committee also acknowledges the important role of Visitor Information Centres, which have been found to improve the experience of tourists visiting Northern Australia, while also promoting tourism businesses in the region.

Recommendation 11

- 5.147 **The Committee recommends that the Office of Northern Australia be funded (for no less than three years) to provide oversight of investment in, and development of, tourism in Northern Australia. As part of this role, the Office of Northern Australia should:**
- **Conduct an audit of tourism attractions and destinations across Northern Australia, to identify opportunities for private investment and complementary public investment;**

- Provide strategic oversight and assist in coordinating the development of tourism destinations across the north, particularly through identifying opportunities that cross state and territory lines;
- Support the development of Aboriginal and Torres Strait Islander tourism businesses and products; and
- Work with all levels of government to identify opportunities to streamline and simplify regulation and approvals relating to the tourism industry.

Recommendation 12

5.148 The Committee recommends that Tourism Research Australia expand and improve its collection of data specifically related to tourism in Northern Australia and further develop and regularly publish a data set specific to Northern Australia.

Recommendation 13

5.149 The Committee recommends that the Department of Industry, Innovation and Science review, with the aim of amending, the eligibility criteria for the *Entrepreneurs' Programme* under the *Northern Australia Tourism Initiative* to enable access for:

- A greater majority of small to medium sized tourism businesses operating in Northern Australia, including small tourism businesses that are working in partnership and have developed a tourism package of significant value;
- Aboriginal and Torres Strait Islander businesses, particularly those that are well established in other sectors and are looking to expand into the tourism industry, in addition to those that are registered under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*; and
- Organisations that contribute to the tourism industry but do not have an Australian Company Number (such as not-for-profits, incorporated associations and clubs).

Recommendation 14

- 5.150 The Committee recommends that the Australian Government expand the scope of the *Northern Australia Tourism Initiative* to include the *Innovation Connections* program.

Recommendation 15

- 5.151 The Committee recommends that the Australian Government continue to fund the *Tourism Demand-Driver Infrastructure* programme beyond mid-2018.

Recommendation 16

- 5.152 The Committee recommends that the Australian Government, in partnership with the state and territories, analyse the impact of high insurance costs on tourism investment in Northern Australia (particularly since the privatisation of the Territory Insurance Office) and implement measures to reduce insurance premiums; and
- that insurance be made available for homes and businesses in the Indian Ocean Territories to stimulate business investment.

Recommendation 17

- 5.153 The Committee recommends that the Australian Government conduct a review of its initiatives relating to land tenure and native title that were announced as part of the *White Paper on Developing Northern Australia*, to determine whether they are producing concrete outcomes for traditional owners, how they could better support cultural tourism, and what further reform may be needed.

Recommendation 18

- 5.154 The Committee recommends that the Australian Government work with the states and territories to remove restrictions on pastoral leases to allow for longer tenure periods and a wider range of economic activities on pastoral land, including tourism, consistent with the rights of native title holders.

Recommendation 19

5.155 The Committee recommends that the Great Barrier Reef Marine Park Authority:

- **Implement measures to ensure allocated permits are being used regularly and if not, can be reallocated;**
- **Implement an industry-led bonds scheme for smaller businesses and reduce the amount of capital required for bonds from larger businesses; and**
- **Consider further ways to reduce waiting times for permits.**

Recommendation 20

5.156 The Committee recommends that the Australian Government improve mobile and data services across Northern Australia, particularly in areas with a high reliance on tourism.

Recommendation 21

5.157 The Committee recommends that the Australian Government work with the states and territories to improve tourist facilities and access in the following areas:

- **Cape York;**
- **Monkey Mia Reserve, Shark Bay and Coral Bay;**
- **East MacDonnell Ranges; and**
- **Remote areas of Northern Australia, particularly Aboriginal and Torres Strait Islander communities that are working to expand their tourism offerings.**

6. Tourism Experiences in Northern Australia

Overview

- 6.1 While there are challenges associated with developing the tourism industry in Northern Australia, there are also significant opportunities that, with commitment and investment, can enable the tourism industry to reach its full potential. Northern Australia's rich Aboriginal and Torres Strait Islander culture, coupled with increasing demand for cultural tourism experiences, presents a unique tourism opportunity for the north. Tourism may also serve as an additional source of employment for Aboriginal and Torres Strait Islander people living in regional and remote areas.
- 6.2 As well as cultural tourism, Northern Australia's abundance of pristine natural landscapes attract both domestic and international tourists. Improving tourist infrastructure within national parks and facilitating private investment can stimulate the development of ecotourism.
- 6.3 Drive tourism is another major tourism sector for Northern Australia. Creating scenic drive routes, improving roadside facilities and coordinating the regulation of hire vehicles across state and territory borders may boost drive tourism, particularly the 'grey nomad' market.
- 6.4 While cultural, nature based and drive tourism are well-known strengths of tourism in the north, industrial and educational tourism are two emerging markets that could stimulate further growth in the tourism industry.
- 6.5 The Committee visited the Indian Ocean Territories (IOTs) to hear from local stakeholders about how tourism could support the economy of this remote region. Challenges to the growth of the tourism industry on the IOTs

included cabotage restrictions, freight issues and a lack of tourism infrastructure, investment, and telecommunication connectivity.

- 6.6 The Committee also visited Hamilton Island in the wake of Tropical Cyclone Debbie to hear from tourism operators about how they responded to challenges associated with the cyclone, and what opportunities there were to grow tourism in the Whitsunday region. Great Keppel Island formed another case study and highlighted the positive impact a tourism development can have on an entire tourism region.

Cultural Tourism

- 6.7 The Western Australian Indigenous Tourism Operators Council (WAITOC) stated that Aboriginal and Torres Strait Islander tourism was ‘a key point of difference for attracting people to the north’.¹ The Northern Territory Department of Tourism and Culture (NT DTC) agreed and stated that ‘demand has been growing each year for Indigenous experiences in the NT and in Northern Australia.’²
- 6.8 The WAITOC advised that tourism also has benefits for Aboriginal and Torres Strait Islander communities, as it ‘allows Aboriginal people to contribute unique products to markets while still maintaining and valuing the Aboriginal cultural heritage of individuals, communities and language groups’.³
- 6.9 Despite this potential, the Office of Northern Australia stated that there appeared to be ‘a lack of support for Indigenous tourism businesses that wish to develop’, and that challenges for Indigenous businesses included ‘remoteness, infrastructure, cost of travel and workforce capacity.’⁴ Indigenous Business Australia (IBA) advised that an additional challenge was ‘low awareness about the availability of Indigenous tourism experiences, both amongst domestic and inbound tourists.’⁵

¹ Mrs Tania (Tahn) Donovan, Chairperson, Western Australian Indigenous Tourism Operators Council (WAITOC), *Official Committee Hansard*, Perth, 23 August 2017, p. 22.

² Northern Territory Department of Tourism and Culture (NT DTC), *Submission 23*, p. 5.

³ WAITOC, *Submission 45*, p. 5.

⁴ Office of Northern Australia, *Submission 39*, p. 10.

⁵ Indigenous Business Australia, *Submission 55*, p. 3.

Indigenous-led Approach to Tourism Development

Aboriginal and Torres Strait Islander Tourism Peak Body

- 6.10 The WAITOC advised that there was a need for an Aboriginal tourism body both for Northern Australia and nationally.⁶ Ninti One Limited agreed and advised that the Aboriginal and Torres Strait Islander tourism sector had been ‘voicing the need for such a peak body for several years.’⁷
- 6.11 Ninti One outlined the benefits of creating representative bodies at these levels and stated:

Such a platform is needed to ensure Aboriginal and Torres Strait Islander people have an appropriate opportunity to voice their perspectives, needs, plans and outlook for tourism in Northern Australia ... opportunities and methods for stimulating the tourism industry in Northern Australia need to be driven by parties that include a strong, appropriately representative voice for Aboriginal and Torres Strait Islander tourism operators.⁸

Development of a Cultural Tourism Strategy

- 6.12 The Northern Land Council (NLC) stated that a shift in public policy is needed to ‘place Indigenous people in the driver’s seat’ for the development of tourism. The NLC advised that currently, land councils ‘just respond to third-party interests and it’s very difficult to see what countrymen want.’⁹ To this end, the NLC recommended an Indigenous tourism strategy be developed and stated:

We need an Indigenous tourism strategy that is created by Aboriginal people and explores a range of products—for example, high-end and world-class to localised family based tourism products. This Indigenous tourism strategy would fit within a broader Indigenous prospectus for developments so that it is transparent and investor-friendly. And we need to restructure the way governments, [the Indigenous Land Corporation] and IBA invest their money and support projects and business.¹⁰

⁶ WAITOC, *Submission 45*, p. 3.

⁷ Ninti One Limited, *Submission 4*, p. 4.

⁸ Ninti One Limited, *Submission 4*, p. 4.

⁹ Mr Jonathan McLeod, Manager, Regional Development Unit, Northern Land Council (NLC), *Official Committee Hansard*, Darwin, 27 July 2017, p. 12.

¹⁰ Mr Jonathan McLeod, NLC, *Official Committee Hansard*, Darwin, 27 July 2017, p. 12.

Regional Coordination

- 6.13 In addition to calling for a peak representative body for Indigenous tourism, the IBA stated that developing ‘clusters’ of Indigenous businesses and products in remote locations can aid success. To achieve this, the IBA advised that coordination and collaboration between Indigenous tourism operators would need to be facilitated.¹¹
- 6.14 Parks Australia raised a similar proposition in relation to tourism businesses in the Kakadu region and stated:
- A regional or hub approach to supporting Indigenous businesses in the Kakadu region including administration and booking systems could encourage more businesses to be established and make them more sustainable.¹²
- 6.15 Nyamba Buru Yawuru (NBY), the development company which represents the Yawuru community in Broome, advocated for the development of a long-term regional tourism plan for the Broome region. The NBY recommended this be developed by the government and native title holders as ‘equal partners.’¹³ The NBY further stated that taking a regional focus would ensure the unique challenges of a local area were addressed.¹⁴

Research and Investment

- 6.16 The NBY stated that establishing a research centre to examine barriers to, and incentives for, development on Aboriginal land could assist in attracting investment. The NBY stated:

... a cooperative research centre for northern Aboriginal development [is] worthwhile considering, as is establishing [a] research and development institute that is able to facilitate engagement in the north between Aboriginal interests and business, in terms of looking at physical reform and policy issues

¹¹ Indigenous Business Australia, *Submission 55*, p. 4.

¹² Parks Australia, *Submission 14*, p. 5.

¹³ Mrs Debra Pigram, Chairperson, Nyamba Buru Yawuru, *Official Committee Hansard*, Broome, 21 August 2017, p. 11.

¹⁴ Mr Peter Yu, Chief Executive Officer (CEO), Nyamba Buru Yawuru, *Official Committee Hansard*, Broome, 21 August 2017, p. 16.

that might look at leveraging some tax reform measures for attracting investment on Aboriginal land.¹⁵

Cultural Awareness

- 6.17 The WAITOC advised that, if cultural tourism was to increase, there would need to be a role for the government in increasing ‘the level of respect and understanding for the experience that people are gaining through Aboriginal tourism or visiting Aboriginal traditional lands.’¹⁶ As part of this, it was suggested that an accredited training process for tour guides who are speaking about, or working on, Aboriginal land, could be implemented. Further, the WAITOC emphasised the importance of enabling Aboriginal and Torres Strait Islander people to tell their own stories.¹⁷
- 6.18 The Cassidy Hospitality Group advised that the tourism sector has had ‘an appalling track record of engagement with our Indigenous populations’. The Cassidy Hospitality Group advised that any future tourism development must include engagement ‘at the very early stages with elders and different stakeholders within the Aboriginal communities’.¹⁸

Box 6.1 Climbing Uluru

Currently, visitors to Uluru are allowed to climb to the top of Uluru, although traditional owners request that tourists do not climb it out of respect.¹⁹ Parks Australia advised that the number of visitors who want to climb Uluru has fallen significantly over the years, and is currently at around 20 per cent.²⁰

¹⁵ Mr Peter Yu, Nyamba Buru Yawuru, *Official Committee Hansard*, Broome, 21 August 2017, p. 12.

¹⁶ Mrs Tania (Tahn) Donovan, WAITOC, *Official Committee Hansard*, Perth, 23 August 2017, p. 23.

¹⁷ Mrs Tania (Tahn) Donovan, WAITOC, *Official Committee Hansard*, Perth, 23 August 2017, pp 24-25.

¹⁸ Mr Grant Thomas Cassidy, Managing Director, Cassidy Hospitality Group, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 23.

¹⁹ Parks Australia, ‘Please Don’t Climb Uluru’, <https://parksaustralia.gov.au/uluru/do/we-dont-climb.html>, Accessed 21 June 2018.

²⁰ Mr Michael Misso, Park Manager, Uluru-Kata-Tjuta National Park, Parks Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 21.

On 1 November 2017, the Board of Management of Uluru-Kata Tjuta National Park announced that the climb up Uluru would close from 26 October 2019.²¹

There are other tourism attractions which have been established at Uluru that currently attract both domestic and international visitors who also visit Uluru. These include the 'Field of Light' night garden, an art installation on display until 2020. Parks Australia stated that the 'Field of Light' exhibition at Uluru 'has really boosted [visitor] numbers year-on-year.'²²

Cultural Centres

6.19 The Larrakia Development Corporation (LDC) advised that cultural centres can enable Aboriginal and Torres Strait Islander communities to 'not only maintain their culture, but to share it with others.'²³ Recommendations put forward by inquiry participants regarding cultural centres included:

- ***Establishing a cultural centre in Darwin:*** The LDC advised that it was developing a feasibility study regarding the establishment of a cultural centre on the waterfront in Darwin. The LDC stated that this could 'serve as the starting point for various tourism ventures, such as Darwin walking tours, Litchfield tours and cultural tourism ventures.'²⁴ The LDC further advised that there were 'competing interests' in Darwin regarding the development of the waterfront, including a proposal for a water park.²⁵
- ***National Indigenous Cultural Centre in Alice Springs:*** Tourism Central Australia (TCA) stated this 'has the potential to be the biggest tourism

²¹ Department of the Environment and Energy, 'Uluru Climb to Close', <https://www.environment.gov.au/mediarelease/uluru-climb-close>, Accessed 21 June 2018.

²² Mr Steve Wroe, Director of Customer Experience and Destination Planning, Parks Australia, Department of the Environment and Energy, *Official Committee Hansard*, Canberra, 17 February 2017, p. 2.

²³ Larrakia Development Corporation, *Exhibit 6: Larrakia Community and Cultural Centre Functional Brief*, 15 June 2017, p. 7.

²⁴ Larrakia Development Corporation, *Exhibit 6: Larrakia Community and Cultural Centre Functional Brief*, 15 June 2017, p. 3.

²⁵ Mr Nigel Browne, CEO, Larrakia Development Corporation, *Official Committee Hansard*, Darwin, 27 July 2017, p. 61.

game changer the outback has ever seen.’ The TCA recommended all states and territories support this project as it will ‘attract people from all over the world and will act as a feeder to other Australian Indigenous heritage destinations.’²⁶

- ***Upgrade the Cultural Centre in Uluru-Kata Tjuta National Park:*** Parks Australia advised that this cultural centre needs ‘significant new investment.’²⁷ To this end, Park Australia stated that it was developing an ‘Asset Revitalisation Strategy’, which would include examination of what was needed to upgrade the cultural centre.²⁸

Building Business Capacity

- 6.20 The NLC outlined a range of government supports that would be needed to develop the cultural tourism industry, such as: long-term investment for start-ups, planning facilitation, business development, and monitoring and evaluation of businesses until they are able to operate independently.²⁹ Parks Australia similarly stated that ‘training, mentoring and access to grants’ would be necessary to develop cultural experiences.³⁰
- 6.21 Voyages Indigenous Tourism Australia (Voyages) stated that Indigenous businesses not only needed government funding assistance, but also ‘support to put in a submission to secure the funding’ in the first place.³¹ Ardi Indigenous Tourism Operators agreed and stated that this was particularly the case for smaller businesses.³²
- 6.22 The IBA cautioned that, while grant funding has a role, ‘it can also mask a poorly-constructed business model.’ As such, the IBA suggested a focus on

²⁶ Tourism Central Australia, *Submission 2*, p. 4.

²⁷ Mr Geoff Bailey, Assistant Secretary, Parks Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 17.

²⁸ Parks Australia, *Submission 14*, p. 8.

²⁹ Mr Jonathan McLeod, NLC, *Official Committee Hansard*, Darwin, 27 July 2017, p. 12.

³⁰ Parks Australia, *Submission 14*, p. 5.

³¹ Mr Andrew Williams, CEO, Voyages Indigenous Tourism Australia, *Official Committee Hansard*, Yulara, 23 July 2017, p. 10.

³² Mr Robert Sibosado, Chairperson, Ardi Indigenous Tourism Operators, *Official Committee Hansard*, Broome, 21 August 2017, p. 56.

‘building the business acumen, capacity, and skills of Indigenous tourism operators’.³³

- 6.23 The Girudala Community Cooperative Society, based in the Whitsunday region, stated that it would like to introduce Indigenous tourism products to the Whitsundays, but required some business development assistance. The Girudala Community Cooperative Society stated that it would:

... like designated workers based at Girudala to get the momentum going on introducing Indigenous tourism products in the Whitsundays. The project manager ... would work with the tourism bodies and be able to attend conferences and meetings regarding tourism, form a collaborative with Girudala's partners—namely, the traditional custodians—to develop the concept, seek out funding opportunities and philanthropic support, and support the skilling of future employees who will eventually work in the industry.³⁴

- 6.24 The Kimberley Land Council (KLC) advised that it was ‘very difficult’ for Indigenous groups to access funding through the IBA or the Indigenous Land Corporation (ILC). The KLC stated:

We do have pretty good relations, I suppose, with ILC and IBA. We meet with them, at a higher level, quite regularly. However, when you're translating to actual outcomes on the ground, it doesn't necessarily happen.³⁵

Australian Government Initiatives

- 6.25 Ecotourism Australia recommended the *Indigenous Tourism Champions Program* be restarted. The *Indigenous Tourism Champions Program* was a partnership between Tourism Australia and IBA and ‘was aimed at improving the quality, professionalism and visitor experiences’ of Indigenous tourism products, and also ‘increased the exposure of these offerings to the tourism market.’³⁶ The NT DTC advised that the closure of

³³ Indigenous Business Australia, *Submission 55*, p. 3.

³⁴ Mrs Michelle Hooke, CEO, Girudala Community Cooperative Society, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 40.

³⁵ Mr Tyronne Garstone, Deputy CEO, Kimberley Land Council, *Official Committee Hansard*, Broome, 21 August 2017, p. 35.

³⁶ Ecotourism Australia, *Submission 13*, p. 7.

this program had left a 'real gap in the support available for Indigenous tourism businesses in Northern Australia.'³⁷

- 6.26 The NT DTC also advised that the Australian Government's funding for Indigenous ranger programs in Northern Australia could be reviewed, in order to identify opportunities to 'support these ranger groups in developing commercial tourism opportunities on their lands.'³⁸
- 6.27 The Australian Conservation Foundation (ACF) further recommended the number of Indigenous rangers be increased, and their contract periods extended to at least ten years. The ACF stated that this would have a 'flow on effect by increasing the opportunities for Indigenous ranger groups to participate in tourism ventures.'³⁹

Encouraging a Local Workforce

Training and Mentoring

- 6.28 Charles Darwin University stated that 'workforce training is critical for regional communities in Northern Australia,' and that any training 'must be linked to employment outcomes.'⁴⁰ Despite this importance, Tourism Western Australia (WA) advised that there are no Indigenous employment programs specifically in the tourism space in WA.⁴¹ The WAITOC advised that there had been successful Indigenous training programs for tourism in the past, but that funding had ceased.⁴²
- 6.29 The importance of mentoring was illustrated by the Alice Springs Desert Park, which stated that the implementation of a 'really strong mentoring program' and continued focus on reinforcing Aboriginal culture had led to a high retention rate of its Aboriginal and Torres Strait Islander staff.⁴³

³⁷ NT DTC, *Submission 23*, p. 6.

³⁸ NT DTC, *Submission 23*, p. 6.

³⁹ Australian Conservation Foundation, *Submission 43*, p. 6.

⁴⁰ Professor Simon Maddocks, Vice-Chancellor and President, Charles Darwin University, *Official Committee Hansard*, Darwin, 27 July 2017, p. 41.

⁴¹ Ms Derryn Belford, Executive Director, Tourism WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 7.

⁴² Ms Tania (Tahn) Donovan, WAITOC, *Official Committee Hansard*, Perth 23 August 2017, p. 26.

⁴³ Mr Paul Ah Chee, Director, Alice Springs Desert Park, *Official Committee Hansard*, Alice Springs, 24 July 2017, p. 32.

- 6.30 The Australian Hotels Association (NT Branch) put forward suggestions to maximise the participation of Aboriginal and Torres Strait Islander people in the tourism industry including:
- Highlighting Indigenous ‘role models’ working in tourism and hospitality, as well as the career opportunities and lifestyle benefits of working in the industry;
 - Promoting success stories of Indigenous tourism workers to non-Indigenous tourism and hospitality businesses; and
 - Improving the capacity of non-Indigenous tourism businesses to train and retain Indigenous staff.⁴⁴

Indigenous Training Academies

- 6.31 Voyages operates the National Indigenous Training Academy, which is based in Ayers Rock Resort. The National Indigenous Training Academy ‘provides accredited, enterprise based training in hospitality and tourism with guaranteed employment.’⁴⁵ Voyages stated that it needed ‘continued funding support from the Commonwealth’s Indigenous Advancement Strategy to support Indigenous employment and training targets and continued support from State Governments for training programs.’⁴⁶
- 6.32 Kakadu Tourism stated that ‘the Indigenous [Training] Academy in Uluru has had a profound impact on Indigenous engagement and participation in Uluru.’ As such, Kakadu Tourism considered there was an opportunity to establish an Indigenous training academy in Jabiru, the town closest to Kakadu National Park. Kakadu Tourism advised that this was especially important given that the mine related work at Jabiru is set to cease in 2021.⁴⁷ The Australian Hotels Association (NT Branch) supported this proposal and stated that ‘many hospitality employers in the Darwin region would assist in work experience and work placements during the education of these Kakadu based trainees.’⁴⁸

⁴⁴ Australian Hotels Association (NT Branch), *Submission 56*, p. 4.

⁴⁵ Indigenous Land Corporation and Voyages Indigenous Tourism Australia, *Submission 66*, p. 2.

⁴⁶ Indigenous Land Corporation and Voyages Indigenous Tourism Australia, *Submission 66*, p. 11.

⁴⁷ Kakadu Tourism, *Submission 8*, pp 6-7.

⁴⁸ Australian Hotels Association (NT Branch), *Submission 56*, p. 2.

Employment

- 6.33 The IBA, which has a target of 30 per cent Indigenous employment across its investment portfolio, stated that it tries to 'build Indigenous employment into the supply chain', so that organisations providing goods and services also employ Aboriginal and Torres Strait Islander people.⁴⁹ Voyages had a similar approach and stated that the role for government could be to foster the development of Indigenous businesses supplying goods and services, as well as construction and trades.⁵⁰
- 6.34 Ninti One Limited recommended Aboriginal and Torres Strait Islander people be supported to work in non-Indigenous tourism enterprises, such as providing 'tourism services and infrastructure, such as food, accommodation, supplies [and] transport'. Ninti One Limited considered that this approach would provide employment and capacity building opportunities for Aboriginal and Torres Strait Islander people and contribute to reconciliation by increasing 'opportunities for interaction between Aboriginal and non-Aboriginal Australians.'⁵¹
- 6.35 Voyages advised that investment in remote communities is needed to enable Indigenous employment. Voyages stated that governments should:
- ... invest in the development of remote communities, which are currently faced with significant shortages of infrastructure including housing, utilities, health, education and other services, limiting the capacity of local populations, particularly Indigenous, to participate in employment opportunities and limiting business development.⁵²

Marketing of Aboriginal and Torres Strait Islander Tourism

- 6.36 The WAITOC stated that there is no Aboriginal or Torres Strait Islander representation on some major tourism bodies. The WAITOC stated that:
- We currently have no Aboriginal people on the Tourism Australia board ... we currently have no Aboriginal people on the Tourism WA board; we currently have no Aboriginal people employed within Tourism WA; and for

⁴⁹ Mr Jonathan Kneebone, Manager, Investor Relations, Indigenous Business Australia, *Official Committee Hansard*, Alice Springs, 24 July 2017, p. 18.

⁵⁰ Mr Manfred Pieper, Executive General Manager, Operations, Voyages Indigenous Tourism Australia, *Official Committee Hansard*, Yulara, 23 July 2017, pp 9-10.

⁵¹ Ninti One Limited, *Submission 4*, p. 3.

⁵² Indigenous Land Corporation and Voyages Indigenous Tourism Australia, *Submission 66*, p. 7.

the last 20 years we have had a promise from Tourism Australia to recruit Aboriginal people.⁵³

- 6.37 Tourism Australia confirmed that there are no Aboriginal and Torres Strait Islander representatives on Tourism Australia's board or in executive leadership positions. Tourism Australia stated that it had a *Discover Aboriginal Experiences* collective (the collective), which is made up of 39 Aboriginal tourism businesses. Tourism Australia stated that it works 'very closely with [the collective] to determine how they would best like to represent their businesses and their experiences, both to Australian consumers and also to the international trade network.'⁵⁴
- 6.38 Another issue raised by the WAITOC and Ardi Indigenous Tourism Operators was the need for additional funding to support the marketing of Aboriginal and Torres Strait Islander tourism.⁵⁵

International Marketing

- 6.39 To capitalise on strong international visitor interest in cultural tourism, Ninti One Limited recommended partnerships be developed between remote Aboriginal tourism operators and peak tourism bodies. These partnerships would work to raise international awareness of Aboriginal tourism products and increase access to remote areas. Ninti One Limited also recommended the establishment of a 'strong internet presence' to provide international tourists with 'easy access to information about Aboriginal tourism in remote Australia.'⁵⁶
- 6.40 The Tourism Council WA outlined the complexity of selling products, including cultural tourism products, to international markets and stated:
- Getting, for example, an Aboriginal tourism experience in the north-west through to a very interested customer in Germany requires software, skills

⁵³ Mrs Tania (Tahn) Donovan, WAITOC, *Official Committee Hansard*, Perth, 23 August 2017, p. 22.

⁵⁴ Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry, Tourism Australia, *Official Committee Hansard*, Canberra, 25 May 2018, pp 21-22.

⁵⁵ Mr Robert Sibosado, Ardi Indigenous Tourism Operators, *Official Committee Hansard*, Broome, 21 August 2017, p. 56; Mr Robert Taylor, WAITOC, *Official Committee Hansard*, Perth, 23 August 2017, p. 21.

⁵⁶ Ninti One Limited, *Submission 4*, p. 3.

and the ability to use wholesalers, travel agents and the global distribution system. It's in fact quite complex and not an easy skill to acquire.⁵⁷

- 6.41 As such, the Tourism Council WA suggested that what small and remote tourism businesses needed assistance with was gaining 'the ability to work the tourism distribution system.'⁵⁸

Developing Nature Based Tourism

- 6.42 Ecotourism Australia described Northern Australia as being 'abundant in natural assets with exceptional landscapes, rich biodiversity, world heritage areas and unique wildlife.'⁵⁹ The ACF further stated that the 'north's natural advantage' will bring 'long term economic opportunities.'⁶⁰
- 6.43 The ACF also advised that the value of Northern Australia's natural attractions will increase if they are protected, as untouched natural environments will become rarer worldwide. The ACF described the impact this will have on tourism and stated:

... the landscape and biodiversity assets which Northern Australia retains will increase significantly in global scarcity and value in the future. This will be reflected in future increases in tourism from China and other Asian nations searching out pristine landscapes, forests, reefs and rivers and experiencing the wonder of nature ... with Northern Australia becoming increasingly known as the world's premier destination for natural beauty and the environment.⁶¹

Strategic Planning

- 6.44 Identifying the need to boost both nature and cultural tourism in Northern Australia, the ACF recommended federal, state and territory governments develop a nature and culture based tourism development plan to 2030. The ACF stated that such a plan should include marketing, support for small to

⁵⁷ Mr Evan Hall, CEO, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 10.

⁵⁸ Mr Evan Hall, Tourism Council WA, *Official Committee Hansard*, Perth, 23 August 2017, p. 10.

⁵⁹ Ecotourism Australia, *Submission 13*, p. 2.

⁶⁰ Australian Conservation Foundation, *Submission 43*, p. 3.

⁶¹ Australian Conservation Foundation, *Submission 43*, p. 3.

medium tourism businesses, and support the development of Aboriginal and Torres Strait Islander tourism businesses.⁶²

- 6.45 Ecotourism Australia expressed similar sentiments and put forward a draft nature based tourism manifesto (the manifesto), which it recommended federal, state and territory governments endorse. The manifesto outlined actions to grow nature based tourism in Australia, which include improving marketing and promotion; product and experience development; and a greater focus on destination planning and management.⁶³
- 6.46 Both the ACF and Ecotourism Australia drew attention to the importance of data collection and research for nature based tourism, to identify market trends and ensure marketing strategies and business support programs are targeted and effective.⁶⁴

Geoparks

- 6.47 Professor Ross Dowling considered that there was an opportunity to establish geoparks in Northern Australia. Professor Dowling stated that geoparks are:
- ... tools for sustainable regional economic development ... Unlike a national park, the government doesn't have to buy land or sea. You just put an artificial boundary around an area of interesting geology, and then you start. I've seen these work all over the world, but they're just not here ... There are a number of communities in Australia that want it. But there is very little support.⁶⁵
- 6.48 To establish geoparks in Northern Australia, Professor Dowling recommended the Australian Government establish a policy to encourage the development of geoparks and also 'put aside some competitive seed capital to regions interested in establishing geoparks through the Building Better Regions Fund (or similar).'
- ⁶⁶

⁶² Australian Conservation Foundation, *Submission 43*, p. 7.

⁶³ Ecotourism Australia, *Exhibit 3A: Australia's Nature based Tourism Manifesto*.

⁶⁴ Australian Conservation Foundation, *Submission 43*, p. 7; Ecotourism Australia, *Submission 13 Attachment A*, p. 2.

⁶⁵ Professor Ross Dowling OAM, Foundation Professor of Tourism, Edith Cowan University, *Official Committee Hansard*, Perth, 23 August 2017, p. 43.

⁶⁶ Professor Ross Dowling OAM, *Submission 64*, p. 5.

Tourism in National Parks

6.49 Ecotourism Australia stated that ‘constantly declining park agency budgets’ had led to limited investment in tourism and visitor infrastructure in national parks.⁶⁷ To address this issue, Ecotourism Australia recommended that:

- Budgets for parks agencies be increased to improve tourism infrastructure while also protecting natural and cultural assets;
- Tourism be embedded in planning decisions through the creation of ‘tourism reference groups’ of tourism operators and associations to provide advice to parks agencies; and
- Federal, state and territory governments take a consistent approach to investment in national parks, to ‘encourage investors to see Northern Australia as a single investment opportunity.’⁶⁸

6.50 Parks Australia advised that it was recruiting a project manager and a business manager to ‘provide the capacity/expertise needed to deliver on development of new experiences and supporting infrastructure’, which will enable the agency to be ‘more responsive to commercial interests.’⁶⁹ Parks Australia further stated that it was in discussions with traditional owners about their aspirations for tourism development on their land.⁷⁰

6.51 Ecotourism Australia commented that Queensland (Qld) was falling behind other states in the development of tourism in national parks:

Ten years ago or 20 years ago, Qld was the home of ecotourism and nature tourism in Australia if not the world ... but if you look at what is happening as to the commercial development within parks, Qld is a thousand miles behind the other states on that. It is a mindset. It is a risk aversion ... It is really, really struggling. There is no new product in Qld national parks at the moment.⁷¹

6.52 The NT DTC stated that a number of NT-managed national parks and the federally managed Kakadu and Uluru-Kata Tjuta National Parks are jointly

⁶⁷ Ecotourism Australia, *Submission 13*, p. 6.

⁶⁸ Ecotourism Australia, *Submission 13*, p. 6.

⁶⁹ Parks Australia, *Submission 14.1*, p. 1.

⁷⁰ Ms Sally Barnes, Director of National Parks, Parks Australia, Department of the Environment and Energy, *Official Committee Hansard*, Canberra, 17 February 2017, p. 28.

⁷¹ Mr Roderick John Hillman, Chief Executive, Ecotourism Australia, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 27.

managed with traditional owners. The NT DTC supported this approach but stated the model of operation could be improved to better support tourism development.⁷² The NT DTC therefore recommended the Australian Government:

... review the frameworks and systems that support joint management of national parks to improve traditional owners' decision making, destination development, and employment outcomes for Indigenous people.⁷³

Kakadu National Park

- 6.53 Tourism Top End advised that, until infrastructure within Kakadu National Park is upgraded so that tourist access can be improved, it will be difficult to secure business interest and subsequent investment.⁷⁴ Parks Australia agreed that this was an issue and stated:

... [Kakadu National Park] is effectively open for three months of the year. Theoretically, it is open all year round, but the major attractions are limited by the wet [season] and by the fact that the roads ... go under water for most of the year. So any tourist businesses there are struggling to be viable because of that limited window when tourists can come. The solution to that is ... to improve the road infrastructure so the sites that can be accessed for a wider window.⁷⁵

- 6.54 The NT DTC advised that Tourism NT, in collaboration with the Australian Government, had prioritised two road infrastructure projects in Kakadu National Park which will improve access to attractions and generate a combined economic benefit of more than \$26 million annually.⁷⁶
- 6.55 Parks Australia advised that there is division among traditional owners and other stakeholders as to whether to extend the tourist season in Kakadu National Park, which has made development 'a challenging exercise.'⁷⁷

⁷² NT DTC, *Submission 23*, p. 5.

⁷³ NT DTC, *Submission 23*, p. 7.

⁷⁴ Mr Graeme Lewis, Treasurer, Tourism Top End, *Official Committee Hansard*, Darwin, 27 July 2017, pp 23-24.

⁷⁵ Mr Geoff Bailey, Parks Australia, *Official Committee Hansard*, Darwin, 27 July 2017, p. 53.

⁷⁶ NT DTC, *Submission 23*, p. 3.

⁷⁷ Mr Geoff Bailey, Parks Australia, *Official Committee Hansard*, Darwin, 27 July 2017, pp 53-54.

- 6.56 The NT DTC stated that the Australian Government could support tourism in the NT by further investing in Kakadu National Park, including by providing a 'platform for third-party investment in new tourism products.'⁷⁸ Kakadu Tourism advised that there is a need for the development of tourism experiences within Kakadu National Park, such as fishing, bird watching, hiking, and Indigenous art, heritage and food experiences.⁷⁹

Environmental Impact of Tourism

- 6.57 The TCA stated that 'tourism businesses are increasingly interested in how to become more environmentally and socially sustainable, however [they] are unsure of how to start and where to get information.' To address this issue, the TCA recommended a program be developed to assist tourism businesses in Northern Australia (particularly in regional areas) to become more environmentally conscious.⁸⁰
- 6.58 Ecotourism Australia advised that giving preferential treatment to tourism operators who have committed to 'independently audited quality assurance programs' will encourage a best environmental practice approach. As such, Ecotourism Australia recommended Tourism Australia, state tourism organisations and regional tourism organisations prioritise marketing opportunities for tour operators who are eco-certified.⁸¹
- 6.59 Ecotourism Australia further stated that the Great Barrier Reef Marine Park Authority (GBRMPA) recognises best practise tourism operators by giving them access to special areas and longer term permits. Ecotourism Australia stated that this approach enhances 'environmental protection, reef resilience and tourism sustainability.'⁸²

Marketing and Developing Ecotourism

- 6.60 Tourism Tropical North Qld (TTNQ) and the Savannah Way Limited stated that Northern Australia's national parks are typically 'not well marketed', despite their tourism potential. Both organisations advised that there was a

⁷⁸ Mr Alastair Shields, CEO, NT DTC, *Official Committee Hansard*, Darwin, 27 July 2017, p. 2.

⁷⁹ Kakadu Tourism, *Submission 8*, p. 4.

⁸⁰ Tourism Central Australia, *Submission 2*, p. 6.

⁸¹ Ecotourism Australia, *Submission 13*, p. 2.

⁸² Ecotourism Australia, *Submission 13*, p. 3.

need for ‘better integration of their marketing into broader state and territory marketing initiatives’.⁸³

6.61 Recognising the need for effective marketing, in 2015 Parks Australia set up a Customer Experience and Destination Planning team, which aims to ‘increase the range of tourism products on offer in the park, promote these experiences and the parks’ values, and build the brand equity and reputation of the parks.’⁸⁴

6.62 Some tourism businesses and organisations⁸⁵ in Qld discussed the impact that environmental challenges in Australia, such as cyclones, and negative perceptions about the state of the Great Barrier Reef, can have on international tourist visits. Tourism Port Douglas and Daintree explained that reactions from international tourists can vary, for example, ‘the German market is particularly concerned’ about the state of the Great Barrier Reef.⁸⁶

6.63 To counteract this, Tourism Port Douglas and Daintree outlined the tailored approach that Tourism and Events Qld has taken to international marketing:

... we are getting more to the scientific community so that [international tourists] can get the facts. That is an example of what the German market is looking for: professionals who live and breathe that and can really back up what they are saying. In some ways, we have moved a little bit away from the pretty marketing pictures and we are moving more to the scientific side so that the facts are being delivered in the hope that will help alleviate the belief that the reef is dead.⁸⁷

6.64 The Livingstone Shire Council (LSC) expressed similar sentiments and stated that while protecting the reef and eradicating the reef pest, the

⁸³ Tourism Tropical North Queensland (TTNQ), *Submission 15*, p. 2 and Savannah Way Limited, *Submission 5*, p. 2.

⁸⁴ Parks Australia, *Submission 14*, p. 3.

⁸⁵ Mr Tony Baker, Managing Director, Quicksilver Group, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 35; Ms Sheena Walshaw, Managing Director, Jungle Surfing Canopy Tours, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 59; Ms Tara Bennett, TPDD, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 22.

⁸⁶ Ms Tara Bennett, TPDD, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 21.

⁸⁷ Ms Tara Bennett, TPDD, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 22.

Crown-of-thorns starfish is important, funding to change ‘perceptions about the reef’s health and wellbeing is absolutely critical.’⁸⁸

- 6.65 Tourism Port Douglas and Daintree also pointed to the *Citizens of the Great Barrier Reef* initiative, a social media platform which enables businesses and the community to ‘be a part of preserving the reef and protecting it.’⁸⁹ Quicksilver Group further advised that the GBRMPA had been giving presentations on the Great Barrier Reef to domestic and international tourism events, which had been ‘well received.’⁹⁰

Drive Tourism

- 6.66 The drive tourism market includes tourists travelling by car, a Recreational Vehicle (RV), hire vehicles or in tour buses. Many regions across Northern Australia, in particular remote areas, rely on the drive market to sustain their tourism industries.⁹¹ As such, the Rockhampton Regional Council (RRC) stated that drive tourism is ‘very important for Northern Australia.’⁹²

Scenic Drive Routes

- 6.67 Developing a ‘brand’ or memorable name for a popular drive route could help promote drive tourism in Northern Australia.⁹³ Sealink referenced the ‘Explorers Way’, from Adelaide to Darwin, and the ‘Savannah Way’, from Cairns to Broome, as examples.⁹⁴ Rob Lapear, a Qld tourism operator, recommended the scenic road from Cairns to Cape Tribulation be renamed the ‘Great Barrier Reef Drive’ to stimulate tourism in the region.⁹⁵
- 6.68 Tourism infrastructure on roads, such as international signage, tourist amenities, and information about the area could also enhance the tourism

⁸⁸ Ms Debra Howe, Director, Strategic Growth and Development, Livingstone Shire Council, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 5.

⁸⁹ Ms Tara Bennett, TPDD, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 22.

⁹⁰ Mr Michael Healy, Quicksilver Group, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 36.

⁹¹ Ms Glenys Schuntner, Northern RDA Alliance and CEO, RDA Townsville and North West Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 29.

⁹² Rockhampton Regional Council, *Submission 26*, p. 6.

⁹³ Sealink, *Submission 3.1*, p. 4.

⁹⁴ SeaLink, *Submission 3*, p. 4.

⁹⁵ Rob Lapear, *Submission 34*, p. 1.

drive experience.⁹⁶ The ten Qld State Strategic Touring Routes have tourism signage, which includes information on ‘key natural attractions, towns, direction information for the route and attractions, and highlighting Visitor Information Centres’.⁹⁷

- 6.69 The Qld Government acknowledged that tourism promotional bodies would like more tourism signage, but stated that it had ‘a responsibility to ensure road safety standards are not compromised.’⁹⁸ As an alternative, the Qld Government suggested that the Qld Department of Tourism and Main Road’s digital channels, which provide tourists with information about road closures, could be enhanced to also include tourism related information.⁹⁹

Grey Nomads

- 6.70 Grey nomads are retirees who travel independently around Australia for extended periods, often in a RV. Grey nomads and self-drivers were described as ‘the bread and butter’ of tourism in the remote areas of Northern Australia.¹⁰⁰ Of the 41 000 visitors to Longreach in the last calendar year, for example, 80 to 85 per cent were grey nomads.¹⁰¹
- 6.71 The Remote Area Planning and Development Board (RAPAD) stated that any tourism investment that attracts grey nomads to a particular town will have flow-on benefits to other areas, as grey nomads will travel ‘tens of thousands of kilometres’ to visit an attraction and will stop at multiple locations along the way.¹⁰²
- 6.72 The TTNQ stated that ensuring all-weather road access will attract more grey nomads to an area.¹⁰³ Sealink Qld further explained that ‘it is a fairly

⁹⁶ SeaLink, *Submission 3*, p. 4.

⁹⁷ Queensland Government, *Submission 40*, p. 22.

⁹⁸ Queensland Government, *Submission 40*, p. 22.

⁹⁹ Queensland Government, *Submission 40*, p. 23.

¹⁰⁰ Councillor Tony Martin, Remote Area Planning and Development Board (RAPAD), *Official Committee Hansard*, Brisbane, 6 July 2017, p. 25.

¹⁰¹ Councillor Tony Martin, RAPAD, *Official Committee Hansard*, Brisbane, 6 July 2017, pp 19-20.

¹⁰² Councillor Tony Martin, RAPAD, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 20.

¹⁰³ Ms Wendy Morris, Board Member, TTNQ, *Official Committee Hansard*, Cairns, 4 July 2017, p. 5.

simple formula. The easier you make it for the grey nomads, the more of them you get and the further they go.’¹⁰⁴

Hire Vehicles and Fuel Prices

- 6.73 Tourists may choose to hire vehicles while in Northern Australia. In the NT, for example, hire vehicles are used by approximately 14 per cent of interstate holiday visitors and ten per cent of international holiday visitors.¹⁰⁵
- 6.74 The NT DTC advised that states and territories regulate the hire vehicle industry and that as a result, hire cars that cross state and territory borders face numerous regulations and registration requirements.¹⁰⁶ The Outback Highway Development Council further stated that hiring a car to travel across Northern Australia in one direction (for example, from Qld to WA) can be difficult and ‘is a huge blockage to progress in regards to the drive market.’¹⁰⁷ Kakadu Tourism similarly drew attention to the ‘expense and restrictions with car rental’ as a key barrier to tourism growth in Northern Australia.¹⁰⁸
- 6.75 To address this issue, the NT DTC recommended the Australian Government ‘implement a trial to harmonise car rental industry taxes and regulation across state and territory borders.’¹⁰⁹
- 6.76 The RRC stated that ‘fluctuating fuel prices in regional locations’ is another challenge for the drive tourism market in Northern Australia. The RRC recommended the ‘development of clear regulations for the industry, and [a] potential discount/subsidy scheme for Northern Australia petrol buys.’¹¹⁰

¹⁰⁴ Mr Chris Briggs, Sealink Queensland, *Official Committee Hansard*, Townsville, 5 July 2017, p. 26.

¹⁰⁵ NT DTC, *Submission 23*, p. 10.

¹⁰⁶ NT DTC, *Submission 23*, p. 11.

¹⁰⁷ Mrs Helen Lewis, Outback Highway Development Council, *Official Committee Hansard*, Brisbane, 6 July 2017, p. 35.

¹⁰⁸ Kakadu Tourism, *Submission 8*, p. 2.

¹⁰⁹ NT DTC, *Submission 23*, p. 11.

¹¹⁰ Rockhampton Regional Council, *Submission 26*, p. 6.

Industrial Tourism

- 6.77 Many regions across Northern Australia have had a reliance on the resources sector as their primary industry. Some towns have turned this into a tourism opportunity through industrial tourism.
- 6.78 The City of Karratha stated, for example, that industrial tourism had been identified as a priority for its region. The City of Karratha stated:
- ... Rio Tinto, Woodside are world leaders in the resource sector that have their operations based in the City [of Karratha]. These operations are massive on an international scale; the biggest trains in the world, the biggest ships in the world. This provides an opportunity to showcase these operations to visitors. A part of any visitor's trip to the City includes an experience of these massive industries. The history associated with these industries is also fascinating.¹¹¹
- 6.79 Collinsville in Qld has similarly turned its mining history into a tourism attraction opportunity by branding itself as the 'pit pony capital of Australia'. Collinsville has established a Pit Pony Festival, and also erected a life-size bronze pit pony statue. The Collinsville Pit Pony Experience described the positive impact of the Pit Pony Festival and stated that:
- The [Pit Pony] festival committee's intention was to not only celebrate the pit pony's heritage but develop an annual event that can grow in size and target our increasing RV tourist market and maximise the use of our 72-hour free-camping facility in our showgrounds. We anticipate the annual event will become the single biggest tourism opportunity for Collinsville and surrounding districts in the future.¹¹²
- 6.80 The Outback Qld Tourism Association saw industrial tourism as a growth opportunity for Qld, and recommended industrial areas be made more accessible to tourists through signage, websites, product development and staff training.¹¹³
- 6.81 Parks Australia stated that it was 'investigating opportunities for a range of new visitor experiences' in Kakadu National Park and that one opportunity identified was industrial tourism. This included highlighting heritage,

¹¹¹ City of Karratha, *Submission 6*, p. 6.

¹¹² Ms Sue Clark, Coordinator, Collinsville Connect Telecentre, Collinsville Coalface Experience and Collinsville Pit Pony Experience, *Official Committee Hansard*, Airlie Beach, 26 June 2017, p. 34.

¹¹³ Outback Queensland Tourism Association, *Submission 20*, p. 3.

mining and pastoral sites. Parks Australia stated that industrial tourism would appeal to the over 50s domestic tourist market.¹¹⁴

- 6.82 The WAITOC saw the renewable energy industry as a possible tourism opportunity. The WAITOC stated that in the long term, renewable energy 'could offer great opportunities to create a form of industrial tourism such as "off the grid" communities.'¹¹⁵

Educational Tourism

- 6.83 International students who study in Northern Australia may choose to holiday in the region, and also host visiting friends and relatives. As such, there are strong links between the international education and tourism sectors.¹¹⁶ Charles Darwin University characterised the visiting friends and relatives market as 'an area of potential growth, particularly if strategies to grow the number of international students are successful.'¹¹⁷ The Qld Government further stated that when international students return to their countries of origin, they become 'potential ambassadors' for Northern Australia.¹¹⁸
- 6.84 The Douglas Chamber of Commerce stated that it would 'like to see an increase in the growth of educational tourism by developing strategic partnerships focusing primarily on research and development.'¹¹⁹ Charles Darwin University agreed and also recommended funding and/or incentives be used to support families and relatives to visit students in Northern Australia, including the formulation of tourism packages and events for international students and their visiting friends and relatives.¹²⁰ The NT DTC recommended the development of a 'cross-jurisdictional marketing strategy promoting international education in Northern Australia.'¹²¹

¹¹⁴ Parks Australia, *Submission 14*, pp. 4-5.

¹¹⁵ WAITOC, *Submission 45*, p. 7.

¹¹⁶ Queensland Government, *Submission 40*, p. 13.

¹¹⁷ Charles Darwin University, *Submission 24*, p. 3.

¹¹⁸ Queensland Government, *Submission 40*, p. 13.

¹¹⁹ Mr Wade Greasley, President, Douglas Chamber of Commerce, *Official Committee Hansard*, Port Douglas, 3 July 2017, p. 12.

¹²⁰ Charles Darwin University, *Submission 24*, p. 3.

¹²¹ NT DTC, *Submission 23*, p. 10.

Tourism Case Studies

Box 6.2 Case Study: Indian Ocean Territories

Overview

Australia's IOTs consist of Christmas Island and the Cocos (Keeling) Islands (CKI). Historically, Christmas Island's economy has relied on phosphate mining and the Australian Government's Immigration Detention Centre (IDC). With mine operations expecting to end within five years¹²², combined with the closure of the IDC in mid-2018, Christmas Island has looked to the tourism industry to drive the economy into the future.¹²³ The Cocos (Keeling) Islands has similarly looked to expand its tourism offerings.

The CKI Tourism Association advised that in the last financial year 1700 tourists visited the CKI¹²⁴, while Christmas Island attracts around 1000 visitors per year.¹²⁵ In 2017, Cossies Beach on Direction Island, CKI was named Australia's best beach and Dolly Beach on Christmas Island came in at number seven.¹²⁶

Flights

The IOTs receive a twice weekly flight from Perth, which is operated by Virgin Australia Regional Airlines and is underwritten by the Australian Government.¹²⁷ Phosphate Resources stated that these flights are regularly cancelled due to bad weather or mechanical failures.¹²⁸ The CKI Tourism Association agreed and stated that 'the continuous flight disruptions and

¹²² Mr Clive Morris Brown, Chairman, Phosphate Resources Limited, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 30.

¹²³ Shire of Christmas Island (SOCI), *Submission 77*, p. 4.

¹²⁴ Ms Stephanie Hagenbrock, Tourism Manager, Cocos (Keeling) Islands (CKI) Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, p. 1.

¹²⁵ Mrs Natasha Griggs, Administrator, Christmas Island and CKI (IOTs Administrator), *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 9.

¹²⁶ Parks Australia, *Submission 14.2*, p. 2.

¹²⁷ IOTs Administrator, *Submission 81*, p. 5.

¹²⁸ Phosphate Resources Limited, *Submission 84*, p. 10.

cancellations have had a hugely negative impact on our reputation as a holiday destination and on the tourism industry.’¹²⁹

The Shire of CKI advised that the aircraft used to fly to the IOTs is ‘ageing’ and recommended replacement with a newer, more reliable model. The Shire of CKI further stated that, if bad weather prevents a flight from landing on Christmas Island, it should still continue on to the CKI, and that direct flights to the CKI should also be established.¹³⁰

The CKI Tourism Association stated that providing discount fares between Christmas Island and CKI would encourage tourists to travel to both destinations.¹³¹ Mr John Clunies-Ross agreed and outlined further initiatives to boost tourism on the IOTs, including: that there be no financial penalty for tourists choosing to extend their stay in the IOTs; and the use of holiday packages including both Christmas Island and the CKI.¹³²

CKI Airport

The Department of Infrastructure, Regional Development and Cities (DIRDC) advised that the Department of Defence has allocated \$200 million to upgrade the CKI Airport, and that it was undertaking ‘business planning processes at the moment.’¹³³ The Cocos Island Cooperative Society (CICS) advised that upgrading the runway will allow for larger aircraft and direct flights from Southeast Asia.¹³⁴ Cocos Islands Adventure Tours (CIAT) further stated that the upgrades will address

¹²⁹ Ms Stephanie Hagenbrock, CKI Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, pp 1-2.

¹³⁰ Mrs Seriwati Iku, Shire President, Shire of CKI, *Official Committee Hansard*, Home Island, 31 January 2018, p. 1.

¹³¹ Mr Ashley James, Chairperson, CKI Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, p. 3.

¹³² Mr John Clunies-Ross, *Submission 78*, p. 2.

¹³³ Ms Karly Pidgeon, General Manager, Indian Ocean Territories Branch, Department of Infrastructure, Regional Development and Cities (DIRDC), *Official Committee Hansard*, Canberra, 25 May 2018, p. 1.

¹³⁴ Cocos Islands Cooperative Society (CICS), *Submission 73*, p. 11.

‘some of the issues faced currently with aircraft cancellations and disruptions’¹³⁵, as larger aircraft will have less refuelling stops and reduced flying times.¹³⁶

The Administrator of Christmas Island and CKI (IOTs Administrator) stated that there is a ‘risk of visitors being crowded out of tourist accommodation by workers from the mainland employed to work on the runway who will need temporary housing.’ As such, the IOTs Administrator stated that consultation with the tourism industry would be needed before work to upgrade the airport commenced.¹³⁷ The CIAT advised that the Quarantine Station could be used as short term housing for people working on the runway upgrade.¹³⁸ The DIRDC advised that the Department of Defence could also bring in their own ‘containerised accommodation.’¹³⁹

Christmas Island Airport

The Shire of Christmas Island (SOCI) stated that the current runway on Christmas Island needs to be lengthened in order to service more aircraft and make it a safer airport for landings. The SOCI stated that this extension would involve filling in a geological dip, and it encouraged:

... Christmas Island Phosphates (CIP) and the Commonwealth to make an agreement that would permit CIP access to known phosphate reserves in exchange for filling in the geological dip.¹⁴⁰

In contrast, advice provided by the IOTs airport manager stated that the current runway length is ‘more than adequate for conducting Boeing 737-800 and Airbus A320 operations’, and that Australian airports including the Sunshine Coast, Ballina/Byron Bay, Hamilton Island and Mildura have shorter runways than the airport on Christmas Island.¹⁴¹

¹³⁵ Cocos Islands Adventure Tours (CIAT), *Submission 83*, p. 2.

¹³⁶ Mrs Kylie James, Director, CIAT, *Official Committee Hansard*, West Island, 31 January 2018, p. 9.

¹³⁷ IOTs Administrator, *Submission 81*, p. 9.

¹³⁸ Cocos Islands Adventure Tours, *Submission 83*, p. 2.

¹³⁹ Ms Karly Pidgeon, DIRDC, *Official Committee Hansard*, Canberra, 25 May 2018, p. 2.

¹⁴⁰ SOCI, *Submission 77*, p. 14.

¹⁴¹ IOTs Administrator, *Submission 81.1*, p. 1.

Cabotage

The SOCI explained that due to current cabotage restrictions, 'it is not permitted for international carriers to fly onwards to Cocos after touching down on Christmas Island', which is a 'significant setback for IOT tourism development.'¹⁴² Mr Dennis Jones, the owner of accommodation on Christmas Island, agreed and stated that 'the application of cabotage to the IOTs has been a serious disincentive to investment'.¹⁴³

The SOCI and the IOTs Administrator recommended that cabotage restrictions be lifted for the IOTs, to allow for triangulated flights from Asian airports to both the CKI and Christmas Island.¹⁴⁴ The SOCI stated that there was interest from tourist investors about flying from Singapore to Christmas Island and the CKI and then onto another Asian capital city.¹⁴⁵

The Indian Ocean Group Training Association (IOGTA) drew attention to the 2015 Competition Policy Review (the Harper Review), which was commissioned by the Australian Government.¹⁴⁶ The Harper Review recommended that cabotage restrictions be removed for 'passenger services to specific geographic areas, such as island territories'.¹⁴⁷

Freight

The IOTs Administrator advised that the IOTs has a fortnightly air freight service which delivers fresh fruit and vegetables.¹⁴⁸ The CIAT stated that this frequency was insufficient during the peak season, and suggested a weekly freighter for peak months.¹⁴⁹

¹⁴² SOCI, *Submission 77*, p. 8.

¹⁴³ Mr Dennis Jones, *Submission 79*, p. 1.

¹⁴⁴ SOCI, *Submission 77*, p. 8; IOTs Administrator, *Submission 81*, p. 8.

¹⁴⁵ SOCI, *Submission 77*, p. 8.

¹⁴⁶ Indian Ocean Group Training Association, *Submission 85*, p. 9.

¹⁴⁷ Australian Government, *Competition Policy Review*, http://competitionpolicyreview.gov.au/files/2015/03/Part2_final-report_online.pdf, Accessed 19 April 2018.

¹⁴⁸ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 9.

¹⁴⁹ CIAT, *Submission 83*, pp 4-5.

The IOTs also receives goods via a freight shipping service, which is ‘a commercial service provided by the private sector.’¹⁵⁰ The IOTs Administrator advised that more competition was needed for shipping services, as the IOTs are currently dependent on one company.¹⁵¹

Mr Clunies-Ross agreed and stated that the CKI ‘has the most expensive freight in the world and we’re getting some of the worst service.’¹⁵² The Hender Property Group advised that for its tourism development on the CKI, freight costs are \$12 000 per container. The Hender Property Group stated that this ‘adds significant costs ... and will deter development.’¹⁵³ Mr Clunies-Ross recommended an inquiry into shipping to the CKI be undertaken.¹⁵⁴

As well as issues with cost, the IOTs Administrator advised that the IOTs had experienced significant delays with shipments, and that some ships had been turned back to ports in Asia without unloading the freight in the IOTs.¹⁵⁵

The DIRDC stated that the 2017 shipment delays had been caused by ‘a failure of the slew bearing in the main wharf crane on Christmas Island’, and that the DIRDC had provided funding to repair the crane, cover additional loading costs while the crane had been out of service, and purchased a crawler crane ‘to provide contingency to port operations’.¹⁵⁶

Telecommunications

The mobile network on the IOTs is second generation (2G), and as such no data or internet is available on mobile phones. Further, the IOTs

¹⁵⁰ DIRDC, Submission 47.1, p. 6.

¹⁵¹ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 10.

¹⁵² Mr John Clunies-Ross, Resident, *Official Committee Hansard*, West Island, 31 January 2018, p. 21.

¹⁵³ Mr Michael Campbell Hender, Director, Hender Property Group, *Official Committee Hansard*, Home Island, 31 January 2018, p. 20.

¹⁵⁴ Mr John Clunies-Ross, *Official Committee Hansard*, West Island, 31 January 2018, p. 19.

¹⁵⁵ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Home Island, 31 January 2018, p. 11.

¹⁵⁶ DIRDC, Submission 47.1, p. 6.

Administrator advised that the internet on Christmas Island is provided by satellite, making it slow and prone to drop-outs during rain.¹⁵⁷ The IOTs Administrator stated that a cable is currently being laid to connect Christmas Island to Singapore, which will enable 4G access. This is expected to be completed in July 2018.¹⁵⁸ This cable will not be connected to CKI.¹⁵⁹

The CKI is on a different mobile network to Christmas Island and mainland Australia, which means that mobile phones from Australia do not work. The IOGTA stated that ‘this is a significant detriment to [CKI] affecting not only tourists, but locals as well and additionally has impacts on safety and emergency communications.’¹⁶⁰ The CKI Tourism Association added that the limited connectivity inhibits social media marketing opportunities.¹⁶¹

The CKI Tourism Association advised that the high cost of Wi-Fi on the CKI can impact on tourists and stated:

... Wi-Fi is quite expensive, so it would be nice—especially, again, for flight disruptions—to decrease the cost of Wi-Fi for tourists on the island for them to have the option to just quickly check their emails if they have received any flight updates regarding cancellations, recovery flights or just to stay in contact with their families.¹⁶²

The Shire of CKI advised that it would like to have the same connectivity access as Christmas Island.¹⁶³ The IOTs Administrator stated that CKI

¹⁵⁷ IOTs Administrator, *Submission 81.2*, p. 1.

¹⁵⁸ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 14.

¹⁵⁹ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Home Island, 31 January 2018, p. 10.

¹⁶⁰ Indian Ocean Group Training Association, *Submission 85*, p. 11.

¹⁶¹ Ms Stephanie Hagenbrock, CKI Tourism Association, *Official Committee Hansard*, West Island, 31 January 2018, p. 5.

¹⁶² Ms Stephanie Hagenbrock, CKI Tourism Association, *Official Committee Hansard*, West Island, 31 January 2018, p. 5.

¹⁶³ Mrs Seriwati Iku, Shire of CKI, *Official Committee Hansard*, Home Island, 31 January 2018, p. 2.

would need ‘a new state of the art mobile data network ... that will enable smartphone applications to be used.’¹⁶⁴

At the same time, the CKI Tourism Association stated that the limited connectivity could be ‘an opportunity to try and promote unplugged holidays...where people come here to unspoilt Cocos and don’t rely so heavily on their devices.’¹⁶⁵

Insurance

The IOTs Administrator advised that CKI residents are unable to obtain home insurance, which impedes housing construction and deters new tourism operators from moving to the CKI.¹⁶⁶ Similarly, home insurance on Christmas Island is difficult to obtain for many residents.¹⁶⁷ The CIAT stated that, as banks will not allow people to borrow against uninsured properties, raising funds to start a tourism business in the IOTs was difficult.¹⁶⁸ While insurance for businesses on the CKI was somewhat available, it was described as being ‘insanely expensive.’¹⁶⁹

Mr Clunies-Ross considered that mutual insurance was ‘the right tool to reintroduce affordable insurances to Northern Australia.’¹⁷⁰ The CIAT suggested the Australian Government consider whether it could underwrite insurance on the CKI.¹⁷¹

Support for Tourism Businesses and Investors

The IOTs Administrator advised that the IOTs needs a one-stop-shop for

¹⁶⁴ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Home Island, 31 January 2018, p. 10.

¹⁶⁵ Mr Ashley James, CKI Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, p. 5.

¹⁶⁶ IOTs Administrator, *Submission 81*, p. 11.

¹⁶⁷ Mr Gordon Thomson, Shire President, SOCI, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 19.

¹⁶⁸ CIAT, *Submission 83*, p. 3.

¹⁶⁹ Mr Stephanie Hagenbrock, CKI Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, p. 7.

¹⁷⁰ Mr John Clunies-Ross, *Submission 78*, p. 2.

¹⁷¹ CIAT, *Submission 83*, p. 3.

investors, to stimulate growth in the tourism industry. The IOTs Administrator commented that the government had commenced work to this end:

The Commonwealth Government's recent funding of a regional investment officer for the [IOTs] Regional Development Organisation is a major step in the right direction. The [DIRDC] is also preparing an investment prospectus for the Indian Ocean Territories. This is another important step forward.¹⁷²

A gap in support identified by the CIAT and the Christmas Island Tourism Association (CITA) was the need for business mentoring for new and established small businesses. The CIAT and the CITA advised that this had previously been available through the WA Small Business Development Corporation.¹⁷³ The CITA further stated that the IOTs were excluded from many grant programs offered on mainland Australia, and recommended that the IOTs be given access.¹⁷⁴

Governance of the Indian Ocean Territories

The CITA advised that governance arrangements on the IOTs, which involve the Federal, WA and NT Governments, are 'fractured, complex and inhibit private enterprise.'¹⁷⁵ The CITA stated that in order for tourism on the IOTs to grow, these different levels of government, local communities and stakeholders must work together.¹⁷⁶

Strategic Planning for the IOTs

The DIRDC advised that it 'is providing \$200 000 to the local regional development organisation to develop strategic plans for Christmas Island and for the [CKI].'¹⁷⁷ Phosphate Resources advised that, despite this

¹⁷² Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 10.

¹⁷³ CIAT, *Submission 83*, p. 4, CITA, *Submission 21.2*, p. 4.

¹⁷⁴ CITA, *Submission 21.1*, p. 2.

¹⁷⁵ CITA, *Submission 21*, p. 2.

¹⁷⁶ CITA, *Submission 21*, p. 2.

¹⁷⁷ Ms Karly Pidgeon, DIRDC, *Official Committee Hansard*, Canberra, 25 May 2018, p. 1.

funding provision, a strategic plan was yet to be published.¹⁷⁸ Phosphate Resources stated that:

... as there appears to be no coherent or agreed view between government agencies as to [the] economic future of [Christmas] Island, government decisions (to the extent they are made) have been confusing and contradictory when viewed through an island wide economic growth lens.¹⁷⁹

Phosphate Resources recommended that the Australian Government endorse a strategic plan for the future of Christmas Island.¹⁸⁰ Mr Clunies-Ross similarly recommended that the Australian Government develop a two, five and ten year development and economic plan for the IOTs, and also communicate its aspirations for the IOTs.¹⁸¹

The IOTs Administrator advised that the strategic plan for Christmas Island will be developed in consultation with stakeholders by the end of 2018.¹⁸² At the same time, the IOTs Administrator stated that any plans for Christmas Island and the CKI needed to be implemented in the broader context of the IOTs.¹⁸³

IOT Tourism Associations

The IOTs Administrator stated that there was a need to ‘act regionally’ and position the IOTs as a single entity.¹⁸⁴ The IOTs Administrator recommended that the CITA and CKI Tourism Association consider forming a single IOTs tourism association.¹⁸⁵ While the CITA and the CKI

¹⁷⁸ Phosphate Resources, *Submission 84*, p. 3.

¹⁷⁹ Phosphate Resources, *Submission 84*, p. 4.

¹⁸⁰ Phosphate Resources, *Submission 84*, p. 4.

¹⁸¹ Mr John Clunies-Ross, *Submission 78*, p. 3.

¹⁸² Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 10.

¹⁸³ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Home Island, 31 January 2018, p. 10.

¹⁸⁴ IOTs Administrator, *Submission 81*, pp 6-7.

¹⁸⁵ IOTs Administrator, *Submission 81*, p. 8.

Tourism Association were open to this idea¹⁸⁶, the CKI Tourism Association advised that ‘people on the ground’ at each location would still be needed.¹⁸⁷

The CITA stated that its budget has been ‘cut over the last four years while expectations and costs have increased.’ As such, the CITA recommended the Australian Government provide an additional \$77 500 per annum to reinstate CITA’s budget.¹⁸⁸ The CKI Tourism Association recommended funding be provided on a three to five year basis (instead of annually) to enable long term and strategic planning.¹⁸⁹

Potential Tourist Markets

Opportunities to develop tourism markets on the IOTs includes:

- ***Nature Based Tourism:*** Already a strong market for the IOTs, Parks Australia considered there were further opportunities to expand tourism in Christmas Island National Park, by establishing new walking and mountain bike trails and camping areas.¹⁹⁰
- ***Educational Tourism:*** options for educational tourism:
 - Parks Australia considered there were environmental research and field work opportunities within Christmas Island National Park for domestic and international students.¹⁹¹
 - The CITA advised that Christmas Island had previously hosted school groups from Singapore, but that re-establishing this program would

¹⁸⁶ Ms Lisa Preston, CITA, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 5; Ms Stephanie Hagenbrock, CKI Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, p. 7.

¹⁸⁷ Mr Ashley James, CKI Tourism Association, *Official Committee Hansard*, West Island, 31 January 2018, p. 7.

¹⁸⁸ Ms Lisa Preston, CITA, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 2.

¹⁸⁹ Ms Stephanie Hagenbrock, CKI Tourism Association and Visitor Centre, *Official Committee Hansard*, West Island, 31 January 2018, p. 2.

¹⁹⁰ Mr Scott Suridge, Manager, Christmas Island and Pulu Keeling National Parks, Parks Australia, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 23.

¹⁹¹ Mr Scott Suridge, Parks Australia, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 23.

require student accommodation and the support and capacity of the local high school.¹⁹²

- The Islamic Council of Christmas Island advised that there may be opportunities for religious schooling.¹⁹³
- Phosphate Resources stated that a tax incentive could be used to encourage an education provider to establish itself on Christmas Island.¹⁹⁴
- **International Markets:** The CICS stated that the high Muslim population on CKI and its close proximity to Asia was an opportunity to target tourists from Muslim countries. As such, the CICS had developed a ‘Gateway to Asia’ strategy, a goal of which is to develop ‘Muslim friendly tourism in the CKI.’¹⁹⁵ The Islamic Council of Christmas Island stated that a ‘drawcard’ for Christmas Island would be ‘the comfort and security that the Muslims would find here in finding halal food, a mosque and a close-knit Muslim community’.¹⁹⁶
 - The IOTs Administrator stated that the IOTs could ‘better target the growing Asian tourism market’ by marketing the IOTs as ‘joint destinations.’¹⁹⁷
- **Cultural Tourism:** The Shire of CKI advised that there was an opportunity for the Cocos Malay community living on Home Island to do cultural tours, which would also generate employment.¹⁹⁸

Tourism Infrastructure and Development – Christmas Island

Phosphate Resources described the public infrastructure on Christmas Island as being ‘poor and not conducive [as] a modern tourist destination’, and it recommended the Australian Government undertake an audit of

¹⁹² Ms Lisa Preston, CITA, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 7.

¹⁹³ Mr Gregory McIntosh, President, Islamic Council of Christmas Island, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 35.

¹⁹⁴ Mr Clive Morris Brown, Phosphate Resources Limited, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 32.

¹⁹⁵ CICS, *Submission 73*, p. 13.

¹⁹⁶ Mr Gregory McIntosh, Islamic Council of Christmas Island, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 36.

¹⁹⁷ IOTs Administrator, *Submission 81*, p. 8.

¹⁹⁸ Mrs Seriwati Iku, Shire of CKI, *Official Committee Hansard*, Home Island, 31 January 2018, p. 5.

the infrastructure and commit to a three year funding program to bring it up to 'mainland standards.'¹⁹⁹ The CITA similarly recommended tourist amenities be maintained and upgraded.²⁰⁰

Mrs Gee Foo, a local tourism operator, described the state of the roads on Christmas Island as being 'potholed and battered, making car journeys a bumpy and uncomfortable ride.'²⁰¹ The SOCI recommended the Australian Government invest in sealing roads on Christmas Island.²⁰²

Mrs Foo also advised that Christmas Island does not have a berthing facility that could allow cruise ships to disembark passengers directly to shore, which is cutting off the cruise ship market.²⁰³ The IOTs Administrator agreed and stated that she would 'like to see an exploration of what more would be needed to moor cruise ships in the IOTs, especially during the swell season, which occurs during the peak holiday season.'²⁰⁴

Tourist Accommodation

Mrs Foo advised that there are only 50 rooms of 'rentable condition' on Christmas Island, which is a significant barrier to growing visitation.²⁰⁵ The CITA agreed, stating that peak periods are 'already heavily booked through to 2019', with customers being turned away.²⁰⁶ The IOTs Administrator stated that 'we urgently need to increase good quality accommodation on [Christmas] Island by building first-class fully serviced hotels and resorts, as already proposed by a number of local investors.'²⁰⁷ Mrs Foo added that, even if cabotage restrictions are lifted,

¹⁹⁹ Phosphate Resources Limited, *Submission 84*, pp 15-16.

²⁰⁰ Christmas Island Tourism Association (CITA), *Submission 21.1*, p. 1.

²⁰¹ Mrs Gee Foo, *Submission 80*, p. 4.

²⁰² SOCI, *Submission 77*, p. 7.

²⁰³ Mrs Gee Foo, *Submission 80*, p. 4.

²⁰⁴ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 10.

²⁰⁵ Mrs Gee Foo, *Submission 80*, p. 4.

²⁰⁶ CITA, *Submission 21.2*, p. 3.

²⁰⁷ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 10.

no airline will consider it viable to fly to the IOTs until there is enough accommodation to house a plane full of tourists.²⁰⁸

Access to Crown Land

Phosphate Resources stated that 19.2 per cent of Christmas Island is uncommitted Crown Land.²⁰⁹ On 23 May 2018, the Minister for Regional Development, Territories and Local Government, the Hon John McVeigh, announced that the Government was proposing to sell seven parcels of land and offer long-term leases on four parcels of land, subject to approval under the *Environment Protection and Biodiversity Conservation Act 1999 (Cwlth)*.²¹⁰

Before this announcement had been made, the SOCI had advised that ‘the bulk of new tourism development interest on Christmas Island’ was waiting on the finalisation of this land release process.²¹¹ The DIRDC stated that the activities that had been proposed for these sites included tourism activities.²¹²

The SOCI also raised concerns that new principles regarding the clearing of native vegetation, developed by the Department of the Environment and Energy ‘will bottleneck development’²¹³ and could inhibit development of urban zoned areas on Christmas Island.²¹⁴ Phosphate Resources agreed and stated that the Department of the Environment and

²⁰⁸ Mrs Gee Foo, Secretary, Chinese Literary Association of Christmas Island and Operator of Travel Exchange Christmas Island, Christmas Island Air and Le CLA Cafe and Restaurant, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 41.

²⁰⁹ Phosphate Resources Limited, *Submission 84*, p. 2.

²¹⁰ The Hon John McVeigh, Minister for Regional Development, Territories and Local Government, Exhibit 31: *Release of Crown Land on Christmas Island to Stimulate the Local Economy*, Media Release, 23 May 2018.

²¹¹ SOCI, *Submission 77*, p. 11.

²¹² Ms Karly Pidgeon, DIRDC, *Official Committee Hansard*, Canberra, 25 May 2018, p. 2.

²¹³ SOCI, *Submission 77*, p. 6.

²¹⁴ Mr Gordon Thomson, Shire President, SOCI, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 15.

Energy's requirements seem 'to mean that investors purchasing or leasing the [Crown] land will not be permitted to develop it.'²¹⁵

The SOCI further stated that:

... the 65 per cent of Christmas Island that is National Park [should] be protected and resourced adequately to support the unique biodiversity especially in the eradication of invasive species. The balance of the island which is not Commonwealth National Park and is Commonwealth Vacant Crown Land that has been put to the market should not have onerous environmental burdens placed on development.²¹⁶

The Department of the Environment and Energy advised that the new principles are part of a 'draft policy on vegetation clearing', and that it is aware of community concern that the principles may be interpreted as inhibiting development. Further, the Department stated that 'before that particular draft policy is progressed ... we need to look at it, and we need to engage with folks to make sure it is useful and not appearing to shut things down.'²¹⁷

Phosphate Resources advised that, even before the Department of Environment and Energy's requirements were developed, 'the processes for seeking approval to clear native vegetation were complex, time consuming and expensive.'²¹⁸ The IOGTA expressed similar sentiments and stated that the Australian Government 'should ensure that any red and green tape is manageable and reasonable.'²¹⁹

Christmas Island Casino Resort

Christmas Island Casino Resort operated on Christmas Island during the 1990s. Following its closure, Soft Star purchased the Christmas Island Casino Resort in 2000 based on its understanding that the Australian Government would reissue a casino licence. In 2013, Soft Star submitted a

²¹⁵ Phosphate Resources Limited, *Submission 84*, pp 13-14.

²¹⁶ SOCI, *Submission 77*, p. 6.

²¹⁷ Mr Gregory Manning, Assistant Secretary, Assessments and Post Approvals Branch, Environment Standards Division, Department of the Environment and Energy, *Official Committee Hansard*, Canberra, 25 May 2018, pp 11, 17.

²¹⁸ Phosphate Resources Limited, *Submission 84*, p. 14.

²¹⁹ Indian Ocean Group Training Association, *Submission 85*, p. 8.

‘625 page, full and detailed proposal and business plan for the proposed casino operation’ to the Australian Government. Soft Star advised that ‘nearly five years later there has been no result, we are still waiting for the Commonwealth to act.’²²⁰

Soft Star outlined the benefits that the casino could have to tourism, including increased and lower priced flights, opportunities for local businesses, and new opportunities for investors.²²¹ The IOGTA stated that reopening the Casino Resort would provide employment following the closure of the IDC and scaling down of the phosphate mine.²²²

The SOCI also supported the reissuing of the casino licence and stated:

SOCI records our disappointment at the total lack of progress in re-establishing the Casino/Resort on island ... every report of a Parliamentary Committee that has considered the matter has made a recommendation for the issuing of a Casino Licence on Christmas Island. Indeed in 2014 the [Joint Select Committee on Northern Australia] made the recommendation to the Government that a casino re-open on Christmas Island.²²³

The Malay Association of Christmas Island also supported the granting of a casino licence.²²⁴ In contrast, the Islamic Council of Christmas Island did not support the reopening of the Casino.²²⁵

The Australian Federal Police (AFP) advised that reopening the casino may lead to an increase in demand on community policing resources to deal with potential alcohol and drug related incidents, domestic violence and road-related incidents, money laundering, transnational crime and prostitution issues that may arise. The AFP further advised that this may

²²⁰ Soft Star Pty Ltd, *Submission 74*, pp 1-2.

²²¹ Soft Star Pty Ltd, *Submission 74*, p. 4.

²²² Indian Ocean Group Training Association, *Submission 85*, pp 3-5.

²²³ SOCI, *Submission 77*, p. 5.

²²⁴ Malay Association of Christmas Island, *Submission 86*, p. 4.

²²⁵ Islamic Council of Christmas Island, *Submission 88*, p. 1.

have financial implications due to a need to increase the police presence on Christmas Island.²²⁶

Phosphate Resources advised that, whether or not the Australian Government approves a casino licence, a decision needed to be made to end uncertainty. Phosphate Resources further stated that:

A potential investor in tourism accommodation may be hesitant about making any financial commitment in a new resort or the like if there is a chance of tourists being lured away to casino accommodation if a licence is granted.²²⁷

The CITA agreed and stated that the issue ‘must be resolved to enable the resort to reopen or the site to be used for another tourism venture.’²²⁸

The DIRDC advised that it had commissioned KPMG to undertake ‘a comparison of the states and territories legal frameworks for casino operations and to provide recommendations around a best practise model for Christmas Island.’ The DIRDC advised that this process should be completed ‘shortly.’²²⁹

Proposed Developments – Christmas Island

- **Redevelopment of the Settlement Sports Hall:** The SOCI advised that it had submitted an application to the Australian Government’s *Building Better Regions Fund* for the redevelopment of the Settlement Sports Hall. The SOCI stated that it planned to repurpose this as a tourist space and recommended the Government support this project.²³⁰
- **Facilitate development on Gaze Road:** The CITA stated that an investor has purchased land on Gaze Rd to build tourist accommodation, but that ‘after a year or so, the proponent is still waiting on approvals to enable building to commence’.²³¹
- **Flying Fish Cove:** The CITA advised that ‘half [of Flying Fish Cove] and

²²⁶ Commander Amanda Kates, Manager Pacific, International Operations, Australian Federal Police, *Official Committee Hansard*, Canberra, 25 May 2018, p. 35.

²²⁷ Phosphate Resources Limited, *Submission 84*, p. 6.

²²⁸ CITA, *Submission 21.1*, p. 2.

²²⁹ Ms Karly Pidgeon, DIRDC, *Official Committee Hansard*, Canberra, 25 May 2018, p. 7.

²³⁰ SOCI, *Submission 77*, p. 10.

²³¹ CITA, *Submission 21.2*, pp 3-4.

the car park are unusable at the moment due to a landslide in June.’ The CITA recommended the Australian Government create a master plan to ‘create an inviting multi-use space at Flying Fish Cove.’²³²

- **Seek World Heritage Listing:** the CITA stated that ‘a commitment is needed to commence [this] process.’²³³
- **Water access for tourists:** Extra Divers advised that currently, swimmers and snorkelers are forced to use boat ramps to enter the water, which can be dangerous, and that water access that is ‘properly maintained and regulated’ is needed.²³⁴
- **Upgrade the jetty at Flying Fish Cove and the Ethel Boat Ramp:** Extra Divers stated that there is a need to make these safer and more accessible for recreational boats.²³⁵ In the 2018-2019 Budget the Australian Government committed to replacing and upgrading the mooring system at Flying Fish Cove.²³⁶
- **Consideration of the future use of the IDC:** closing in mid-2018, there was uncertainty as to whether the IDC could be used for other purposes. The IOGTA stated that it had inquired whether it could use the disused commercial kitchen, but it was refused.²³⁷

Tourism Infrastructure and Development – Cocos (Keeling) Islands

- **Small scale development and community consultation:** The Cocos Islands Islamic Association recommended any investment on the CKI should be: small scale, involve consultation with the Cocos Malay community, and primarily take place away from Home Island.²³⁸

²³² Ms Lisa Preston, Chairperson, CITA, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 2.

²³³ Ms Lisa Preston, CITA, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 2.

²³⁴ Mr Hiroyuki Yoshida, Manager, Extra Divers Christmas Island, *Official Committee Hansard*, Christmas Island, 29 January 2018, pp 52-53.

²³⁵ Mr Hiroyuki Yoshida, Extra Divers Christmas Island, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 53

²³⁶ Australian Government, ‘Budget Measures 2018-19 – Part 2: Expense Measures’, www.budget.gov.au/2018-19/content/bp2/download/bp2_combined.pdf, Accessed 9 May 2018.

²³⁷ Mr Zhong Xiong Su, Chairperson, Indian Ocean Group Training Association, *Official Committee Hansard*, Christmas Island, 29 January 2018, p. 58.

²³⁸ Mr Haji Adam Anthony, Chief Imam, Persatuan Islam Pulu Cocos (Cocos Islands Islamic Association), *Official Committee Hansard*, Home Island, 31 January 2018, p. 13.

- **Quarantine Station on West Island:** The CIAT recommended the Quarantine Station and its facilities, which are owned by the Australian Government but not operational, be used for tourism purposes such as housing short-term workers and a commercial laundry.²³⁹
- **Basic services:** The Shire of CKI advised that any increase in visitation will have to be supported by increased waste facilities, and water and power capacity, as West Island is already at capacity during the peak tourist season.²⁴⁰
- **Home Island Mosque:** the Cocos Island Islamic Association stated that it was sourcing funding to establish toilets and showers at the Mosque, to enable tourists to use the Mosque as base.²⁴¹
- **Shire Council involvement:** The CIAT recommended the Shire of CKI stimulate tourism by giving longer term leases to businesses, facilitating the establishment of temporary or permanent structures on CKI beaches, and making decisions in a timely manner.²⁴² The Shire of CKI stated that it provides longer term leases for significant investments, and was limited by building regulations regarding building structure on beaches but was looking into the issue.²⁴³
- **Fast track development:** The IOTs Administrator advised that a priority was to 'encourage the Cocos land trust, through the Shire, to continue to identify sites for fast tracked tourism development.'²⁴⁴
- **Relocating the golf course:** the current golf course on West Island crosses the airport runway. The Hender Property Group advised that there was an opportunity to build a golf course on 'Lot 100', which would be 'fantastic for the island.'²⁴⁵
- **Staff Accommodation:** Mr Clunies-Ross advised that there is a need for

²³⁹ CIAT, *Submission 83*, p. 2.

²⁴⁰ Mrs Seriwati Iku, Shire of CKI, *Official Committee Hansard*, Home Island, 31 January 2018, p. 3.

²⁴¹ Mr Mohammed Isa Minkom, Cocos Islands Islamic Association, *Official Committee Hansard*, Home Island, 31 January 2018, p. 17.

²⁴² CIAT, *Submission 83*, p. 3.

²⁴³ Ms Joanne Soderlund, Acting CEO, Shire of CKI, *Official Committee Hansard*, Home Island, 31 January 2018, p. 6.

²⁴⁴ Mrs Natasha Griggs, IOTs Administrator, *Official Committee Hansard*, Home Island, 31 January 2018, p. 10.

²⁴⁵ Mr Michael Campbell Hender, Hender Property Group, *Official Committee Hansard*, Home Island, 31 January 2018, p. 21.

affordable staff accommodation on CKI, and recommended the Australian Government release unused land to the SOCI for this purpose.²⁴⁶

Waste and Asbestos Disposal

The CICS advised a large proportion of federally-built housing on Home Island contains asbestos. The CICS further advised that any waste or asbestos to be disposed of needed to be shipped off island, but that the Australian Government had not taken responsibility for managing the removal of the asbestos from the houses.²⁴⁷ The DIRDC advised that the Shire was currently managing asbestos arrangements. Further, the DIRDC stated that ‘there is an impediment in the current regulations to importing asbestos to Australia for disposal purposes’, and that the Department of Home Affairs and the Department of Jobs and Small Business was looking to amend these regulations to allow for the removal of asbestos from the CKI and importing it to the mainland.²⁴⁸

The Shire of CKI further explained that there was a large pile of gas cylinders and fire extinguishers that had been brought to CKI by the Australian Government, but were no longer in use. The Shire of CKI stated that these items had to be removed from the ground due to risks of chemical leakage, but that it is waiting on a decision by the Australian Government as to whether they could temporarily move them to the Quarantine station.²⁴⁹ The DIRDC stated it was looking at working with the Shire of CKI to organise a ‘one-off large disposal of waste from the islands’.²⁵⁰

Box 6.3 Case Study: Hamilton Island, Queensland

In June 2017 the Joint Standing Committee on Northern Australia visited Hamilton Island to hear from local tourism operators and organisations

²⁴⁶ Mr John Clunies-Ross, *Submission 78*, p. 1.

²⁴⁷ Mr Ron Grant, CICS, *Official Committee Hansard*, West Island, 31 January 2018, pp 15-16.

²⁴⁸ Ms Karly Pidgeon, DIRDC, *Official Committee Hansard*, Canberra, 25 May 2018, p. 6.

²⁴⁹ Ms Joanne Soderlund, Shire of CKI, *Official Committee Hansard*, Home Island, 31 January 2018, p. 4.

²⁵⁰ Ms Karly Pidgeon, DIRDC, *Official Committee Hansard*, Canberra, 25 May 2018, p. 7.

about opportunities to stimulate the tourism industry. The Committee heard accounts of how tourism operators managed the impact of Tropical Cyclone Debbie, challenges associated with attracting and retaining a permanent workforce, and the role of foreign investment in the development of Hamilton Island.

Tropical Cyclone Debbie

On 28 March 2017 Tropical Cyclone Debbie landed on the coast of Qld. The cyclone impacted islands in the Whitsundays including Hamilton and Daydream Islands, as well as the mainland towns of Airlie Beach, Proserpine, Bowen and Collinsville. Major flooding also occurred in southeast Qld and New South Wales.²⁵¹

Tourism operators described differing levels of support from government following the cyclone. The Palm Bay Corporation, a boutique resort on Long Island, stated that it had not received any assistance following the cyclone.²⁵² Explore Group Hamilton Island similarly stated that there had been 'no government support available for a business of [its] size.'²⁵³ Hamilton Island Enterprises (HIE) did receive assistance, but stated that clean-up grants, which were provided by the Australian Government and then allocated by the local council, had been insufficient. The HIE stated that it had been apportioned 30 large skips to remove rubbish, but that it had rubbish that would fill over 100 skips.²⁵⁴

Access to insurance following the cyclone was another concern raised by the HIE. The HIE advised that it had observed 'cartel-like action' among insurance and construction companies and stated:

The insurers came in here when the cameras were around ... and got things going very quickly. As soon as that hullabaloo died down, things have

²⁵¹ Bureau of Meteorology, 'Severe Tropical Cyclone Debbie' www.bom.gov.au/announcements/sevwx/qld/qldtc20170325.shtml, Accessed 13 February 2018.

²⁵² Ms Helen Scott, Director, Palm Bay Corporation, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 13.

²⁵³ Mr David Rose, General Manager, Explore Group Hamilton Island, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 25.

²⁵⁴ Mr Glenn Bourke, CEO, Hamilton Island Enterprises (HIE), *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 7.

slowed down to a crawl. Those incumbent construction companies that are allied or tied to the hip of the insurers have fenced up properties, and we are not seeing a lot of action ... So the whole economy, the whole commercial model of a little island like this is completely hamstrung by the decisions of those entities that are holding the purse strings for the remediation of the properties of Hamilton Island.²⁵⁵

Workforce Issues

Tourism operators in the Whitsundays region, including the HIE and Daydream Island Resort and Spa, stated that they experienced difficulties in attracting and retaining a skilled workforce, due to their remote locations.²⁵⁶ The HIE expressed concern in regard to proposed changes to the Regional Skilled Migration Scheme permanent residency visa eligibility and conditions, and recommended any changes that would impact on Hamilton Island's ability to 'maintain its hard-earned status as a world class holiday destination ... be revised.'²⁵⁷

Foreign Investment

Foreign investment in tourism development on Hamilton Island was described by the HIE as having 'mixed' results. The HIE stated that it was:

... interested in seeing how Chinese investment could help us further develop the islands and the infrastructure here but, on the other [hand], it also probably inflates the price of acquisition of property in the region, and that has some notable impacts as well on domestic investment²⁵⁸.

The HIE further advised that some properties in the region had been purchased by foreign investors, but since then they had 'not moved forward ... in any development capacity.' To prevent this occurring in the future, the

²⁵⁵ Mr Glenn Bourke, HIE, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 7.

²⁵⁶ Mr Warren McCorriston, Director of Operations Daydream Island Resort and Spa, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 8.

²⁵⁷ HIE, *Submission 48.1*, p. 1.

²⁵⁸ Mr Glenn Bourke, HIE, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 2.

HIE considered that:

... due diligence is necessary to make sure that these properties are sold to people who will invest in the short term; otherwise there needs to be some remediation, penalties or something like that.²⁵⁹

Tourism Whitsundays agreed, stating that island resorts in the Whitsundays have been sold and no investment has occurred, which has affected the Whitsunday brand 'enormously.' Tourism Whitsundays recommended that a condition of purchase needs to be that a resort will be invested in and reopened – 'you use it or you don't get it.'²⁶⁰

Box 6.4 Case Study: Great Keppel Island, Queensland

Great Keppel Island is located at the southern end of the Great Barrier Reef and features 17 white sand beaches. A 30 minute ferry ride to Yeppoon connects it to the mainland.

Capricorn Enterprise stated that current tourism businesses on Great Keppel Island include accommodation, water sport operators, and private homes that are rented out. Capricorn Enterprise further stated that, while it had been a 'tough decade' for Great Keppel Island following the closure of the Great Keppel Island Resort, visitor numbers had steadily increased over the past eight years.²⁶¹

The LSC advised that Great Keppel Island could support 'substantially more visitors', giving tourists 'direct access to the southern Great Barrier Reef for swimming, snorkelling and fishing, as well as unique nature-based island adventures.'²⁶²

To stimulate the growth of tourism on Great Keppel Island and the

²⁵⁹ Mr Glenn Bourke, HIE, *Official Committee Hansard*, Hamilton Island, 25 June 2017, p. 2.

²⁶⁰ Mr Craig Turner, CEO, Tourism Whitsundays, *Official Committee Hansard*, Airlie Beach, 26 June 2017, pp 3-4.

²⁶¹ Ms Mary Carroll, CEO, Capricorn Enterprise, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 13.

²⁶² Councillor Frederick (Bill) Ludwig, Mayor, Livingstone Shire Council, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 1.

Capricorn region more broadly, the LSC supported the redevelopment of the Great Keppel Island Resort²⁶³, which is currently listed for sale. Developing the marina along with the Resort would also enable boutique cruise ships to travel to Great Keppel Island.²⁶⁴

The LSC further advised that the Qld Government has committed \$25 million towards connecting Great Keppel Island to mainland water and electricity, and that the LSC was seeking additional funding to support development of Great Keppel Island through the Australian Government's *Regional Growth Fund*.²⁶⁵

The LSC stated that investment in Great Keppel Island will have positive flow on effects for tourism throughout the Capricorn Coast region, as well as increased employment opportunities.²⁶⁶

Concluding Comment

Cultural Tourism

- 6.85 The predecessor Committee's report *Pivot North: Inquiry into the Development of Northern Australia* (Pivot North) identified the development of Aboriginal and Torres Strait Islander businesses and employment as a major opportunity for the north. The Committee reiterates this finding in the context of the tourism industry.
- 6.86 Greater representation of Aboriginal and Torres Strait Islander tourism businesses within existing tourism bodies (such as Tourism Australia) and through the establishment of a regional and/or national peak body for Indigenous tourism would stimulate the development of authentic cultural tourism experiences and products.
- 6.87 Business development assistance could also enable the growth of cultural tourism. A crucial part of this would be providing assistance to individuals

²⁶³ Councillor Frederick (Bill) Ludwig, Livingstone Shire Council, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 1.

²⁶⁴ Ms Mary Carroll, Capricorn Enterprise, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 17.

²⁶⁵ Livingstone Shire Council, *Submission 89*, pp 4-5.

²⁶⁶ Councillor Frederick (Bill) Ludwig, Livingstone Shire Council, *Official Committee Hansard*, Yeppoon, 1 May 2018, p. 1.

or communities who have a tourism business idea but are not equipped to apply for funding, develop a business plan or attract investment.

- 6.88 The Committee was pleased to hear about successful examples of tourism training programs for Aboriginal and Torres Strait Islander people in Northern Australia. These included the National Indigenous Training Academy at Uluru, and training and mentoring programs that are linked to employment outcomes.
- 6.89 The Committee acknowledges and respects the decision to close the climb up Uluru from 26 October 2019. The Committee believes that attention should now turn to the development of new, authentic and unique tourism experiences to ensure visitor numbers are sustained over the long-term in the area. The Field of Light exhibition at Uluru has boosted visitor numbers and is a fantastic example of the type of event that can stimulate tourism in the region.

Nature Based Tourism

- 6.90 Northern Australia's national parks are drawcards for tourists, and private sector investment could increase visitation and improve the visitor experience. Currently, national parks may be managed at the state, territory, or federal level. In addition, some parks are jointly managed with traditional owners. Developing a consistent approach to regulation and private investment across all national parks will simplify processes for potential tourism operators and could therefore attract further investment.
- 6.91 In particular, the Committee considers that examination of opportunities to stimulate investment in Kakadu National Park should be prioritised.

Drive Tourism

- 6.92 Drive tourism was described by one inquiry participant as the 'bread and butter' of tourism in Northern Australia. This is particularly the case for remote regions which are primarily accessed by road. Improving road infrastructure is critical to growing the drive tourist market as discussed in Chapter 4. Further incentives to attract drive tourists, particularly grey nomads, includes the development of scenic drive routes and improving roadside facilities and tourism signage. Streamlining hire car regulation will also make it easier for tourists to drive across state and territory borders.

Industrial Tourism and Educational Tourism

- 6.93 The resources industry is a large employer across Northern Australia. The Committee was pleased to hear from towns and communities that had turned their resource industries into an industrial tourism opportunity. The Committee considers that regions such as the Pilbara in Western Australia could further investigate the potential for industrial tourism.
- 6.94 International students who study in Northern Australia are likely to visit tourist attractions during their time in the north. Further, they may host their family and friends, which creates another potential tourist market. The Committee considers that incentives to encourage international students to study in Northern Australia are worthy of further investigation. In addition, tourism packages for visiting friends and relatives could also attract more international visitors.

Indian Ocean Territories

- 6.95 The Committee was pleased to visit Christmas Island and the Cocos (Keeling) Islands and hear from local residents and organisations about ways to stimulate tourism in this remote part of Australia.
- 6.96 The Committee considers there are a number of outstanding issues the Australian Government should address in order to stimulate tourism in the Indian Ocean Territories (IOTs). This includes deciding the future of government assets, such as the Quarantine Station on the Cocos (Keeling) Islands and the Immigration Detention Centre on Christmas Island. Further, the government should outline its strategy to remove asbestos from Commonwealth built housing on Home Island.
- 6.97 Cabotage is a major inhibitor to tourism growth in the IOTs. The IOTS are much closer to Indonesia than mainland Australia and it makes economic sense for a foreign airline to fly a triangular route from Asia to Christmas Island and the Cocos (Keeling) Islands.
- 6.98 *Pivot North* and a number of reports of the Joint Standing Committee on the National Capital and External Territories have recommended the Australian Government facilitate the reopening of the Christmas Island Casino Resort. The Committee reiterates this recommendation and notes the extensive length of time over which this issue has remained unresolved. The Committee strongly urges that without delay the Australian Government reissue a casino licence to Christmas Island Resort to provide certainty for the future of tourism.

- 6.99 The reopening of the Casino Resort is critical to the economic future of Christmas Island, particularly in the context of the imminent closure of the Immigration Detention Centre and scaling down of phosphate mining operations and the expected resulting loss of employment. Further delay in the reopening of the Casino Resort would also lengthen the reconstruction period and cost of repairs that are needed, as the asset will continue to depreciate over time.

Hamilton Island

- 6.100 The Committee commends the resilience of tourism operators on Hamilton Island and within the Whitsunday region more broadly, who worked tirelessly to continue to operate following the devastation caused by the recent Tropical Cyclone Debbie.
- 6.101 The Committee heard that some resorts in the Whitsundays have been sold to private investors but were subsequently never reopened or developed. The closure of a major resort on one of these islands can have a devastating effect on other local businesses. The Committee considers that there may be a need to ensure investors who purchase large assets in this region will develop and open them in the short term.

Great Keppel Island

- 6.102 The Committee heard that the reopening of the Great Keppel Island Resort could stimulate tourism on Great Keppel Island and the Capricorn Coast more broadly. The Committee was pleased to hear that the state government was working to connect Great Keppel Island to mainland services, and that an application had been made to the Australian Government to support the development of Great Keppel Island.

Recommendation 22

- 6.103 The Committee recommends the Australian Government, in partnership with the Northern Territory, Queensland and Western Australia Governments facilitate and fund the establishment of a peak body for Northern Australia representing Aboriginal and Torres Strait Islander tourism operators. This body should work with Tourism Australia and state and territory tourism bodies to develop a strategy for the development of cultural tourism in Northern Australia.**

Recommendation 23

- 6.104 The Committee recommends Tourism Australia work with Indigenous Business Australia to re-establish the Indigenous Tourism Champions Program.**

Recommendation 24

- 6.105 The Committee recommends the Department of the Prime Minister and Cabinet consider expanding the scope of its Indigenous Ranger projects to include opportunities to support the tourism industry in remote areas.**

Recommendation 25

- 6.106 The Committee recommends the Australian Government review business development programs to ensure they stimulate the creation and growth of Aboriginal and Torres Strait Islander tourism businesses in Northern Australia.**

Recommendation 26

- 6.107 The Committee recommends that (in recognition of the closure of the climb up Uluru) the Australian and Northern Territory Governments consult and work with traditional owners to consider and implement options to increase tourist visitation to Uluru (for example, through events and/or new tourism experiences).**

Recommendation 27

- 6.108 The Committee recommends that Parks Australia be given increased funding to improve infrastructure within National Parks. Infrastructure in Kakadu National Park should be upgraded as a priority, to stimulate private investment and improve access for tourists.**

Recommendation 28

- 6.109 The Committee recommends Parks Australia and its state and territory counterparts establish an agreed and consistent regulatory approach to the consideration of investment in national parks, including private-public partnerships.**

Recommendation 29

- 6.110 The Committee recommends the Australian Government, in partnership with the Northern Territory, Queensland, and Western Australia Governments implement a trial of the harmonisation of regulatory arrangements regarding hire cars, to assist in stimulating the drive tourism market.

Recommendation 30

- 6.111 The Committee recommends that cabotage restrictions be lifted for the Indian Ocean Territories.

Recommendation 31

- 6.112 The Committee strongly and urgently recommends the Australian Government reissue a licence to enable the Christmas Island Casino Resort to re-open.

Recommendation 32

- 6.113 The Committee recommends the Australian Government develop and implement plans (in consultation with local residents) for the following assets on the Indian Ocean Territories (including consideration of their potential to support the tourism industry):
- the Immigration Detention Centre on Christmas Island following its expected closure in mid-2018; and
 - the Quarantine station on the Cocos (Keeling) Islands.

Recommendation 33

- 6.114 The Committee recommends the Australian Government as a matter of urgency commit to removing asbestos from Commonwealth built, owned and privately sold infrastructure on the Indian Ocean Territories (including residential properties) and other dangerous and toxic materials (such as gas cylinders and fire retardant canisters) as soon as possible.

Hon Warren Entsch MP

Chair

21 June 2018

A. Submissions

- 1 Dr Freya Higgins-Desbiolles
- 2 Tourism Central Australia
 - 2.1 Supplementary to submission 2
- 3 SeaLink
 - 3.1 Supplementary to submission 3
- 4 Ninti One Limited
- 5 Savannah Way Limited
- 6 City of Karratha
- 7 *Confidential*
- 8 Kakadu Tourism
 - 8.1 Supplementary to submission 8
- 9 Tourism Top End
- 10 Northern Territory Airports
 - 10.1 Supplementary to submission 10
- 11 Darwin Major Business Group
- 12 Cairns Convention Centre
- 13 Ecotourism Australia
- 14 Parks Australia
 - 14.1 Supplementary to submission 14
 - 14.2 Supplementary to submission 14
 - 14.3 Supplementary to submission 14

- 14.4 Supplementary to submission 14
- 15 Tourism Tropical North Queensland
- 16 Mr Michael Sitzler
- 17 Australian Regional Tourism Network
- 18 Darwin Convention Centre
- 19 Cape York Sustainable Futures
- 20 Outback Queensland Tourism Association
- 21 Christmas Island Tourism Association
 - 21.1 Supplementary to submission 21
 - 21.2 Supplementary to submission 21
- 22 Capricorn Enterprise
- 23 Northern Territory Government
 - 23.1 Supplementary to submission 23
- 24 Charles Darwin University
 - 24.1 Supplementary to submission 24
- 25 Miss Belinda Ciurleo
- 26 Rockhampton Regional Council
- 27 East Kimberley Marketing Group
- 28 Cook Shire Council
- 29 Shire of Halls Creek
- 30 Australia's North West Tourism
- 31 Telstra Corporation Limited
- 32 Virgin Australia
- 33 Kimberley Ports Authority
- 34 Mr Rob Lapaer
- 35 Dr Liz Hanna and Mr Clem Davis
- 36 North Queensland Airports
- 37 Townsville Enterprise Limited
- 38 Royal Automobile Club of WA Inc.

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- 39 Department of Industry, Innovation and Science
- 39.1 Supplementary to submission 39
- 40 Queensland Government
- 41 Queensland Tourism Industry Council
- 42 Broome Chamber of Commerce & Industry
- 43 Australian Conservation Foundation
- 44 Tourism Australia
- 45 Western Australian Indigenous Tourism Operators Council
- 46 Northern Regional Development Australia Alliance
- 46.1 Supplementary to submission 46
- 47 Department of Infrastructure and Regional Development
- 47.1 Supplementary to submission 47
- 48 Hamilton Island Enterprises
- 48.1 Supplementary to submission 48
- 49 *Confidential*
- 50 Tourism Port Douglas and Daintree
- 51 Daydream Island Resort and Spa
- 52 Douglas Shire Council
- 53 Gascoyne Development Commission
- 54 Ngurratjuta/Pmara Ntjarra Aboriginal Corporation
- 55 Indigenous Business Australia
- 56 Australian Hotels Association NT
- 56.1 Supplementary to submission 56
- 57 *Confidential*
- 58 Northern Land Council
- 59 Great Barrier Reef Marine Park Authority
- 60 Qantas Airways Limited
- 61 Melaleuca on Mitchell
- 62 Wildlife Management International Pty

- 62.1 Supplementary to submission 62
- 63 Tourism Western Australia
- 64 Professor Ross Dowling OAM
- 65 Wunambal Gaambera Aboriginal Corporation
- 66 Indigenous Land Corporation - Voyages
 - 66.1 Supplementary to submission 66
- 67 Environs Kimberley Inc.
- 68 Shire of Broome
- 69 Australian Caravan Club
- 70 Accommodation Association of Australia
- 71 Shire of Exmouth
- 72 PB Advisors Pty Ltd
- 73 Cocos Islands Cooperative Society Ltd
- 74 Soft Star Pty Limited
- 75 Ms Patricia Power
- 76 Indian Ocean Experiences
- 77 Shire of Christmas Island
- 78 Mr John Clunies-Ross
- 79 Mr Dennis Jones
- 80 Mrs Gee Foo
- 81 Administrator Indian Ocean Territories
 - 81.1 Supplementary to submission 81
 - 81.2 Supplementary to submission 81
- 82 Cocos Islands Islamic Association
- 83 Cocos Islands Adventure Tours
- 84 Phosphate Resources Limited
- 85 Indian Ocean Group Training Association
 - 85.1 Supplementary to submission 85
- 86 Malay Association of Christmas Island

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- 87 Cocos Seaview Apartments and Cocos Autos and Car Rentals
- 88 Islamic Council of Christmas Island
- 89 Livingstone Shire Council
- 90 Cassidy Hospitality Group
- 91 Australian Federal Police
- 92 *Confidential*
- 93 Department of Home Affairs

B. Exhibits

- 1 Department of Infrastructure and Regional Development
Northern Australia Roads and Beef Roads Programmes, Map, Department of Infrastructure and Regional Development;
a) Tourism Projects in Northern Australia, Map, Department of Infrastructure and Regional Development
- 2 Cape York Sustainable Futures
Cape York Tourism Sub-Regions map;
a) Cape York Journeys map
- 3 Ecotourism Australia
ARTN, Local Government Spend on Tourism;
a) *Draft Manifesto, Australia's Nature-Based Tourism Manifesto;*
b) *Maintaining Australia's Natural Wealth—Priorities for Terrestrial Conservation;*
c) *Deloitte Access Economics, At What Price? — The economic, social and icon value of the Great Barrier Reef, Executive Summary; and*
d) *Ecotourism Australia*
- 4 Douglas Shire Council
Wet Tropics Management Plan Review Submission to the Wet Tropics Management Authority.
- 5 Remote Area Planning and Development Board (RAPAD)
RAPAD, Pathfinder Project, Final Report, July 2017 and Smart Central Western Queensland, A digitally enabled community strategic plan.

- 6 Larrakia Development Corporation
Larrakia Community and Cultural Centre—Functional Brief
- 7 Airbnb
Deloitte Access Economics, *Economic effects of Airbnb in Australia*
- 8 Tourism Central Australia
Brochure: *The Outback Way: Australia's Longest Shortcut*
- 9 Northern Territory Government
Deloitte Report 2017: *Our Economic Future – Increasing Private Sector Investment to Grow Territory Jobs: Northern Territory Economic Development Framework*
- 10 Tourism Top End
Tourism Advisory Council and Deloitte: *Get out of Your Own Way: Unleashing Productivity in the Tourism and Hospitality Sector*
- 11 Melaleuca on Mitchell
Presentation, Northern Territory Government: *International backpacker and youth travel trends, year ending March 2017*
- 12 Nyamba Buru Yawuru
Documents: *Yawuru, Mabu Buru—Healthy Country, Mabu Ngarrungunil—Strong Community*
- 13 Broome Visitor Centre
Broome Visitors Guide, Issue 17: August – November 2017
- 14 Environs Kimberley
Map: *Marine Parks in the Kimberley*
- 15 Wunambal Gaambera Aboriginal Corporation
Wunambal Gaambera—*Healthy Country Plan, A plan for looking after Wunambal Gaambera Country*
a) *Uunguu Visitor Management Plan (March 2014)—Uunguu Visitor Pass*
- 16 Ningaloo Coral Bay
Recent developments at Coral Bay Research Station
- 17 Professor Ross Dowling OAM

- Tourism Australia, *Indigenous Tourism Champions: Trade Fact Sheets*, June 2017
- 18 Environs Kimberley Inc.
Document: *The Natural Values of Northern Australia*
a) Murdoch University, *The Economic Benefits of Creating a 'World Class' Great Kimberley Marine Park*, October 2015
b) Curtin University of Technology, *Kimberley Whale Coast Tourism: a Review of Opportunities and Threats*, August 2010
- 19 Australian Caravan Club
Australian Caravan Club, *2015 Club Wide Survey Findings*
a) Australian Caravan Club, *Breakdown of Daily Spend*
- 20 Caravan and Camping Industry Association NSW
Caravan Industry Association of Australia, *Analysis of Australia's international caravan and camping market*, June 2017
a) Caravan Industry Association of Australia, *Economic Benefit Report: Commercial and Non-Commercial Camper Spend Patterns*
- 21 Airlines for Australia and New Zealand
AVDATA Australia: *Airport charge rates summary*, as at 18 October 2017
- 22 *Confidential*
- 23 Administrator of the Territories of Christmas Island and the Cocos (Keeling) Islands
Presentation: Background briefing for JSCNA on IOTs Tourism Opportunities and Challenges
- 24 Shire of Christmas Island
Settlement Sports Hall Redesign – Christmas Island Discovery Centre, Settlement Sports Hall Refurbishment Preliminary Design Concept
a) *Settlement Sports Hall Refurbishment Preliminary Design Concept (A3 Format)* May 2017
b) *Virgin Australia 2017 Review on Indian Ocean Territories Operations*, January 2018

- 25 Parks Australia
 Director of National Parks, *Pulu Keeling National Park Management Plan 2015-2025*
 a) Director of National Parks, *Christmas Island National Park Management Plan 2014-2024*
 b) Parks Australia, *Christmas Island National Park Visitor Experience Plan, 2016-2018*
- 26 Indian Ocean Group Training Association
 Various Documents - *A Picture of Success: 1996-1997 Taxation Data, 36 Casinos on Indian Ocean Islands, the Case for a Casino near Jakarta, Java Island in 2025*
 a) Presentation - *Settlement Sports Hall Redesign – Christmas Island Discovery Centre, Settlement Sports Hall Refurbishment Preliminary Design Concept*
- 27 *Confidential*
- 28 *Confidential*
- 29 Livingstone Shire Council
 Livingstone Shire Council *Invest Capricorn Coast Region Economic Development Plan – Summary, 2018*
 a) Livingstone Shire Council, *Invest Capricorn Coast Region Economic Development Plan, 2018*
- 30 Capricorn Enterprise
Capricorn Coast: Lifestyle & Visitor Guide
 a) *Southern Great Barrier Reef: Where Great Begins*
 b) Capricorn Enterprise, *2016/17 Annual Report*
- 31 Department of Infrastructure, Regional Development and Cities
 Media Release, *Message from the Minister – Release of Crown Land on Christmas Island to Stimulate the Local Economy*, Hon. John McVeigh MP, Minister for Regional Development, Territories and Local Government, dated 23 May 2018
 a) Map of sites for sale and map of sites for lease

C. Hearings, Private Briefings and Witnesses

Public Hearings

Friday, 17 February 2017 - Canberra

Entrepreneurs' Programme for Tourism, Northern Australia

- Mr Campbell Charlton, Sector Director
- Mr Graham Poon, Business Facilitator, Australian Business Solutions Group

Department of Industry, Innovation and Science

- Mr Mark Coffey, Head, Office of Northern Australia
- Mr Frank Tonkin, A/g General Manager, Business Management Branch, AusIndustry - Innovation Programmes

Department of Infrastructure and Regional Development

- Ms Pip Spence, A/g Deputy Secretary
- Mrs Christina Garbin, Director, North West Roads
- Ms Stephanie Werner, General Manager, Maritime and Shipping Branch
- Mr Andrew Johnson, General Manager, Policy Development Unit
- Ms Ann Redmond, A/g General Manager, Aviation Industry Policy

Department of the Environment and Energy

- Ms Sally Barnes, Director of National Parks, Parks Australia
- Mr Steve Wroe, Director of Customer Experience and Destination Planning, Parks Australia

Tourism Australia

- Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry

Sunday, 25 June 2017 - Hamilton Island*Hamilton Island Enterprises*

- Mr Glenn Bourke, Chief Executive Officer
- Mrs Sherri Meade, Legal Counsel
- Mr Matt Boileau, General Manager – Hotels and Resorts

Daydream Island Resort and Spa

- Mr Warren McCorriston, Director of Operations

Palm Bay Corporation

- Ms Helen Scott, Director
- Mr Daryl Henwood, Director

Whitsunday Island Camping Connection

- Mrs Sandra Pavey, Co-Owner and Director

Explore Group Hamilton Island

- Mr David Rose, General Manager

Monday, 26 June 2017 – Airlie Beach*Tourism Whitsundays*

- Mr Craig Turner, Chief Executive Officer

Whitsunday Coast Chamber of Commerce

- Mr Allan Milostic, President

Bowen Tourism and Business

- Mrs Jennifer Honnery, Sales and Marketing Coordinator
- Mrs Kerrie Hammond, Board Member

Whitsunday Segway Tours

- Mr Zak Kelly, Co-owner

Mackay Tourism

- Mr Tas Webber, General Manager

Renegade Fishing Charters

- Mr Luke Griffiths, Owner and Director
- Mrs Allira Griffiths, Owner and Director

Collinsville Connect Telecentre, Collinsville Coalface Experience and Collinsville Pit Pony Experience

- Ms Sue Clark, Coordinator/Manager

Girudala Community Cooperative Society

- Mrs Michelle Hooke, Chief Executive Officer
- Mrs Sara Brewster, Project Administrator

Monday, 3 July 2017 - Port Douglas*Douglas Shire Council*

- Councillor Julia Leu, Mayor
- Ms Linda Cardew, Chief Executive Officer
- Mr Brendan Leishman, Senior Community and Economic Development Officer

Douglas Chamber of Commerce

- Mr Wade Greasley, President
- Mr Martin Tranter, Vice President

Tourism Port Douglas and Daintree

- Ms Tara Bennet, Executive Officer

Port Douglas Steam Train Company (Bally Hooley Railway)

- Mr John Morris, Director
- Ms Wendy Morris, Associate

Quicksilver Group

- Mr Tony Baker, Managing Director, Quicksilver Group
- Mr Michael Healy, Group Director, Sales and Marketing

Cook Shire Council

- Councillor Peter Scott, Mayor
- Ms Sally Eales, Team Leader Tourism and Community Services
- Ms Katherine Hams, Economic Community Development Officer, Wujal Wujal Aboriginal Shire Council

Projects Global

- Mr Steven Moon, Managing Director

Daintree Marketing Cooperative

- Mr Mark Hober, Director, Daintree Marketing Cooperative
- Ms Sheena Walshaw, Managing Director, Jungle Surfing Canopy Tours
- Ms Abigail Ralph, Manager, Daintree Discovery Centre
- Mrs Patricia Forsyth, Red Mill House Daintree Bed and Breakfast

Tuesday, 4 July 2017 - Cairns*Tourism Tropical North Queensland*

- Mrs Pip Close, Chief Executive Officer
- Ms Wendy Morris, Board Member

Savannah Way Limited

- Mr Russell Boswell, Manager

Advance Cairns

- Mr Kevin Byrne, Chief Executive

Cape York Sustainable Futures

- Mr Neville Dunn, Member, Tourism Advisory Committee
- Ms Kathryn Ann (Kate) Sutcliffe, Member, Tourism and Regional Development Committee

North Queensland Airports

- Mrs Helen Laird, Corporate Communications Manager

Cairns Convention Centre

- Mr Ross Steele, General Manager

Australian Conservation Foundation

- Mr Graham Tupper, Northern Australia Program Manager
- Mr Roger de Vos, General Manager, Culture Connect
- Ms Debbie Symonds, Chief Executive Officer, Olkola Aboriginal Corporation

Queensland Rail

- Mr Martin Ryan, Executive General Manager, Travel and Tourism
- Mr Robert McCartney, Operations Manager, North Queensland

Wednesday, 5 July 2017 - Townsville*Port of Townsville Limited*

- Ms Sharon Hoops, Manager, Corporate Affairs

Townsville Enterprise Limited

- Ms Bridget Woods, Director, Tourism and Events
- Mr Ross McLennan, Operators Manager/Owner, Hidden Valley Cabins

SeaLink Queensland

- Mr Chris Briggs, General Manager, North Queensland

Northern Regional Development Australia Alliance

- Mr Frank Beveridge, Acting Chair
- Ms Glenys Schuntner, Chief Executive Officer, Regional Development Australia Townsville and North West Queensland Inc

Great Barrier Reef Marine Park Authority

- Dr Simon Banks, General Manager, Great Barrier Reef Operations
- Mr Bruce Elliot, General Manager, Biodiversity Conservation and Sustainable Use
- Dr Kirstin Dobbs, Director, Environmental Assessment and Protection, Biodiversity Conservation and Sustainable Use
- Mr Fred Nucifora, Acting Director, Tourism and Stewardship

Townsville City Council

- Councillor Les Walker, Deputy Mayor
- Mr Richard James Holliday, Manager, Economic Development

Townsville Airport (Queensland Airports Limited)

- Mr Kevin Gill, Chief Operating Officer, Regional Airports
- Ms Isabelle Yates, General Manager, Commercial, Regional Airports,

James Cook University

- Associate Professor Laurie Murphy, College of Business, Law and Governance

Thursday, 6 July 2017 - Brisbane*Outback Queensland Tourism Association*

- Mr Peter Homan, General Manager

Queensland Tourism Industry Council

- Mr Daniel Gschwind, Chief Executive
- Ms Sophia Robson, Executive Shadow Intern to Mr Gschwind

Remote Area Planning and Development Board (RAPAD)

- Councillor Rob Chandler, Mayor, Barcaldine Regional Council and Chair of RAPAD
- Councillor Tony Martin, Longreach Regional Council
- Councillor Andrew Martin, Mayor, Blackall-Tambo Regional Council

Ecotourism Australia

- Mr Rod Hillman, Chief Executive

Outback Highway Development Council

- Ms Helen Lewis, General Manager

Sunday, 23 July 2017 - Yulara*Voyages Indigenous Tourism Australia*

- Mr Andrew Williams, Chief Executive Officer
- Mr Bob Harvey, Executive General Manager, Indigenous Employment and Training
- Mr Manfred Pieper, Executive General Manager, Operations
- Mr Raymond Stone, Executive General Manager, Sales Marketing and Distribution

Professional Helicopter Services

- Mr Nick Kelly, Area Manager, Northern Territory, Professional Helicopter Services

Ayres Rock Helicopters

- Mr Ian Wallace, Base Manager

Uluru–Kata Tjuta National Park, Parks Australia

- Mr Michael Misso, Park Manager
- Mr Steven Baldwin, Park Operations, Visitor and Tourism Services Manager

Parks Australia

- Mr Geoff Bailey, Assistant Secretary

AAT Kings

- Mr John Gornall, Northern Territory Manager
- Miss Beth Hendy, Day Tours Supervisor

Monday, 24 July 2017 - Alice Springs*Alice Springs Town Council*

- Councillor Damien Ryan, Mayor

Tourism Central Australia

- Mr Stephen Schwer, Chief Executive Officer

Indigenous Business Australia

- Mr Jonathan Kneebone, Manager, Investor Relations

Araluen Cultural Precinct

- Dr Mark Crees, Director

Alice Springs Desert Park

- Mr Paul Ah Chee, Director

Ngurratjuta/Pmara Ntjarra Aboriginal Corporation

- Mr Cameron Miller, Chief Executive Officer
- Ms Amy McArdle, Senior Project Manager

- Mr Conrad Ratara, Director

Thursday, 27 July 2017 - Darwin

Northern Territory Department of Tourism and Culture

- Mr Alastair Shields, Chief Executive Officer
- Ms Valerie Smith, General Manager, Destination Development

Northern Land Council

- Mr Jonathan McLeod, Manager, Regional Development Unit

Kakadu Tourism

- Mr Hugo Johnston, Owners Representative and Asset Manager

Tourism Top End

- Mr Trevor Cox, General Manager
- Ms Rachel Beaumont-Smith, Vice-Chair
- Mr Graeme Lewis, Treasurer

Darwin Major Business Group

- Mr David Christian, Member
- Mr Michael Sitzler, Member
- Ms Janet Hamilton, Member
- Mr Chris Bigg, Secretariat

Darwin Convention Centre

- Ms Janet Hamilton, General Manager

Northern Territory Airports

- Miss Victoria Moore, Aviation Projects Consultant
- Mr Chris Bigg, Policy Adviser

Charles Darwin University

- Professor Simon Maddocks, Vice Chancellor and President

Crococaurus Cove

- Miss Penny Eckel, Assistant Manager

Value Inn and YHA Melaleuca on Mitchell

- Mrs Sheena Matthews, General Manager

Parks Australia

- Mr Geoff Bailey, Assistant Secretary

Larrakia Development Corporation

- Mr Nigel Browne, Chief Executive Officer

Airbnb

- Mr Brent Thomas, Head of Public Policy, Australia and New Zealand

Monday, 21 August 2017 - Broome*Broome Shire Council*

- Mr Harold Tracey, Deputy President
- Mr Sam Mastrolembro, Chief Executive Officer
- Ms Kirsten Wood, Manager, Planning and Building
- Ms Aletta Nugent, Director, Development and Community

Nyamba Buru Yawuru

- Mrs Debra Pigram, Chairperson
- Mr Peter Yu, Chief Executive Officer
- Mr Howard Pedersen, Policy Adviser

Broome Chamber of Commerce and Industry

- Mr Peter Taylor, President
- Ms Jael Napper, Chief Executive Officer

Broome Tourism Leadership Group

- Mr James Brown, Chairman

Cruise Broome

- Mr Shayne Murray, Chairman

East Kimberley Marketing Group

- Mr Michael McConachy, Chair

Kimberley Land Council

- Mr Anthony Watson, Chairman
- Mr Tyronne Garstone, Deputy Chief Executive Officer

Australia's North West Tourism

- Mr Glen Chidlow, Chief Executive Officer
- Mr Darren Banfield, Board Member

Broome Visitor Centre

- Mr David Galwey, Chairperson
- Ms Gail Gower, Board Member
- Mrs Melanie Virgo, Special Projects Manager

Kimberley Ports Authority

- Mr Kevin Schellack, Chief Executive Officer

Ardi Indigenous Tourism Operators

- Mr Robert Sibosado, Chairperson

Shire of Halls Creek

- Ms Bronwyn Little, Director, Strategic Planning

Yawuru Jarndu Aboriginal Corporation

- Ms Lyn Yu-Mackay, Chairperson
- Ms Adele Peek, Director

Tuesday, 22 August 2017 - Broome*Broome International Airport*

- Mr Paul McSweeney, Chief Executive Officer
- Ms Kimberley Krenz, Commercial Manager

Environs Kimberley

- Mr Andrew Pritchard, Director
- Mr Jason Fowler, Marine Projects Officer

Kimberley Quest

- Ms Clare Marquis, General Manager, Kimberley Quest

Goombaragin Eco Retreat

- Ms Kathleen Cox, Owner and Operator
- Mr John McLennan, Owner and Operator

Kooljaman

- Ms Erica Thompson, Manager
- Mr Brian Lee, Director

Wunambal Gaambera Aboriginal Corporation

- Ms Catherine Goonack, Chairperson
- Mr Bevan Stott, General Manager

Great Escape Charter Company

- Ms Kylie Bartle, General Manager and Owner

True North Adventure Cruises

- Mr Chad Avenell, General Manager

Kimberley Accommodation Group

- Ms Danielle Hart, Managing Director

Saltwater Hotels Resorts

- Mr Paul Coggan, General Manager and Director

Wednesday, 23 August 2017 - Perth*Tourism WA*

- Ms Derryn Belford, Executive Director, Destination Development
- Mrs Louise Scott, Executive Director, Strategy, Brand and Marketing Services

Tourism Council WA

- Mr Evan Hall, Chief Executive Officer

Events Industry Association

- Ms Cassandra Brennan, President
- Mr Hugh Singe, Director

Western Australian Indigenous Tourism Operators Council

- Ms Tahn Donovan, Chairperson
- Mr Robert Taylor, Chief Executive Officer

Royal Automobile Club of Western Australia

- Mr Tony Pickworth, Executive General Manager, Brand and Tourism
- Mr Will Golsby, General Manager Corporate Affairs

Curtin University Sustainability Policy Institute

- Professor Dora Marinova, Director

ADAMS Pinnacle Tours

- Mr Graeme Skeggs, Tourism Services Manager

Edith Cowan University

- Professor Ross Dowling OAM, Foundation Professor of Tourism

Ningaloo Coral Bay

- Mr Alistair Brogan, Director

Thursday, 14 September 2017 - Canberra*Australian Caravan Club*

- Mr Tom Smith, Deputy Chairman
- Mr Graeme Tree, Director Treasurer

Big4 Holiday Parks of Australia

- Mr Theo Whitmont, Director
- Mr Greg McKinnon, Shareholder

Australian Hotels Association, Northern Territory Branch

- Mr Des Crowe, Chief Executive Officer

Thursday, 19 October 2017 – Canberra*Australian Trade and Investment Commission (Austrade)*

- Mr Rob Donnelly, A/g Executive Director, Tourism, Investment, Education and Programs
- Mr Dan Williams, A/g General Manager, Tourism
- Mr Chris Rees, A/g General Manager, Northern Australia
- Ms Emma McDonald, A/g Senior Investment Specialist, Tourism

Shire of Exmouth and Exmouth Chamber of Commerce and Industry

- Mr Cameron Woods, Chief Executive Officer, Shire of Exmouth

- Mr Barry Sullivan, Chair, Exmouth Chamber of Commerce and Industry
- Mr David Parker, Director, Government and Public Affairs, Quadrant Energy

Friday, 20 October 2017 – Canberra

Airlines for Australia and New Zealand

- Professor Graeme Samuel, Chairman
- Dr Alison Roberts, Chief Executive Officer

Regional Aviation Association of Australia

- Mr Mike Higgins, Chief Executive Officer

Department of Infrastructure and Regional Development

- Mr Stephen Borthwick, A/g Executive Director
- Ms Ann Redmond, A/g General Manager, Aviation Industry Policy

City of Karratha

- Mr Chris Adams, Chief Executive Officer

PB Advisors Pty Ltd and Broome Marina Ltd

- Mr Martin Peirson-Jones, Chairman, Broome Marina Ltd
- Mr Tony Proctor, Principal, PB Advisors Pty Ltd

Thursday, 7 December 2017 – Canberra

Civil Aviation Safety Authority

- Dr Jonathan Aleck, General Manager, Legal Affairs, Regulatory Policy and International Strategy

Northern Territory Airports

- Mr Ian Kew, Chief Executive Officer
- Mr Chris Bigg, Policy Adviser

Monday, 29 January 2018 – Christmas Island

Christmas Island Tourism Association

- Ms Lisa Preston, Chairperson
- Ms Kirsty Faulkner, Committee Member

Administrator of the Territories of Christmas Island and the Cocos (Keeling) Islands

- Mrs Natasha Griggs

Shire of Christmas Island

- Mr Gordon Thomson, Shire President
- Mr David Price, Chief Executive Officer

Christmas Island and Pulu Keeling National Parks, Parks Australia

- Mr Scott Suridge, Manager
- Mr Robert Muller, Chief Ranger
- Ms Tricia Ho, Administration Officer

Phosphate Resources Limited

- Mr Clive Morris Brown, Chairman
- Mr Nicholas Gan, Commercial and Business Development Manager

Union of Christmas Island Workers

- Mr Gordon Thomson, General Secretary

Islamic Council of Christmas Island

- Mr Gregory McIntosh, President

*Mrs Gee Foo, Secretary of Chinese Literary Association of Christmas Island and Operator of Travel Exchange Christmas Island, Christmas Island Air and Le CLA Café and Restaurant**Christmas Island Resort (Soft Star Pty Ltd)*

- Mr Michael Asims, Business Development Manager

Sunset, VQ3 Lodge and Cocos Padang Lodge

- Mr Dennis Jones, Director

Extra Divers Christmas Island

- Mr Hiroyuki Yoshida, Manager

Indian Ocean Group Training Association

- Mr (Chris) Zhong Xiong Su, Chairperson
- Mrs Jody Adams, Acting General Manager

Wednesday, 31 January 2018 – West Island, Cocos (Keeling) Islands*Cocos (Keeling) Islands Tourism Association and Visitor Centre*

- Mr Ashley James, Chairperson
- Ms Stephanie Hagenbrock, Tourism Manager

Cocos Islands Adventure Tours

- Mrs Kylie James, Director
- Mr Ashley James, Director

Cocos Islands Cooperative Society

- Mr Ron Grant, Chief Executive Officer
- Mrs Seriwati Iku, Director

*Mr John George Clunies-Ross***Wednesday, 31 January 2018 – Home Island, Cocos (Keeling) Islands***Shire of Cocos (Keeling) Islands*

- Mrs Seriwati Iku, Shire President
- Ms Joanne Soderlund, A/g CEO
- Councillor Shane Charlston

Administrator of the Territories of Christmas Island and the Cocos (Keeling) Islands

- Mrs Natasha Griggs

Cocos Islands Islamic Association (Persatuan Islam Pulu Cocos)

- Mr Haji Adam Anthony, Chief Imam
- Mr Mohammed Isa Minkom, President

Hender Property Group

- Mr Michael Hender, Director

Cocos Artisans Collective

- Mr Anthony Lacy, Sole Trader
- Mr Osman Macrae, Casual Employee

Tuesday, 1 May 2018 – Yeppoon

Livingstone Shire Council

- Mayor Frederick (Bill) Ludwig
- Ms Debra Howe, Director, Strategic Growth and Development

Rockhampton Regional Council

- Mr Chris Ireland, Manager, Regional Development and Promotions
- Mrs Aimee Bartlett, Tourism Coordinator

Capricorn Enterprise

- Ms Mary Carroll, Chief Executive Officer

Cassidy Hospitality Group

- Mr Grant Cassidy, Managing Director

Friday, 25 May 2018 – Canberra

Department of Infrastructure, Regional Development and Cities

- Ms Karly Pidgeon, General Manager, Indian Ocean Territories Branch
- Ms Ruth Wall, Acting Executive Director, Territories Division

Department of the Environment and Energy

- Mr Gregory Manning, Assistant Secretary, Assessments and Post Approvals Branch, Environment Standards Division
- Mr Chris Videroni, Director, Major Projects West Section, Assessments and Post Approvals Branch, Environment Standards Division

Tourism Australia

- Ms Karen Halbert, Executive General Manager, Corporate Affairs, Government and Industry

Department of Industry, Innovation and Science

- Mr Mark Coffey, Head, Office of Northern Australia
- Mr Cam Charlton, Tourism Sector Director, Entrepreneurs' Programme
- Ms Jennifer Kay, General Manager, Business Management Branch, Entrepreneurs' Programme

Department of Home Affairs

- Mr Michael Willard, Assistant Secretary, Global Mobility

Australian Federal Police

- Commander Amanda Kates, Manager Pacific

Private Briefings**Thursday, 16 February 2017 - Canberra***Inland Queensland Roads Action Plan Working Group*

- Mr Rick Britton, Mayor, Boulia Shire Council
- Mr Tom Gilmore, Joint Deputy-Chair, IQ-RAP Working Group
- Mrs Jane McNamara, Mayor, Flinders Shire Council
- Mr Michael Roth, Head of Public Policy, RACQ
- Ms Glenys Schuntner, Secretariat, IQ-RAP Working Group

Outback Highway Development Council Inc

- Mr Patrick Hill, Chairman
- Mrs Helen Lewis, General Manager

Thursday, 8 February 2018 – Canberra*Inland Queensland Roads Action Plan Working Group*

- Councillor Rick Britton, Chair
- Councillor Tom Gilmore, Joint Deputy-Chair
- Councillor Jane McNamara, Joint Deputy-Chair
- Ms Glenys Schuntner, Secretariat