



Australian Government

Department of Industry
Tourism and Resources
Tourism Division



Tourism on the Move

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Up front



There has been a lot of activity since the launch of the Tourism White Paper last November. Five new significant programs have been announced, advisory and planning groups have been meeting

regularly, we have produced an updated multimedia presentation, are on the verge of announcing the all-new **Brand Australia**, and recently introduced the Tourism Australia Bill into Federal Parliament.

The **Australian Tourism Development Program** was launched earlier this month. The Tourism White Paper's largest grant program, it gives Australia's tourism operators an added opportunity to provide Platinum tourism experiences so that tourists stay longer and see more of Australia. I urge tourism organisations to review the program guidelines at www.ausindustry.gov.au and submit an application by 1 June 2004.

And finally, we received some good news earlier this month with figures showing seven months of consecutive growth plus a significant increase in tourist accommodation commencements.

I look forward to working with you all in the industry to build on these good results as the Tourism White Paper continues to be rolled out over the coming months.

Joe Hockey

MINISTER FOR SMALL BUSINESS AND TOURISM

White Paper DVD and information kits available



Images from the new DVD, as seen on the Adelaide Oval big screen during its premiere viewing at the launch of the Australian Tourism Development Program

The new tourism multimedia presentation, *Platinum Australia, A Strategy for Tourism*, provides a concise overview of the key initiatives and measures contained in the Tourism White Paper. It is suitable for all interested audiences, including industry and educational institutions.

The Department of Industry, Tourism & Resources has also collated a Tourism White Paper information pack. Providing a full set of fact sheets and other materials about White Paper initiatives, the information kits are an ideal resource for distribution at seminars, conferences and other information-sharing sessions.

Enquiries about information packs, or requests for a copy of the new multimedia presentation, in either DVD, CD-Rom or video format, can be directed to whitepaper@industry.gov.au.

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Tourism White Paper: five months on

It has been five months since the Prime Minister officially launched the \$235 million *Tourism White Paper, a Medium to Long Term Strategy for Tourism*. Almost two years in the making, the Tourism White Paper marked the largest ever funding package for tourism, and initiated the most significant reforms for Australia's tourism industry since the 1960s.

Program announcements

Five significant programs have already been announced:

- 12 December 2003: \$3.8 million **Indigenous Tourism Business Ready Program** launched in Cairns;
- 13 February 2004: \$2 million **national, voluntary tourism accreditation framework** announced in Perth;
- 5 March 2004: **Tourism Impact Model** launched in Townsville;
- 18 March 2004: \$4.6 million **Tourism and Conservation Initiative** launched in Darwin;
- 6 April 2004: \$24 million **Australian Tourism Development Program** launched in Adelaide.

Australian Tourism Development Program (ATDP)

The Tourism White Paper's largest grant program, the ATDP provides access to cash grants for tourism operators across Australia for the development of new tourism products and services.

The ATDP grants will enhance both visitor dispersal to more regional areas and tourism expenditure throughout Australia, while contributing to long-term economic growth of many regions. It provides an incentive for Australia's tourism regions to cooperate and take a more strategic approach to developing tourism markets.

The ATDP will subsume the existing Regional Tourism Program—in addition to providing support for regional projects and integrated



The Hon Trish Worth MP, Member for Adelaide, and Mr Graham Perry, CEO of See Australia, enjoy the launch of the ATDP at Adelaide Oval

development initiatives across Australia's regions, it will provide support for tourism in metropolitan areas.

Tourism White Paper—groups

A number of White Paper-related groups have been established to roll out the White Paper initiatives:

- Tourism White Paper Industry Implementation Advisory Group (IIAG), chaired by Minister Hockey, which advises the Minister on implementation of White Paper initiatives;

Two specialist groups report to the IIAG to provide advice and assistance on specific subject areas. They are:

- IIAG: Yield Working Group
- IIAG Research and Statistics Working Group;
- Tourism Australia Structural Reform Group: provides advice on key transitional and governance issues;

- Tourism Australia Structural Reform Group: provides advice on corporate governance and other matters;
- Australian Government Inter-Departmental Committee: established to provide seamless White Paper implementation across all government departments.

Looking forward

- establishment of **Tourism Australia**: Tourism Australia Bill 2004 introduced 1 April 2004;
- launch of the new **Brand Australia**: scheduled for 18 May;
- Tourism White Paper Implementation Plan: to be published in the near future. Be watching next issue for the full update on these exciting components of White Paper roll-out.

For comprehensive, up-to-date information on the Tourism White Paper, see: www.tourism.gov.au

Landmark agreement coordinates European marketing

In a landmark agreement, the Australian Tourist Commission (ATC) and State and Territory Tourism Organisations (STOs) have formed a new partnership to re-shape tourism trade and marketing programs across Europe.

The new initiative, Tourism Australia (Europe), will see the ATC and STOs combine resources in Europe to drive one marketing strategy for building Australia's share of inbound tourism from Europe.

Tourism Australia (Europe) aims to ensure a streamlined approach between the ATC

and STOs, to better align marketing activities and operations, and reduce duplication and overlap in an increasingly competitive world tourism market. It will deliver one strategic direction for all tourism marketing programs including trade, consumers and media.

Key benefits of the initiative include:

- an agreed overall marketing strategy for Australia by the ATC and STOs;
- improved ability to reach European consumers, travel trade, media and distribution systems in a consistent way;

- improved ability to focus on new markets and niches;
- increased market growth, product dispersal and development for agreed segments;
- continuation of resources in-market for STOs, known as 'Destination Specialists', with dual responsibilities to Tourism Australia (Europe) and their representative entity.

Implementation for Tourism Australia (Europe) has already commenced, with the model to be fully operational by 1 July 2004.

Forecasts to 2013 predict good news

Forecasts released 29 April 2004 by the Tourism Forecasting Council covering the period 2004 to 2013 suggest an improved outlook for Australian tourism activity compared to the estimates released in December 2003. This is partly driven by expectations of stronger global economic growth, increased price competition in tourism-related products and services over the short to medium term, and some rebound from the effects of SARS in 2003.

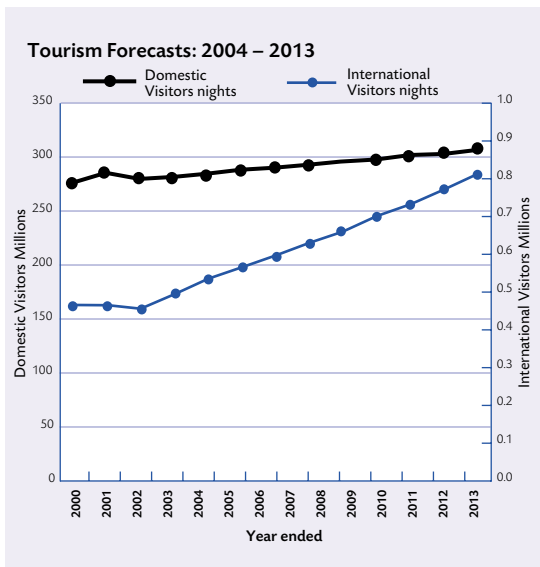
Key forecasts are:

- 1 international visitor arrivals are expected to grow by 9.9 per cent to 5.2 million visitors in 2004, and increase at an average annual rate of 6.3 per cent over the forecast period to 2013;
- 2 domestic tourism activity (visitor nights) is expected to show subdued growth of 0.9 per cent in 2004, and average annual growth of one per cent over the forecast period; and
- 3 outbound tourism is expected to rebound by 12.1 per cent growth in 2004, after a decline of 2.1 per cent in 2003.

The forecasts provide estimates for international visitor arrival numbers from overseas countries, tourism export earnings, domestic tourism (number of visitor nights), and Australian resident departures to their main destination.

Modelling framework upgraded

Work has recently been completed on a major upgrade to the econometric modelling framework that forms the basis of the forecasts.



The upgrade will be beneficial to businesses, investors and planners. It provides more robust estimates about likely tourism trends within each year (such as the SARS impact during the course of 2003), and will be less reliant on qualitative assessments to produce the final forecasts.

The new framework also provides the basis for developing detailed tourist expenditure forecasts for international and domestic travellers, as well as expenditure estimates for these travellers across 13 Australian regions.

The new model was used to generate the forecasts just released, which are available at www.industry.gov.au/tfc.

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Manage risks and development needs with new reports

The APEC International Centre for Sustainable Tourism (AICST), a multinational research consortium developed by the Department of Industry, Tourism and Resources with the Sustainable Tourism CRC for the APEC Tourism Working Group, has released two reports addressing tourism issues in the Asia-Pacific region. The reports, which were prepared collaboratively by a range of universities under the AICST research network, aim to provide information to governments and industry to assist with sustainable tourism development in the region.

Released in January 2004, *Development Needs of Small to Medium (SME) Size Tourism Businesses* examines the business development needs of tourism SMEs focusing on human resource development, access to finance and information, market development and technology sharing. This was followed by *Tourism Risk Management for the Asia-Pacific Region: An Authoritative Guide for Managing Crises and Disasters*, which identifies strategic ways in which to deal with a broad range of threats (natural and man-made events) that could affect the tourism industry.

For more information about AICST, or to obtain copies of the reports, contact +61 7 3870 7595 or email info@aicst.org

Tourism business tool benefits local governments

Tourism regions around Australia are benefiting from the Tourism Impact Model developed for local governments by the Australian Government.

Launched by Minister Hockey in Townsville on 5 March, the model builds upon several key initiatives of the Tourism White Paper, and aims to assist local governments to better manage tourism budgets.

The Tourism Impact Model comes with regional-specific information, which means that councils are able to gain relevant information to assist with future tourism planning decisions. The model can help identify issues and priorities as well as job needs, which will make the business of delivering services for tourists streamlined and efficient. Local governments using the Tourism Impact Model will better understand the value of tourism for their budget bottom line and for their communities.

Minister Hockey told the invited guests at the launch that delivery of services and investing in infrastructure for tourists is a growing and important role for many councils, especially where tourism is a major contributor to the local economy.

"The beauty of this model is the adaptability for local use," said Andrew Robbins, Economic and Tourism Officer of Temora Shire Council.



Minister Hockey demonstrates the Tourism Impact Model at the launch

Approximately 620 councils throughout Australia have now received a free copy of the Tourism Impact Model. Feedback has confirmed that it is helping councils estimate the impact of tourism on their budgets. As it is developed on Microsoft Excel, councils are finding the program user-friendly during the planning stage.

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Eating-out business gets into action

The Parliamentary Secretary to the Minister for Industry, Tourism and Resources, the Hon Warren Entsch, together with Restaurant & Catering Australia and 100 industry and government representatives, recently enjoyed an array of fine foods at the launch of *The Business of Eating Out*—an Action Agenda for Australia’s Restaurant and Catering Industry.

The Business of Eating Out was launched at Zinc Restaurant in Federation Square during the Melbourne Food and Wine Festival on 29 March 2004. It addresses restaurant and catering businesses that predominately trade in sit-down and catered meals.

The Parliamentary Secretary spoke of the significant role that restaurant and catering plays in Australia’s economy as a builder of small businesses, as a major employer, as an attractor of tourists and as a major purchaser and consumer of local food products. He thanked all those responsible to date in the Action Agenda’s development, in particular Restaurant and Catering Australia, and members of the Strategic Industry Leaders Group and associated working groups.

The Action Agenda was developed following an extensive consultation process that identified a number of issues. These have been addressed through the development of strategies around the following five key Action Agenda themes—better business; education employment and training; workplace relations; marketing and

promotion; and technology and innovation.

Priority issues for the Action Agenda are:

- development of a strong national industry body that can effectively represent the industry at the national level;
- a workplace relations environment that better reflects the nature of the industry;
- high quality training that is suited to industry needs and helps build a more skilled and professional industry;
- a superannuation system that balances the interests of all parties;
- improved standards of business management;
- more effective marketing and promotion of the industry; and
- regulation of the industry that strikes a better balance between flexibility and responsibilities (including reform of unfair dismissal laws).

The Action Agenda now moves to its implementation phase. Industry continues



Parliamentary Secretary the Hon Warren Entsch MP (centre) celebrates at the launch of the Action Agenda with Mr Con Castrisos, Chair of the Action Agenda’s Implementation Group (left) and Mr Peter Doyle OAM, President of Restaurant & Catering NSW (right)

to take the lead and has established an implementation group and a marketing and promotion taskforce that have been charged with bringing the Action Agenda recommendations to fruition.

Copies of the Action Agenda, which details the 31 recommendations, can be accessed through the Department’s website:

www.industry.gov.au

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New campaigns bring Australia to Asia

The Australian Tourist Commission (ATC), in conjunction with State and Territory Tourist Organisations (STOs), has launched a new wave of campaigns aimed at promoting Australia throughout Asia.

The campaigns, featuring television, magazine, newspaper, outdoor and bus advertising, kicked off in March in China, Hong Kong and Malaysia. They target a variety of travellers, from young couples and over 50s, to families and luxury travellers.

In Singapore, the annual ‘Celebrate Australia’—a joint initiative between the ATC, Austrade and the Australian High Commission—showcased all aspects of contemporary Australian lifestyle, enticing Singaporeans to experience Australia firsthand.

The month-long March program included more than 20 events, from visual and performing arts, Australian fashion previews, award-winning chefs and dining experiences, to an Australian Film Festival and an Australian education fair.

Last year’s ‘Celebrate Australia 2003’ campaign was awarded Gold for the Best Tourism Campaign and Best Event Marketing Campaign at the Promotion Marketing Awards of Asia 2003.

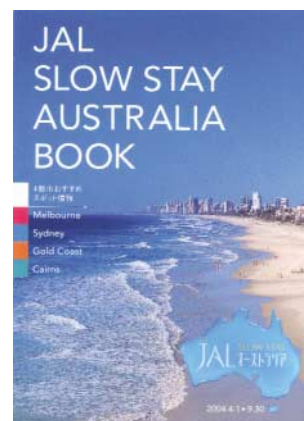
In Japan, the ATC is working with JAL (Japan Airlines) on the new JAL ‘Slow Stay’ Australia campaign, targeting Japanese women in their late 20s and 30s. The campaign promotes Australia as a unique ‘Slow Stay’ destination, offering Japanese travellers the opportunity to enjoy a holiday of rejuvenation and satisfaction, free from the pressures and responsibilities of their everyday life. A number of Japanese celebrities feature in the campaign.

The ‘Slow Stay’ campaign will include magazine and radio advertising, radio promotions, advertorial features, station billboards, a JAL in-flight video, an Australia ‘Slow Stay’ Style Book and an online component.

For more information about the ATC’s marketing campaigns, visit www.atc.australia.com



Australian Tourist Commission advertising from the latest series of campaigns.



Tourism and Conservation Initiative – a working solution

Wet weather wasn't enough to dampen enthusiasm at the launch of the Tourism and Conservation Initiative in March 2004, by Warren Entsch MP, the Parliamentary Secretary to the Minister for Industry, Tourism and Resources.

A \$4.6 million funding initiative from the Tourism White Paper, the Tourism and Conservation Initiative supports the development of tourism operations while also delivering conservation outcomes that protect the environment.

In launching the program, Mr Entsch said that the Initiative encourages the forming of partnerships between tourism operators, conservation groups and Indigenous organisations to explore areas of joint investment, jobs growth and sustainable tourism development.

It provides a positive and strong message that it is possible to protect the environment, while utilising the opportunity it presents to provide employment and prosperity to regional communities.

The Initiative aims to encourage the development of business models that make positive contributions to the environment and provide sustainable tourism infrastructure.

The Tourism and Conservation Initiative is a comprehensive approach to addressing tourism

and conservation issues. Funding will be provided for projects that emphasise partnerships between tourism and conservation oriented groups, new data and research will help gain a better understanding of the inter-relationship of tourism and parks, and a cooperative approach will be used to make park regulations more compatible with tourism needs.

Mr Entsch took the opportunity at the launch to recognise the work of the Great Barrier Reef Marine Park Authority, conservation groups and tourism operators who have worked together during the last year to address many important issues affecting the future tourism viability of the Great Barrier Reef.

"Australia is a land of unique flora and fauna, with spectacular landscapes that attract large numbers of international visitors to our country each year and encourage domestic tourists to take a break from capital cities and experience regional and remote areas. This Initiative aims to expand nature-based tourism products for the increasing number of tourists," Mr Entsch said.

"It will help develop methods to protect our environment, while providing industry with greater certainty to develop new, and improve existing, nature-based tourist attractions."



The Hon Warren Entsch MP, Parliamentary Secretary to the Minister for Industry, Tourism and Resources, launching the Tourism & Conservation Initiative

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Australia on show at Australian Tourism Exchange 2004

Preparations are well underway for the Australian Tourism Exchange (ATE) 2004—the largest tourism trade event in the Southern Hemisphere and the most important event in Australia's tourism calendar.



The buzz of ATE 2003—the largest tourism trade event in the Southern Hemisphere

ATE will be staged at the Melbourne Exhibition and Convention Centre (MECC) in 2004, from 29 May to 4 June.

Hosted by the Australian Tourist Commission (ATC) in conjunction with Tourism Victoria, ATE is set to attract more than 1800 Australian delegates from 900 companies and around 700 key overseas tourism wholesalers from almost 50 countries.

For more information on ATE, visit www.tradeevents.australia.com

China to feature at symposium

The China Approved Destination Status (ADS) Joint Monitoring Group has held several meetings recently to progress actions in the China market. The rollout of the ADS expansion to new regions in China is well underway, while timelines are being developed for the application process for Australian operators seeking to work in the ADS group tourism sector. The Group is also looking at the next stage of the itinerary auditing process for Australian ADS operators.

Details on these initiatives, along with other China market issues, are featuring in a number of workshops and seminars being held at the Australian Tourism Export Council's annual symposium on the Gold Coast (27–30 April).

For more information, visit <http://www.atec.net.au/symposium>



Team Australia Business Events Educational 2004

The Australian business tourism sector was on show in Hong Kong in March at the sixth annual Team Australia Business Events Educational (TABEE) 2004. The event consisted of tabletop workshops, information sessions and other events showcasing Australia's capabilities in the business tourism sector.

Over 54 corporate end users and 54 travel agents from the meetings and incentives sector

Kym Cheatham, Manager for Business Tourism, Northern Territory Convention Bureau (right) chats to a Hong Kong local at TABEE 2004

throughout Asia attended the educational event.

TABEE aims to maintain Australia's presence in the Asian business tourism market and develop new Asian business for Australian destinations and product. By facilitating relationship-building between buyers and sellers in a structured business environment, the event aims to improve the international buyer's knowledge and understanding of Australia as a business tourism destination.

For more information, visit www.atc.australia.com

Compliance taskforce targets 'shonky' operators

The newly formed Compliance Taskforce is a group that brings together representatives of Australian, Queensland and NSW government agencies that have an interest in the unethical activities of inbound tourism operators and related shopping outlets. The taskforce has been convened to address concerns that these activities, in addition to providing a low-quality experience for tourists, may also be in contravention of Commonwealth or State legislation (for example, fair trading and taxation).

The taskforce is chaired by the Department of Industry, Tourism & Resources and includes representatives from the Australian Tourist Commission, the Department of Immigration and Multicultural and Indigenous Affairs; the Department of Employment and Workplace Relations; the Australian Competition and Consumer Commission; the Australian Taxation Office; Australian Federal Police; the Australian Customs Service; and the Tourism, Fair Trading agencies and Police Forces of both the Queensland and NSW Governments.

The taskforce's initial charter is to determine the extent of illegal activities undertaken by problem operators. Once this has been confirmed, the objective will be to seek prosecutions. In so doing, it will demonstrate to industry and overseas clients how serious Australia is about removing the offending operators from the Australian market.

The first meeting of the taskforce was held in Canberra on 23 March 2004, with the next meeting scheduled for July.

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Tourism White Paper bulletins provide regular news

Conveniently delivered via email, the *Tourism White Paper Update* is your monthly snapshot of White Paper progress. Additionally, the *IIAG Communiqué* provides information on outcomes from meetings of the Industry Implementation Advisory Group (IIAG), which is the key industry group charged with advising Minister Hockey on the implementation of White Paper initiatives. To review past issues, take the links from www.tourism.gov.au; and to join the mailing list for either bulletin, email: whitepaper@industry.gov.au

Aviation agreements spread tourism's wings

Australia has recently signed new Air Services Agreements with a number of countries, which will work to provide positive stimulus for tourism growth from a number of Australia's most important markets.

Most recently, successful negotiations with Hong Kong will establish a strategic hub in North Asia, to help develop tourism from some of Australia's key markets-including China, the United Kingdom and Europe.

The Agreement, signed 15 April 2004, provides for doubling of capacity over the next two years between Australia and Hong Kong, and provides for open capacity between Hong Kong and all regional points in Australia, including Cairns and Adelaide. It also presents opportunities for expansion into European markets and the United Kingdom.

Under the revised arrangements, which will provide significant new opportunities for both Qantas and Cathay Pacific to increase services, the Hong Kong Government has also designated Dragonair to operate to Australia.

Dragonair, with its extensive network of flights into the Chinese mainland, will assist with the growth of the Australia-Chinese market. While China is currently Australia's seventh-largest market, it is expected to become one of the top three by 2013, with a target by then of one million Chinese visitors into Australia.

According to the Minister for Industry, Tourism and Resources, Ian Macfarlane MP, this Agreement is the culmination of several years work and negotiation, which was achieved through a whole-of-government approach led by Transport Minister John Anderson.

The Agreement is the latest in a series of developments in air services arrangements-including those with the United Arab Emirates, Korea and the People's Republic of China. Emirates recently announced that it will



Dragonair's A320 Airbus, part of the fleet expected to begin flights into Australia in 2005

begin offering double services four days a week between Dubai and Sydney from November 2004, and will increase this to a double daily service from March 2005. These arrangements are expected to assist tourism growth from countries in the Middle East, as well as from Africa, Europe, the Mediterranean and the sub-continent.

Following bilateral air services negotiations held with Korea on 3 and 4 March 2004, Korean Airlines also now has unrestricted access to regional Australia. Airlines from both countries can operate an additional 1400 seats each way every week, and from March 2005, seats are set to increase by a further 1100 to Sydney, Melbourne, Perth and Brisbane.

In addition, a new Air Services Agreement with the People's Republic of China was signed in Canberra on 23 March 2004. Negotiated during talks in Beijing in July last year, the Agreement formalises valuable new rights for Australian airlines, providing for unrestricted passenger services between Australia's regional international gateways and all airports in China. The new arrangement also gives Australian airlines new rights to carry passengers beyond China.

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Tourism on the Move brings news on highlights of the Government's Policy Program for Tourism, bi-monthly. *Tourism on the Move* is available online at www.tourism.gov.au
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